

# Rent deposit loan and deposit bond information

## What are they?

The **rent deposit loan** is an interest free loan to cover a deposit and for rent in advance to help you secure a private rental. The loan can be repaid in either weekly or monthly instalments over a maximum of three years. Please note that payment can only be made to a letting agent or landlord. It cannot be used to repay a family member or friend who may have helped you out financially. The Council will make payment directly to a landlord or letting agent, not to tenants.

The **deposit bond** is an alternative to a cash deposit and is set up between Tunbridge Wells Borough Council, the landlord or letting agent, and the tenant. If the application for the bond is accepted, the Council will enter into an undertaking to guarantee a deposit of up to six week's rent. This bond will cover both rent arrears and damage to the property, other than wear and tear, in exactly the same way as a cash deposit. Any claim made by the landlord at the end of the tenancy will be recovered from the tenant by Tunbridge Wells Borough Council.

These schemes are designed to help families move into private rented properties that are the correct size for their family and where the rent is no more than the current local housing allowance. Information on local housing allowance is enclosed in this pack.

## Who can apply for the rent deposit loan?

You can apply if:

- you are **homeless** or threatened with homelessness;
- you have a **local connection** to this borough;
- you are considered to be a **priority need** in accordance with the homelessness legislation.

To see if you are eligible to apply for the rent deposit loan please complete the income and expenditure statement and application form. You must provide all of the information requested on the application form. Your application will be assessed and we will let you know if you are eligible and have been successful. We will confirm this in writing.

If you have not been successful in your application for the rent deposit loan, we can still consider an application for the deposit bond.

## Who can apply for a deposit bond?

You can apply if:

- you are **homeless** or threatened with homelessness;
- you have a **local connection** to this borough.

To apply for the deposit bond please complete the income and expenditure statement and application form. Your application will be assessed and we will let you know if you are eligible and have been successful.

If you are successful in applying for a rent deposit loan and/or deposit bond, please contact Tunbridge Wells Borough Council when you find a property to rent. We will arrange for a Private Sector Housing Officer to inspect the property to ensure it meets the minimum standards required of a private rental property. We will ask to see the energy performance certificate (EPC) and gas safety certificate (if applicable).

We will try to make a payment to your new landlord/letting agent as soon as we can, but it is likely to take around three weeks between you finding a property and us making payment to your new landlord/letting agent.

## What you need to do

1. Read the information leaflet to see if this scheme is for you.
2. Complete and return the income and expenditure statement and application form and provide the information requested to Tunbridge Wells Gateway or the Housing Needs Team.
3. If you are successful with your application, you need to find a landlord who has a property they are willing to rent to you. You then need to complete a property details form, included in this pack.
4. If the property passes its inspection you will be asked to complete paperwork agreeing to the terms and conditions of the loan or deposit bond.
5. You will make your loan repayments for the agreed amount and will contact the Housing Needs Team if you have any problems with making these payments.

You can look for private rented properties in local papers, via the internet and by asking local letting agents. You can also ask around friends or work colleagues, or you could place your

own ad in a local paper or shop window, with your accommodation requirements. Remember you are looking to rent someone else's property and you need to make a good impression.

We may be able to help you obtain a property in another area, but please be aware a different local housing allowance is likely to apply. You must check this first.

## What we need to do

1. If your application is successful we will contact you to let you know.
2. When you find a property to rent let us know and we will contact the prospective landlord to arrange a property inspection by a Private Sector Housing Officer.
3. We will ask you to sign an agreement for your loan or deposit bond.
4. We will arrange for the loan to be paid directly into your landlord's bank account.
5. We will provide support to both the landlord and the tenant during the tenancy.

## What we ask from the landlord

1. You agree to the property inspection being carried out by a Private Sector Housing Officer.
2. You will provide:
  - a. an energy performance certificate (EPC);
  - b. a gas safety certificate (if applicable);
  - c. an electrical inspection and condition report;
  - d. ensure that portable electrical appliances are tested annually (PAT testing).
3. You will provide us with a sample copy of the tenancy agreement you will ask your tenant to sign.
4. You will ensure that any cash deposit paid will be protected in a tenancy deposit protection scheme and name Tunbridge Wells Borough Council as the lead tenant.

## Important information

Please read the following important information before completing the application form.

1. Please note completion of the income and expenditure statement and application form does not mean you have been accepted for a rent deposit loan or bond, as this is dependent on your individual circumstances. You will be notified by the Housing Options team if you have been successful.
2. The Council cannot pay a deposit or rent in advance after a tenancy has been created. Please do not commit yourself to a tenancy before your application for the rent deposit loan and/or deposit bond has been accepted.
3. The amount of rent deposit loan and/or deposit bond we can assist with is limited to the local housing allowance rate applicable to your household.
4. Please answer all the questions on the form so that we can decide whether you are eligible for the scheme. Failure to do so will delay a decision being made.

5. Where a joint application is being made, all information should be provided for both parties.
6. You will not be eligible for the scheme if:
  - a. you are not threatened with homelessness;
  - b. the Council considers the property you wish to rent is unaffordable for you;
  - c. you do not have a local connection to this borough.
7. You may not be eligible if you have outstanding debts or arrears with Tunbridge Wells Borough Council, which you are not addressing.
8. Applicants will be responsible to repay to Tunbridge Wells Borough Council any money paid by the Council to a landlord through a rent deposit loan and/or deposit bond.
9. Tunbridge Wells Borough Council may use an independent debt recovery company, to take action through the county court and/or employ bailiffs to assist in recovering debts arising from non-payment of the rent deposit loan and/or deposit bond.

Please note completion of the income and expenditure statement and application form does not mean you have been accepted for the rent deposit loan or deposit bond. It is dependent on your individual circumstances. You will be notified if you have been successful. You must not hand any money over to a landlord or letting agent for a holding deposit or administration fees until the property has been inspected and approved by a Private Sector Housing Officer.

## Where to send your form

Completed income and expenditure and application forms can be:

- emailed to [housingadvice@tunbridgewells.gov.uk](mailto:housingadvice@tunbridgewells.gov.uk)
- handed in at the Gateway, 8 Grosvenor Rd, Royal Tunbridge Wells, Kent, TN1 2AB
- posted to Housing Needs Team, Town Hall, Royal Tunbridge Wells, Kent, TN1 1RS

## Further information

If you are not successful with your application, you may, depending on your circumstances be eligible for help with a budgeting loan which is an interest free loan from the social fund to help with an emergency.

Further information can be obtained from the following web site [www.gov.uk](http://www.gov.uk) or by contacting your local Jobcentre Plus on 0345 604 3719.