

Further information

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Private
Sector
Lettings

Housing
Options
Centre

LeicesterLet Finders Fee Scheme

A Guide for Families



Meeting housing needs

In Leicester, high house prices and a serious shortage of affordable homes for rent have left many people unable to meet their housing needs on their own.

Faced with a growing homelessness problem, the Council has set up a scheme to prevent homelessness and make it easier for people to obtain privately rented housing.

Although families with dependent children normally qualify for re-housing if they become homeless through no fault of their own, some would prefer to live in the private rented sector.

LeicesterLet Finders Fee Scheme

The Finders Fee Scheme provides people on a low income with the opportunity to move into a home of their choice and to avoid homelessness AND a stay in temporary accommodation.

By providing the advice, support and financial help required, the Council has increased the housing options available to people who are homeless or threatened with homelessness.

Managed by the Council's Housing Options Team, the Finders Fee Scheme is very flexible.

It can be used, for example, to prevent private tenants from becoming homeless by helping them to find alternative accommodation when their existing tenancy is coming to an end.

Qualifying for the scheme

We realise that not everyone is able to manage in private rented accommodation. The Finders Fee Scheme is therefore only offered to people who we consider are suitable.

Everyone who qualifies for the scheme will have become homeless (or threatened with homelessness) through no fault of their own and they will normally have a local connection with the Leicester area.

Although not everyone helped under the Finders Fee Scheme is living on a low income, applicants will only be considered for the scheme if the Housing Options Team is satisfied that they are capable of paying their rent regularly and in full.

Suitability of accommodation

Before a property is let under the Finders Fee Scheme the Council will request a valid gas safety certificate and energy performance certificate from the landlord.

To help us assess the affordability of the property, we will need to ensure that the rent can be met by housing benefit which is a rent allowance paid by the Council.

Properties are not inspected as part of the scheme. Therefore the Council cannot take responsibility for the suitability, general safety or state of repair of the properties under the scheme. You are advised to satisfy yourself on the suitability of the prospective landlord and property as the Council accepts no responsibility for this.

Should you have any concerns about the condition of the property you may wish to consider raising your concerns with the Private Sector Team on 0116 252 6339.

Length of tenancy

Most of the tenants assisted under the Finders Fee Scheme will want to remain in their home for as long as possible.

Others will be hoping for an improvement in their situation, so will only need accommodation for up to a year.

Under the LeicesterLet Finders Fee Scheme, tenants will normally take on an assured shorthold tenancy for at least 12 months.

What we can offer

Under the LeicesterLet Finders Fee Scheme, the Council will provide a Finders Fee to the landlord in order to obtain accommodation in the private rented sector.

As well as offering financial assistance, the Council can offer comprehensive advice on all aspects of the lettings process and prompt housing benefit payments.

Our Housing Options Team will help to organise the tenancy and will continue to provide the landlord and tenant with advice, support and practical help throughout the tenancy.

Rent Bond

As part of the scheme a Rent Bond is provided. Apart from the £100 finders fee there is no further money paid to the landlord at the beginning of the tenancy, instead the landlord and tenant will enter into a legal agreement with the Council. If at the end of the tenancy, the landlord has suffered a loss in rent they can submit a claim to the Council for compensation for up to a maximum of one month's rent. This Rent Bond is valid for a 12 month period only.

The rent bond only covers outstanding rent, NOT damage to the property.

Finders Fee

If your property is used under the scheme the Council will pay a £100 Finders Fee, directly to the landlord. This payment is made within 10 working days once a tenancy has been created. The payment is made by cheque and is paid as a thank you to landlords that use their properties under the scheme.

Local Housing Allowance

The Local Housing Allowance (LHA) is the new name for housing benefit and initially the scheme will affect tenants and landlords of privately rented accommodation. The scheme has been designed to be a fairer and simpler way of working out benefit for people on a low income. LHA came into effect on 7th April 2008.

Who will be affected?

- Private tenants making a new claim for housing benefit
- Existing claimants who change address to a private tenancy
- Claimants in private rented accommodation who have a break in their existing claim for benefit

The LHA is a flat rate housing allowance and the number of people who live with you will be used to work out how many bedrooms you need.

One bedroom is allowed for:

- every adult couple
- any other adult aged 16 or over
- any two children regardless of sex aged under age 10
- any two children of the same sex aged under 16
- any other child

In most cases payment of LHA will be made direct to the tenant. It is recognised however that for some tenants managing financial affairs is a difficulty. In these cases LHA payments may be paid directly your landlord.

LHA may also be paid to your landlord if we are told that you are eight or more weeks behind with your rent.

Many of the people assisted under the scheme will receive LHA to cover all or part of their rent. LHA remains a means tested rent allowance paid by local councils to people who are on a low income.

