Information About The Afford Bond Scheme

The Afford Bond Scheme is run by The Housing Options Team and is to help homeless households and households in housing need who have insufficient financial resources to access private rented accommodation. This is achieved by offering a bond that will guarantee against rent arrears or damage subject to certain conditions.

There are two types of bond covering rent and damage. The bonds are a guarantee up to an agreed amount usually equivalent to one months rent.

New regulations introduced in the Housing Act 2004 have made it compulsory for Landlords to place their tenant’s deposit into a Tenancy Deposit Protection Scheme. Local Authorities setting up bond /guarantee agreements are exempt from this requirement as there is no exchange of cash.

The Damage Bond

What is covered

- Claims are paid up to the level of the agreed bond
- Damaged /missing items as described in the Schedule of Condition and the Inventory.
- Damage caused by the tenant, family, relations and lawful visitors.

What is not covered

- All communal areas shared with other persons
- Damage resulting from normal wear and tear to any of the furnishings, fixtures and fittings.
- Criminal damage caused by unknown persons.
- Admin fee’s, cost of inventories, schedules and credit searches
- Any legal costs incurred to include gaining possession of the property or the recovery of costs for damage
- Any damage or loss relating to a former or different tenancy.
- Any damage or loss to a different property or part of the property not occupied by the tenant under the terms of the tenancy.
The Rent Guarantee

What is covered

• Rent arrears due by the tenant to the Landlord relating to this tenancy for the initial six months.
• It is advisable that the Landlord keeps a copy of rent received.
• The Landlord should write to the tenants in the first instance if the rent falls into arrears, clearly stating how much has been received with dates and how much is outstanding.
• Copies must be available in order for a cheque to be raised.

What is not covered

• Housing benefits and overpayments from the tenants previous property
• Admin fees and credit searches
• Any legal costs to include the gaining possession of the property or the recovery of outstanding rent
• Debts owed to the utility services
• Any rent not legally due.
• Any rent arrears relating to a different property, different part of the property or under a different tenancy.

Any Landlord who has been convicted of the criminal offence of unlawful eviction or harassment will automatically be excluded from consideration under the scheme.

A bond cannot be arranged retrospectively (ie after the tenancy has started)

It will remain the responsibility of the Landlord and their agent to manage the property and not Fareham Borough Council.

Fareham Borough Council is unable to take legal proceedings for the Landlord to repossess the property or recover monies from the tenant.

Notice Seeking Possession

If the Landlord requires the tenant to leave the property a valid Notice Seeking Possession has to be served. Landlords are encouraged to check with Housing Options Service first before issuing a Notice. The tenant may also give notice that they want to leave. Tenants are required to give notice of one month as laid down in their tenancy agreement.

How to make a claim

The Landlord needs to contact the Accommodation Officer to make a claim during the term of the bond either before the tenant vacates the property or within 7 days afterwards.
Unless urgent Health & Safety works are required the Landlord is to leave the property as it has been found until an inspection can be carried out. No monies will be paid out retrospectively for any works not agreed under the bond.

If the tenant is still living at the property when a claim is made the Accommodation Officer will visit the property to discuss the claim with the Landlord and the tenant. The tenant will be given the opportunity of putting right the damage/rent outstanding to the Landlords satisfaction, within 14 days. If the tenant fails to do so then the Landlord may put his claim in writing with supporting evidence (ie invoices/quotes/photographs for the damage and a rent statement for outstanding rent).

A claim letter has to be submitted within twenty eight days from inspection. The tenant will be given the opportunity on commenting on the Landlords claim.

A report is prepared and if the claim is accepted payment will be sent on to the Landlord. If the claim is in excess of each of the bond limits, the Landlord may claim the excess balance direct from the tenant.

If items are missing from the property or excessive damage has been caused the Landlord is advised to report the matter to the Police and obtain a crime reference number.

If damage is caused/items missing from the property (and a crime reference number has been obtained by the tenant) by unknown persons the claim will not be accepted by Fareham Borough Council.

Fareham Borough Council will pursue the tenant for any monies paid out.

**Additional Notes**

Fareham Borough Council accepts no responsibilities for any aspect of the tenancy apart from providing the rent guarantee & damage bond.

For any further information please contact
Anita O’Leary Accommodation Officer.