

Briefing note - Help to rent scheme

June 2014

Introduction

Help to rent is a private rented sector access scheme. To deliver this scheme the Council guarantees sums of money equivalent to rent deposits to private landlords. Landlords use this scheme because:

- the Council provides the deposit guarantee,
- there are no costs to landlords,
- the Council has access to a pool of potential tenants,
- The Council provides template documents, support, advice, and mediation.

The scheme provides the Council with an alternative rehousing option for applicants coming through the homeless route, allowing the Council to:

- prevent some cases of homelessness, and
- use private rented properties as the final offer for some applicants who have received a positive homeless decision.

The support we offer to both landlords and tenants contributes to successful tenancies.

The scheme was re-branded from the 'Deposit Guarantee Scheme' (regularly referred to as 'DGS') in October 2013.

Progress over the last six months

Since January 2014, the Private Sector Housing Partnership Officer has met with landlords and inspected 29 properties to assess their suitability for the scheme. From these 29 we have signed-up 16 tenancies and expect 5 more to commence in the near future (reasons for not being able to proceed with some properties are explained in more detail below).

Of the 16 tenancies recently signed up, 7 were homeless cases where the duty was discharged and 9 were homeless preventions.

Officer roles

There are two types of officer roles within the team: Private Sector Housing Partnership Officer and Private Sector Housing Officer.

The Private Sector Housing Partnership Officer's role involves:

- Recruiting landlords to the scheme,
- Liaising with landlords in relation to the letting of properties and inventory process,
- Carrying out health and safety and suitability checks on properties,
- Carrying out fit-and-proper-persons checks on landlords,
- Completing the check-in inventory,
- Completing a pre-check-out property inspection and the check-out inventory.

The Private Sector Housing Officer's role involves:

- Preparing tenancy agreements,
- Supporting the tenant to maintain their tenancy through the sign-up process, settling-in visits, and on-going tenancy sustainment support,
- Carrying out mediation and using interventions when issues arise,
- Conducting end of tenancy meetings,
- Managing the claims process in cases of loss or damage.

Current tenancies and landlords

- 166 current tenancies
- 148 current landlords

Performance target

- 4 new sign-ups per month

Barriers

- Mis-match between the size of properties landlords have available and the size of properties tenants require.

For example, we sometimes get approached by landlords looking to rent 4 bedroom properties, however we do not usually have many potential tenants requiring 4 bedrooms.

These properties cannot usually be offered to smaller families, as many of our tenants and applicants are affected by the Social Size Criteria, and cannot afford to pay resulting shortfalls in Housing Benefit. This can lead landlords to move on and find tenants through estate agents.

- Landlords often expect upfront cash payments (either rent-in-advance or local authority cash incentives).

Upfront cash payments (in any form) are not currently included in the help to rent offer. Other neighbouring local authorities currently do offer cash incentives and some potential landlords are aware of these. The Council is at risk of losing some landlords due to this, as other Hertfordshire and London local authorities are willing to place homeless applicants in private rented properties outside of their own borough boundaries.

- Potential tenants, who are receiving a private rented property as their final offer, being negative at the viewing stage

Now that the Council is using help to rent to discharge its homeless duty into the private rented sector, some potential tenants have the expectation of a council home, and are therefore negative when they are offered private rent. Since November, the reaction of the potential tenant at viewing has resulted in the Council losing opportunities to house people in three properties, two of which were owned by the same landlord.

The Council does always try to put forward a new tenant where the landlord does not want a tenant based on their reaction at sign-up, but in these three cases the landlord did not want to wait.

Opportunities

- Dacorum Borough Council is going to be exploring the potential benefits and costs of pursuing cash incentives for landlords.
- Raising awareness about the private rented offer with residents who are approaching the Council looking for housing advice or presenting as homeless.
- Increasing education with young people across the borough of what they can expect if they need to approach the Council for housing in the future.
- The Private Sector Housing Partnership Officer is developing a Landlord recruitment action plan. This is in the early stages but has already led to:
 - Landlord Forums in partnership with the National Landlord Association
 - Working with Leaseholder services to target leaseholders who are private landlords
 - Working with the Communications team to publicise help to rent through social media
- The Private Sector Housing Officers have increased their focus on tenancy sustainment. The officers have had training in:
 - Money and budgeting advice
 - Debt advice
 - Understanding Housing Benefit and Department of Work and Pensions benefits
 - Promoting health and wellbeing
 - Mediation and conflict resolution.
- Recent investment in new devices now allow the Private Sector Housing Officers to use their laptops to access the internet when providing support to tenants in their homes. This will increase access to a range of resources and tools.
- In July/August 2014 the administration of the private rent service will be moving to Abris (the same system that currently manages the Council's housing register, choice based lettings adverts, and homeless applications). This system will improve the reporting that can be carried out on the service because all the service-related information will be in one system. It will also improve access to template letters, saved tenancy documents, and full case histories.
- Making improvements to the claims process is a priority for 2014. This is in order to improve relationships with landlords when tenancies finish with some loss or damage. This will increase our opportunities to re-let properties.