The amount of benefit a tenant receives depends on their age, the people living with them and their income and savings.

If the tenant is receiving income support or income-based job seekers' allowance and there are no non-dependants living with them they will normally be entitled to the full award of LHA.

Tenants with a higher income (or a non-dependant living with them) will normally have to pay at least part of their rent.

The arrangements we have introduced to process and pay LHA have ensured that we are able to process claims quickly. This is dependent upon you providing all the information required to process your claim.

Energy Performance Certificate (EPC) – Landlord Information

Energy Performance Certificates (EPCs) are required for all Private Rented Housing offered for rent as of 1st October 2008. This is a mandatory requirement.

The EPC must be produced by an accredited Domestic Energy Assessor using the approved software package and then sent for recording on a central database before the certificate can be physically generated.

An EPC is broadly similar to certificates found on many domestic appliances with a grading from A to G (A being very efficient with lower running costs and G being inefficient and expensive to run).

The certificate is accompanied by recommendations for cost-effective actions to improve the energy rating.

The certificate is intended to give tenants information about the energy efficiency of properties and help them to make green choices by comparing energy costs between homes.

For dwellings to be rented out, the landlord is responsible for ensuring a valid certificate is available to all prospective tenants and that it is provided for the successful tenant before a contract / tenancy agreement is made.

The Energy Performance Certificate has a lifespan of 10 years but new certificates can be issued following any energy efficiency improvement works.

A copy of the EPC should be made available each time the tenancy changes.

Hot Lofts

Private Sector Landlords signing up to the LeicesterLet Finders Fee Scheme will automatically be referred to the city council's "Hot lofts" insulation project.

This may entitle them to have free loft and cavity wall insulation (where appropriate) installed at the property address.

Loft and cavity wall insulation will improve the energy rating of the property and could save the tenant up to £178 per year on their fuel bills.

Energy Performance Certificate (EPC) – Tenant Information

If you are a new tenant seeking to rent accommodation then you need to be aware that Landlords are required to provide an Energy Performance Certificate (EPC) for all private accommodation offered for rent after 1st October 2008.

An Energy Performance Certificate is similar to the labelling found on many household appliances with a grading from A to G (A being very efficient with lower running costs and G being more inefficient and expensive to run).

The certificate is intended to give new tenants information about the energy efficiency of properties and help you to make green choices by comparing energy costs between homes.

For dwellings to be rented out, the landlord is responsible for ensuring a valid certificate is available to all prospective tenants and that it is provided for the incoming tenant before a contract / tenancy agreement is made.

The Energy Performance Certificate has a lifespan of 10 years but new certificates can be issued following any energy efficiency improvement works.

A copy of the EPC should be made available to the incoming tenant each time the tenancy changes.

Landlord responsibilities

All landlords have a duty to maintain their accommodation in a good state of repair and in a safe and habitable condition.

They must ensure the safety of the gas supply, electrical installation and any gas or electrical appliances.

An annual gas safety certificate must be obtained and all furniture and furnishing must comply with current fire regulations.

At the beginning of the tenancy, landlords should produce a detailed inventory, recording the condition of the property and its contents. They should provide their tenants with a copy of the inventory and tenancy agreement.

Expert advice and copies of the *Essential Guide for Landlords* can be obtained from the Private Sector Housing Team at Leicester City Council.

Use of the LeicesterLet Finders Fee Scheme

The Finders Fee Scheme offers families the opportunity to obtain private rented accommodation in the area of their choice, close to schools, employment and family support.

When you have found a suitable property a member of the Housing Options Team will need to be contacted.

They will contact the landlord to discuss the possible use of the LeicesterLet Finders Fee Scheme. The Team will want to confirm the size of the property, the rent payable, the length of the tenancy and the landlord's intentions with regard to future lettings.

If everything is in order the Housing Options Team will arrange an inspection of the property.

A letter will be sent to the landlord confirming the nature of assistance the Council is prepared to offer under the scheme. Assistance is conditional on the property being safe and affordable.

Arranging a tenancy

If the property is satisfactory and the rent is in line with the local housing allowance rates, the landlord will be asked to sign a form agreeing to the terms of the Leicester Let Finders Fee Scheme.

The Housing Options Team will ensure that a tenant's housing benefit claim is completed and submitted within a week of the tenancy commencing.

Ongoing advice and support

The provision of suitable rented accommodation under the LeicesterLet Finders Fee Scheme means the Council no longer owes a duty to house the tenants under homelessness legislation.

However, throughout the tenancy the Housing Options Team will be available to help the landlord and tenant to resolve any problems that may occur and to provide them with ongoing information, advice and support.

The Housing Options Team wants to make it easier for people on low income to obtain private rented accommodation and also to ensure that they can keep it.