



## **Information for Landlords and Letting Agents**

### **About the Rent Bond Guarantee Scheme**

Perth and Kinross Council is committed to working in partnership with local private landlords in order to actively promote a dynamic and successful private rented sector with the capacity to provide sustainable and affordable housing opportunities.

The Rent Bond Guarantee Scheme has been developed to assist prospective tenants who may have difficulty accessing private rented accommodation either because they are unable to meet a landlord's requirement for a cash deposit or because they are reliant on Local Housing Allowance (Housing Benefit).

Prospective tenants that have been accepted onto the scheme may approach landlords directly to express an interest in a vacant property. In this situation, a tenant will be in possession of an acceptance letter confirming their acceptance on to the scheme.

Alternatively, where landlords make properties available to the scheme, we will nominate suitable prospective tenants for the landlord's consideration. In either case, the landlord will have the final say in terms of the selection of the tenant.

### **What is a Bond?**

The Bond is not a transfer of cash. It's a written guarantee from the council in lieu of a cash deposit that is issued on behalf of the tenant. The guarantee enables the landlord to make a claim on the Bond from Perth & Kinross Council should there be any damage, theft or rent arrears at the conclusion of the tenancy. The Bond Guarantee will have a value that is equivalent to one months rent and will be valid for 12 months.

During the initial 12 months, the tenant will be expected to save the cash value of the Bond and transfer this amount to the landlord either on an ongoing basis or at the point where the Bond expires. Perth & Kinross Council can collect the deposit instalments and lodge the deposit with Safe Deposit Scotland on your behalf if you wish. In this case when the tenancy comes to an end you would be required to advise the Council of your repayment proposals submitting a claim against the deposit if required. If the tenant is unable to save the full amount during this period, a Bond may be re-issued for a further period of 6 months to cover the shortfall.

## **Eligibility - Tenants**

There are no restrictions to applying to the Rent Bond Guarantee Scheme. We will consider applications from people in work or in receipt of benefits. Acceptance on to the scheme is subject to tenancy referencing and affordability checks. Credit checks are not carried out. The value of the bond that the applicant is offered will be based on affordability and the needs of the household. We need to be satisfied that the applicant can afford to pay the rent and repay the deposit within 12 months.

Applicants that have been assessed as homeless and in priority need will not normally be considered for this scheme as the Council has a statutory duty to provide these applicants with a permanent Council or Housing Association tenancy.

### **We will give bonds to:**

- People who have been assessed and interviewed who are deemed capable of sustaining a tenancy
- People who we believe will behave responsibly and keep to the conditions of their tenancy
- People who have agreed to abide by the terms of the bond agreement by, for example: -
  - Allowing Local Housing Allowance to be paid directly to the landlord
  - Maintaining the condition of the property
  - Allowing us to tell the landlord relevant information about their local housing allowance claim.

A comprehensive assessment process will ensure that prospective tenants will be able to afford and sustain a private sector tenancy. Applicants with a history of rent arrears, anti-social behaviour or any other significant breaches of tenancy conditions in any housing sector will generally be excluded from participation in the scheme.

## **Eligibility - Landlords**

Landlords participating in the scheme must be registered with the local authority. The property identified must be: -

- Located within the Perth and Kinross area.
- Rent charged must be in the region of the relevant Local Housing Allowance rate (refer to table below), or affordable for the proposed tenant.
- Properties will be inspected to ensure that they comply with the Tolerable and Repairing Standards, and have all relevant safety certificates in place.

## **Benefits for Landlords**

- ✓ Minimise void costs by filling vacancies quickly without the need to advertise
- ✓ A Bond Guarantee underwritten by Perth and Kinross Council to the value of one month's rent
- ✓ Comprehensive 'vetting' of potential tenants including referencing and financial assessment
- ✓ Completion, verification and fast-tracking of Housing Benefit claims (if required) thus minimising delays in payment.
- ✓ Housing Benefit payments direct to the landlord
- ✓ A personalised service with a named contact person

- ✓ Information and advice on landlord's rights and responsibilities and other aspects of private sector tenancy legislation
- ✓ Ongoing support, advice and assistance to resolve any disputes that may arise
- ✓ Support clients by helping them to sustain their tenancies including, budgeting, paying bills and connections to utilities

### **Note for Letting Agents**

The consideration of prospective tenants who are seeking accommodation via the Rent Bond Guarantee scheme should have no impact on the commercial agreements that you have in place with your landlord clients. We are not offering tenancy set-up or property management services as part of this initiative.

If requested, we can provide pre-approved, prospective tenants that we feel may be a suitable match for the property you are advertising. We will not seek to influence the selection of tenants and there is no obligation to accept any of the prospective tenants that we put forward. References etc that we have obtained will be available on request.

### **Further information**

If you have any queries or want more information about the scheme then please contact us.

Contact details

Private Sector Access Team  
 E-mail – [privatesectoraccess@pkc.gov.uk](mailto:privatesectoraccess@pkc.gov.uk)  
 Tel: 01738 476000

### **Local Housing Allowance Rates – April 2017**

For the following postcodes -  
 PH1 to PH10, PH15 to PH18 and KY13

	LHA(£) / week	LHA(£) / month (paid 4 weekly)
1 bedroom (shared facilities)	£57.69	£250
1 bedroom	£82.40	£360 (£357.06)
2 bedrooms	£105.94	£460 (£459.07)
3 bedrooms	£137.31	£595 (£595.01)
4 bedrooms (maximum)	£183.46	£795 (£794.99)