

The Private Rented Scheme and Rent Deposit Bond Scheme

A guide for landlords



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What is the rent deposit bond scheme?

The rent deposit bond scheme is where Mole Valley District Council assists clients with a deposit for a property in the private rented sector.

What is a bond?

A bond is a letter of promise to you from Mole Valley District Council on behalf of the tenant. This is instead of providing you with a monetary amount.

How much will the bond cover?

The bond will usually cover the equivalent of a property's monthly rent. This rent will first be assessed by an independent rent officer to ensure that it is a reasonable level.

What will the bond cover?

The bond will cover everything that a normal monetary deposit will cover. This includes any damages to the property (which cannot be classed as reasonable wear and tear) or any rent arrears.

Why should I consider taking a tenant and deposit bond from Mole Valley Council?

There are a number of benefits to you from renting your property through our private rented scheme.

- A rent deposit bond is exempt from the Tenancy Deposit Scheme regulations that came into force in April 2007. You will therefore not have to register your property with the scheme.
- Any tenant successfully nominated to your property will be visited within a fortnight of first moving into the property to ensure that the tenancy has begun smoothly.
- At this first visit an assessment will be made to establish how frequently subsequent sustainment visits will occur. These are visits to the property by the Council's tenancy sustainment officer to

ensure that the property is being cared for. Sustainment visits will be undertaken for the first year of the tenancy.

- Any Housing Benefit claimants will be fast-tracked through the system if you have taken the tenant through the bond scheme.
- We can provide independent free legal advice and assistance on any aspect of the tenancy.

What will the tenants be like?

We will ask you what household size you would like to consider for your property. Your tenants may be working or looking for work, or in some cases they may not be able to work for medical reasons. Some people may have suffered a breakdown in their relationship with friends or family, whilst others may simply be looking to move from their current address to another property. There is no one type of household.

Will I be able to meet the household before I agree to having them as tenants?

Yes. If you do not wish to then accept the household as tenants you are under no obligation to do so.

What sort of rent level will I be able to achieve?

When you first enquire about the scheme you will be asked by our private rented sector officer the size of the property and its location. The officer will then be able to give you an indicative level of rent that you may be able to achieve. This figure will be the Local Housing Allowance figure. If the tenant is not working, or on a low income, it is this amount that will be considered by Housing Benefit when calculating any assistance that they may give to the rent.

To find out more about the Local Housing Allowance, please ask for the leaflet

entitled **Private Renting and the Local Housing Allowance** which is available from the Council offices.

What length of tenancy must I grant?

The minimum length of tenancy is 6 months. If you wish to grant a longer tenancy then we are happy to oblige.

Can I get help with the tenancy agreement?

In some circumstances we can assist you with this if you have not rented properties before. There is no extra charge for this service.

What will I be expected to provide?

The Private rented sector Officer will need to see and have copies of the following documents;

Proof of property ownership.

- A CORGI registered Gas Safety Certificate
- An electrical safety certificate
- An Energy Performance Certificate
- Smoke Alarms / carbon monoxide detectors fitted at each floor level
- Carpet or other floor coverings
- The installation of fridge/freezer, cooker and washing machine is recommended

How do I get the bond?

Once the Council is happy that the tenant can afford the rent, a bond letter is issued to you. No money changes hands, so despite the new Tenancy Deposit Scheme which came into force on 6th April 2007, there is no obligation for you to register the deposit. Before the bond letter is sent the tenant will be asked to sign a bond form. This form states that they will let the Council know if they are asked to leave or choose to leave the property. It also confirms that if at the end of the tenancy we need to pay money to you, the tenant understands that we will recover these monies from them.

What happens at the end of the fixed term of the tenancy?

If the tenancy continues after the fixed term our bond promise will also continue.

How will I claim back money from the deposit bond?

As the bond agreement is between the Council and the landlord, you do not have to try and claim monies from the tenant at the end of the tenancy. Should the tenancy be brought to an end for any reason you must let the Private Rented Sector officer know if you wish to claim any monies from the deposit bond. Evidence will be needed of any damages or rent arrears for audit purposes. On provision of evidence the Council will then agree whether the bond can be claimed against. It is therefore imperative that a comprehensive inventory has been undertaken at the beginning of the tenancy and that a check-out is arranged at the end of the tenancy.

If any damage has occurred to the property quotes for reparatory work will be required so that the Council can pay money from the deposit. We will not be able to recommend any firms or services to carry out this work. At least two quotes will be required to ensure that the costs are fair. The Council will then pursue the tenant for reimbursement but this will not impact upon you.

What if the deposit bond does not cover the amount which I wish to claim?

As with any other private rented tenancy, you are able to pursue any costs above the deposit level through the small claims court. Details of this procedure are available from the Housing Needs team at the Council.

Does the Council provide any tenancy management or sustainment?

We do not manage the tenancy but do conduct sustainment visits. Within a fortnight of the tenant first moving into the property they will be visited by our tenancy sustainment officer. The officer will check that the move has gone smoothly and assess how often the tenant will be visited. This varies per household and is subject to an

continued overleaf

assessment process. These sustainment visits are compulsory and should the tenant not comply with the visits you will be informed. The sustainment visits give the officer an opportunity to ensure that the property is being cared for and gives you and the tenant an opportunity to raise any issues or concerns that you have with the tenancy.

We will only commit to sustainment visits for the first year of the tenancy. Any visits after this period will be considered on a case by case basis.

Sustainment visits do not remove any responsibility from you for managing the tenancy. Regular property inspections are critical.

What about Inventories?

If you do not use an inventory company we will insist that an inventory is completed by the independent firm that we use. No deposit bond will be agreed without an inventory having been undertaken. There is currently no cost for this service and it includes inventory, check-in and check-out.

What should I do if I am interested in renting my property through the Council's scheme?

Contact the Private Rented Sector Officer, Keith Cook on 01306 879151 or e-mail keith.cook@molevalley.gov.uk

Alternative formats

If you would like this document in another format or language please visit the Council's main reception in Dorking or the Leatherhead HelpShop. Alternatively you can contact us by:

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