

EHDC Tenancy Bond & Deposit Scheme Procedure

In 1994 the Council set up a Tenancy Scheme for the use of applicants accepted as homeless under the legislation of the Housing Act 1985, and subsequently the Housing Act 1996 Part VII.

In light of the Homelessness Reduction Act 2018, the Scheme has undergone further improvements.

This new act focuses on a statutory duty to help prevent applicants from losing their home. It also proposes a greater use of accommodation in the private rented sector, as a primary solution for applicants who are facing homelessness.

1. Scheme Purpose

The purpose of the scheme is to assist residents of East Hampshire (or those with a Local Connection as defined in the Housing Act 1996) who are faced with homelessness, to obtain suitable rented accommodation in the private sector.

2. Access to the Scheme

The Tenancy Bond/ Deposit Scheme requires authorisation from the Housing Manager.

Applicant Criteria

- The applicant must have a local connection with district of East Hampshire. (The criteria as above are set out in the 'Code of Guidance' as stated under the Housing Act 1996)
- The applicant must fall into a priority need category (The criteria as above are set out in the 'Code of Guidance' as stated under the Housing Act 1996)
- To access the scheme an applicant must not owe a debt to East Hampshire District Council (EHDC). However as an exception, consideration may be given to an applicant if they are engaged in an active repayment plan to reduce this debt.
- A Bond/ Deposit will only be granted to an applicant for a suitable property, following an Affordability Assessment by a Housing Advisor.
- Any decision to accept an applicant onto the Tenancy Bond/Deposit Scheme is subject to the discretion of EHDC.

3. The Tenancy Bond/ Deposit Process

Property Criteria

- It is the responsibility of the applicant to find a suitable property to rent through an agent/landlord who is prepared to take part in the Tenancy Bond/Deposit Scheme. (However the ALO is actively building relationships with the private sector, and the Housing Advisors will signpost to properties when possible.)
- The property must be in a suitable state for occupation. A Private Sector Housing Officer may inspect any property let by private landlords. (HHSRS –Housing Health and Safety Rating System inspection)
- A schedule of condition must be carried out by all parties concerned to ensure that everyone is aware of the state of the property concerned.
- The property should be priced at a rate deemed affordable for the applicant, as established in the 'Affordability Assessment'.



Party Agreements

- The agent must be prepared to sign the Bond/Deposit documentation before the money can be released.
- The agent/landlord must also agree to ensure that any deposit paid for tenancies starting after 06 April 2007 will be protected in accordance with the requirements of the Housing Act 2004. This allows 30 days to protect the funds as a result of the Localism Bill 2011.
- The deposit should be held showing EHDC as having a third party interest and any unclaimed Deposit should be returned to EHDC at the end of the tenancy.
- The applicant must be prepared to sign an agreement to say that at the end of the tenancy agreement, the tenancy deposit must be returned to EHDC.
- The tenant must sign an agreement that states if any monies are claimed on the Bond/ Deposit by the agent as a result of damage caused by the applicant or loss of rental income; this will be recharged to the applicant. Any failure to repay this debt could result in legal action and may impact the applicants Hampshire Home Choice status.
- A Bond or Deposit will be offered to an applicant for an initial 3 month period only. After this period has passed applicants circumstances will need to be reviewed and we will consider if it is appropriate to extend the offer of assistance through the scheme.
- In cases where part of a Deposit is paid by the applicant themselves any claim on the Bond/Deposit at the end of a tenancy, should be made against these funds in the first instance.
- Once a Bond/Deposit has been issued this will remain active for the term of the tenancy.

Landlord Responsibilities

It is the Landlords' responsibility to provide EHDC with the following before the tenant moves into the property failure to do this will result in the bond being void;

- 1) A current annual Gas Safety Certificate carried out by a 'Gas Safe' registered engineer ,where there is a supply of gas to the property;
- 2) An energy performance certificate;
- 3) Installation of working smoke alarms at least one on each floor;
- 4) Supply of a mains or battery operated audible Carbon Monoxide (Co) Detector where there is a gas supply.

It is the Landlord's/Tenant's responsibility to keep these up to date.

4. Deposit/Bond Documentation

Once a landlord/agent has agreed that a tenancy will be granted to the prospective tenant, and the Bond/Deposit assistance has been authorised by the Housing Manager, the documents can be drawn up.

- To ensure that the Bond/Deposit Documentation is drawn up correctly the following should be confirmed by email or post by the landlord/agent:
 - 1) The full address of the property to be let, including postcode.
 - 2) The full name and address of the landlord/agent, to be featured on the Bond Document.
 - 3) Contact telephone numbers and email address to use for ongoing correspondence.
 - 4) Provision of the current Gas Safety Certificate for the property, or confirmation that there is no Gas supply.
 - 5) The total rent charged per month for the property.
 - 6) The intended tenancy start date.
 - 7) Financial requirements to secure the tenancy, (please show the value of each and what date the payment is required by);

- a. Fees
 - b. Holding Fees
 - c. Deposit or Bond value
 - d. Rent in Advance
- 8) Full bank details for where the funds should be paid (e.g. Bank Name, Branch, Account holders name, Account number, Sort Code).
- 9) Confirmation that the landlord/ agent are willing to accept a Deposit/ Bond by participating in the Tenancy Bond/ Deposit Scheme.
- 10) Confirmation that the landlord/agent is willing to allow the Private Sector Housing Team to complete a HHSRS (Housing Health and Safety Rating System inspection) if required.
- In most cases the Tenancy Bond/ Deposit documents will be emailed to the landlord/agent to arrange signing with the prospective tenant to ensure this process is as quick as possible.
 - The original document signed by all parties is required to be returned by hand or post.
 - No funds will be released until the signed Bond/Deposit Documentation has been returned, with the following if they have not been provided beforehand:
 - i. A copy of the Gas Safety Certificate or confirmation that there is no gas supply
 - ii. A copy of the Energy Performance Certificate
 - Once funds have been released and/or the tenant has moved in the following information becomes due immediately if again this has not already been provided beforehand;
 - i. A signed copy of the Tenancy Agreement
 - ii. A copy of the Inventory
 - iii. DPS Certificate
 - The Bond/Deposit Scheme will then start with an 8 week check, and 6 monthly reviews.

The Accommodation Liaison Officer is available for both the landlord/agent and tenant to contact for ongoing support and advice during the term of the tenancy.

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