

Bond Guarantee Scheme 2021

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1.0 Introduction

- 1.1 Bond Guarantees offer an additional option to social housing, as private rented accommodation is often a quicker option to access than social housing.
- 1.2 The Bond Guarantee is a written and legally binding agreement between Halton Borough Council (HBC) Housing Solutions Team, the tenant and a landlord. It replaces the upfront cash deposit that is normally required by landlords to cover the cost of any damage to their property or rent owed when a tenant moves out.
- 1.3 Halton's Bond Guarantee scheme also extends (for eligible applicants) to rent in advance, where the council will provide finance to cover 1 month's rent, which is reclaimed via the Discretionary Housing Payment Scheme.

2.0 Scope of this Policy

- 2.1 The HBC Bond Guarantee Scheme is to help homeless, or those threatened with homelessness, applicants into suitable, affordable and sustainable accommodation. All applicants must be actively working with the Housing Solutions Team.

3.0 Eligibility

- 3.1 To be eligible for the Bond Guarantee scheme applicants must:
 - be homeless or threatened with homelessness
 - be working with the Housing Solutions Team to resolve their homelessness
 - not have access to their own funds to assist with a deposit/bond on a property
- 3.2 Homeowners may apply were they would be in negative equity upon sale of their property.
- 3.3 Applicants must look for properties that are within the Department of Work and Pensions Local Housing Allowance rate for the area.

4.0 Local Housing Allowance rates for Halton Borough Council

Household Type	Weekly	Monthly
Shared Accommodation This includes single persons under 35 years of age. See Below Exemptions	£66.50	£288.96
1 Bedroom	£97.81	£425.01
2 Bedroom	£115.07	£500.01
3 Bedroom	£136.93	£594.99
4 Bedroom	£201.37	£875.00

4.1 Rates are reviewed annually and subject to change.

5.0 Bond amounts given depending on size of the property required

Household Type	Rent Arrears	Damages
Shared Accommodation This includes single persons under 35 years of age.	Maximum Claim - £577.92	Maximum Claim - £577.92
1 Bedroom	Maximum Claim - £850.02	Maximum Claim - £850.02
2 Bedroom	Maximum Claim - £1000.02	Maximum Claim - £1000.02
3 Bedroom	Maximum Claim - £1189.98	Maximum Claim - £1189.98
4 Bedroom	Maximum Claim - £1750.00	Maximum Claim - £1750.00

5.1 The bond amounts are reviewed annually and subject to change, as they will comply with Local Housing Allowance rates.

6.0 Documents required for the application process

6.1 Additional proofs may be required after the initial assessment, depending upon circumstances. As a minimum, applicants will be required to provide the following documents to initiate an application:

- Proof of ID for all applicants (birth certificates, driving licences, passports)
- 3 months bank statements for all applicants over the age of 18 for all bank accounts held including savings accounts
- Proof of benefits – if legacy benefits then benefit award letters, Personal Independence Payment (PIP) award letters. If Universal Credit, then last three months statements
- If working then 3 months wage slips
- If part of a Credit Union then Credit Union statement showing amount available or letter from Credit Union confirming amount of funds available

7.0 Application Process

	Step	Related Documents
1	Application emailed through to Landlord Accreditation Officer for Assessment. Application form from Housing Solutions Team/Landlord Accreditation Officer, Claire.Barke@halton.gov.uk 0151 511 8394 Email landlordaccreditation@halton.gov.uk ,	Appendix 1 Bond Guarantee Assessment Process

	<p>This form is also available on www.halton.gov.uk /planning, housing & environment, allowing the client to complete online.</p>	
2	<p>If application is approved, the Landlord Accreditation Officer will notify the applicant and send approval letter via email or post within 48 hours of approval The Landlord Accreditation Officer will notify the designated caseworker, who will work directly with the client to source accommodation Timescales for application approval/decline will be;</p> <ul style="list-style-type: none"> • Processed within 7-day period. • Proofs submitted within 28 day period • Decision confirmed within 28 day period • If no contact or documents not submitted within period, application will be closed. 	Appendix 2 Bond Guarantee Approval Letter Template
3	<p>If the application is declined, the Landlord Accreditation Officer will contact the Housing Solutions Team Adviser, to inform them of the declined application and reasons.</p> <p>Written notification will be sent to the applicant to outline the unapproved decision and reasons.</p> <p>If the applicant disagrees with the decision, they can submit an appeal, following the appeal process outlined below.</p>	Appendix 3 Bond Guarantee Decline Letter Template
4	<p>If further information is required to support an application, an email is sent to Housing Solutions Team Adviser with details of the required additional information.</p> <p>The Housing Solutions Team Adviser will work directly with the client, collate the required documentation, and resubmit the application.</p>	
5	<p>If approved, once the applicant has found a property the Landlord Accreditation Officer will request the following information from them:</p> <ul style="list-style-type: none"> • Property address • Landlord / Letting agent contact details • Rental amount • Deposit amount • Details of Landlord rent deposit scheme 	Appendix 4 Bond Landlord Information Request Form
6	<p>The Landlord Accreditation Officer will contact with the landlord, to ensure they will accept the council's bond guarantee scheme and its terms.</p>	Appendix 5 Property Inspection Checklist

	<p>The Landlord Accreditation Officer will conduct a property inspection and risk assessment claim form to assess the standard, and any works identified will be emailed through to the landlord for completion.</p> <p>Properties are inspected to ensure that they are habitable and meet the Housing Standards Regulatory criteria. The Landlord must ensure that all the relevant safety certificates are in place and up-to-date.</p> <p>The Landlord Accreditation Officer will conduct the property visit and complete the relevant checklist to determine if the property is acceptable. All details will be outlined within the checklist and actioned accordingly via the Landlord Accreditation Officer, Landlord and/or Environmental Health.</p> <p>The Bond Guarantee will only be approved if the property is suitable, affordable and meets the regulated housing standards, with no Category one issues.</p> <p>The Landlord Accreditation Officer will arrange a joint visit to the property with the landlord and client in attendance. All parties must agree to the tenancy standards prior to signing the Bond approval.</p>	
7	<p>Landlord/Letting agent will complete the bond agreement form and return to the Landlord Accreditation Officer. The Landlord Accreditation Officer will register and process the agreement form.</p> <p>Upon approval, the Landlord Accreditation Officer will issue the landlord with a Bond Guarantee Certificate.</p>	<p>Appendix 6 Bond Guarantee Agreement</p> <p>Appendix 7 Bond Guarantee Certificate</p>
8	<p>Bond Guarantee review is undertaken by Housing Solutions Office within a three month period, to ensure the tenancy is suitable and sustainable.</p>	<p>Appendix 8 Review date letter</p> <p>Appendix 9 3 month review template</p>

8.0 Additional Support

8.1 Rent in Advance

8.1.1 Rent in advance can be applied for, where the applicant is not able to raise funds to secure private rented accommodation themselves. If the applicant has sufficient funds, or can access/borrow alternative financial funds from elsewhere, then they would not normally be eligible for the scheme.

8.1.2 Applicants will be required to submit additional proofs, including;

- Bank statements
- Proof of income and expenditure
- Savings

The requested documentation will allow the LAO to establish how much assistance is required and whether the applicant can afford the property sourced. It is important that applicants provide the requested documentation as soon as possible to avoid any unnecessary delays or duplication, as the application cannot be processed without the above documents. Consequently, the application and assistance would be unapproved.

8.1.3 Please see Appendix 10 for rent in advance application process
Appendix 11 for the rent in advance request form.

8.1 Tenancy Support

8.1.1 Upon approval of the Bond Guarantee Scheme, where support needs have been identified, the Housing Solutions Team will directly refer the applicant to Plus Dane SHAP, who provide support for bond scheme applicants. The support is offered to assist the applicant with all tenancy issues including: benefit claims; utilities; and referrals to specialised agencies etc. In addition, Plus Dane SHAP will assist tenants to set up bank accounts and payment plans to ensure the rent payments are made accordingly. The support service will also assist with utility bills and help with furniture for the property if required.

8.1.2 Plus Dane SHAP will attend the tenancy sign with the designated landlord to reassure landlord and tenant that the necessary tenancy support offer will remain in place for up to 6 months.

9.0 Appeals

9.1 The Landlord Accreditation Officer must provide written notification to applicants regarding their BGS application and decision. It is necessary for the LAO to ensure the applicant fully understands the derived BGS decision and outlined reasons.

If the applicant is dissatisfied with the decision, they can request an appeal of the process/decision. The request must be made within 21 days of receipt of the decision letter and sent directly to the Principal Manager, contact details;

Name	Patricia Preston
Email	patricia.preston@halton.gov.uk
Address	Runcorn Town Hall Heath Road Runcorn Cheshire

WA7 5TN

The appeal will be undertaken by a Senior Manager who has not be part of the initial decision making process. The Principal Manager will complete the appeal process within 28 days; however, this may be extended if additional information is required.

The purpose of the appeal is to allow the Principal Manager to review all the relevant details and information submitted, to ensure that procedural practice has been adhered to. The Principal Manger will send written notification of the appeal decision to the applicant, Landlord/letting agent, to confirm the derived decision making process and outlines reasons.

10.0 Bond Claims

- 10.1 Where the landlord or letting agent wishes to make a claim against the bond, they must follow the following process;
 - Contact the Landlord Accreditation Officer, to advise that they wish to make a claim against the bond.
 - Outline reasons for claim, including tenant name, rent arrears, damages to the property etc.
 - Provide evidence to substantiate the claim, e.g., photos of damages, rent statements etc.
- 10.2 Appendix 12 outlines the process for responding to a bond claim.
- 10.3 Appendix 13 for Claim form.