

Swindon Borough Council
Private Sector Leasing (PSL) Scheme
Full Information Pack

Contents:

Introduction

How Can I Apply

Application Form

Information for Lenders

Lenders Permission Form

Insurance Verification Form

Property Standards

- Guidance Notes
- Checklist for Surveyors

Private Sector Leasing

Introduction

Swindon Borough Council acknowledges the important role of private sector landlords as providers of accommodation in the town.

For a number of years the Homelessness team has secured private sector houses for homeless families. As a result of this success the team is now able to offer you:

- Guaranteed 3 year rental
- Free full tenancy management
- Free property management

What rents are payable?

Self-contained studio flat:	£385
One-bed flat:	£465
Two-bed flat:	£535
One-bed house:	£475
Two-bed house:	£550
Three-bed house:	£575
Four-bed house:	£625

How can I apply?

If you decide you would like to apply then please read the enclosed Information Pack and return your Application Form together with supporting documentation to :

PSL Team
Housing
Swindon Borough Council
Civic Offices, Euclid Street
Swindon SN1 2JH

For further information, please contact the PSL Team on: 01793 463568, 01793 464493 or email us: aboatwright@swindon.gov.uk or jgodwin2@swindon.gov.uk

How can I apply?

If you decide you would like to apply, then please obtain a PSL Application form either by downloading one from our website, or phone us (01793 465837) and we will send you one in the post.

What Documents will I need to Obtain?

You will need to provide us with the following

- Your Lenders Consent (this only applies if you have a mortgage)
- Details of your Buildings Insurance
- Electrical & Gas Safety Certificates and a British Gas 3 Star Contract
- A Survey
- Energy Performance Certificates (From 1st October 2008)

In more detail:

Lenders Consent

If you have a mortgage with a lender, whether this is on a buy-to-let scheme or an ordinary mortgage, then You will need to obtain permission in writing or 'consent' from your lender allowing you to lease your property to the Council. You should contact your local branch or request this in writing to the Head Office. Most lenders are willing to agree to short-term tenancies on certain conditions. Some lenders may be reluctant to agree to a lease of up to 3 years, so we have prepared a leaflet called '**Information for Lenders**' which is attached – it might be a good idea to send this to your lender with your request as it explains the purpose of the arrangement to them.

If you have any problems in obtaining consent from your lender and you would like the PSL Team to contact your lender on your behalf then please sign the attached '**Lender Permission**' form and return this to us together with any letters you have received.

Buildings Insurance

You will need to obtain confirmation from your Insurer that adequate Buildings Insurance is in place to cover rebuilding or reinstatement of the property in the event of damage or destruction by usual risks. We will also need confirmation that the policy does not impose restriction on the type of occupants (i.e. owner-occupiers or tenants) and that cover is also in place for public liability of at least £2million.

If you have any problems in obtaining this information from your insurer and you would like the PSL Team to contact your insurer on your behalf then please sign the attached '**Insurance Permission**' form and return this to us together with any letters you have received.

You are advised to ensure that you can provide the above documents first, as you will probably have to pay for the following;

Electrical & Gas Safety Certificates and a British Gas 3 Star Contract

To comply with Health & Safety legislation YOU will need to provide us with

- A Satisfactory Landlord's CORGI gas safety certificate
- A Satisfactory Landlord's NICIEC Electrical safety certificate
- British Gas 3 star Contract

Survey

Also to comply with Health & Safety legislation YOU will need to provide us with a Survey Report (at your own cost) carried out by a Surveyor who is a member of the RICS to show that the property meets the Governments 'Decent Homes Standard'. Further details are set out in the attached **Property Standards** leaflet. It might be a good idea to show this to your Surveyor.

After the Survey has been done and a Report completed then you may be required to undertake some remedial works to bring the property up to the required standard. You should let us know as soon as the works are complete.

What happens next?

Once we have received your Application Form and the above documents;

Legal Checks

Our Legal Team will establish that you are the owner of the property. Most properties are now registered at the Land Registry so this should be straightforward. However, if your property is not yet registered (for example you have owned it for a long time) then we may need to ask to see your deeds, or for a solicitor to provide us with a certificate saying that you are the owner. Sometimes, for example with flats and leaseholds, you might also need to obtain consent from the freeholder or Managing Agent. We will let you know as soon as possible if this is required. We will then carry out some standard 'Searches' and provide you with a draft standard Lease for you to check or seek independent legal advice.

Inspection

Once you have informed us that any works required have been completed, then we will arrange with you for an Inspection to be carried out. We will check that the property is ready for the council to take over and that it is been cleared of all items of furniture (save any required by the lease). We will also prepare a Schedule of Condition comprising a set of photographs which can be attached to the Lease on completion. This will serve as a record of the state of condition of the property at the time of handover. We will then take possession of the house , together with three sets of keys to all exterior doors and windows, any interior locks and gas meter payment card and electricity meter payment key (if any).

Completion of the Lease

Once everything is in place then we will arrange with you for the lease to be signed and then completed. The Lease will then be legally completed at which time the Council will take possession of the property and you will start to receive rent payments. A copy of our standard Lease is available to view online.

Occupation by new Tenants

If the property is leased to the Council as a vacant property then the PSL Team will carry out all the arrangements for our prospective tenants to view the property and sign a tenancy with the Council.

For further information, please contact the PSL Team on: 01793 463568, 01793 464493 or email us: aboatwright@swindon.gov.uk or jgodwin2@swindon.gov.uk

Information for Lenders

Re: Swindon Borough Council Private Sector Leasing Scheme

The purpose of the scheme is to enable a property owner to lease their property to the Council on a lease of up to 3 years. The Council then intends to sublet the property on a non-secure weekly tenancy to a subtenant.

This arrangement would be beneficial to lenders as;

- The owner would, in effect, have a guaranteed rent from the Council for the 3 term of the Lease thereby enhancing a lenders' security as the owner is less likely to default on mortgage repayments
- Vacant possession could be obtained (if so required by a lender in the event of default on the mortgage by the owner) almost immediately
- The Lease will contain a clause allowing the Council to terminate the lease with the owner upon request by a lender in the event of default in the mortgage terms

To enable the scheme to proceed would you therefore please take the above into consideration when considering requests by owners.

For further information, please contact the PSL Team on: 01793 463568, 01793 464493 or email us: aboaatwright@swindon.gov.uk or jgodwin2@swindon.gov.uk

The Decent Home Standard

Guidance Notes re: Private Sector Leasing Scheme

The Housing Green Paper, Quality and Choice: a decent home for all; set out the commitment that all social housing must meet specified standards of decency by 2010.

A decent home must satisfy all of the following four criteria:

Criteria A - It must meet the current statutory minimum standard for housing.

I.e. It must be free of any Category 1 hazards, as set out in the Government's Health and Safety Rating System (HHSRS) introduced in April 2006. (Category 1 hazards are those considered serious enough to trigger a duty on Local Authorities (LAs) to take enforcement action)

Criteria B - It must be in a reasonable state of repair.

Criteria C - It must have reasonably modern facilities and services.

Criteria D - It must provide a reasonable degree of thermal comfort.

Smoke Detectors - The Council has specific requirements regarding smoke detectors. All properties must have 2 mains powered (hard-wired with battery back-up) smoke detectors fitted to the ceiling of the hallway and the first floor landing. However, in some cases the Council may agree that smaller flats can be fitted with 1 hard-wired smoke detector.

Properties over two storeys, or larger properties, or those with outbuildings/ extensions/unusual layout, must also have a proportionate number of extra mains powered smoke detectors (as above) which must also be Interlinked (radio or wired) to ensure audibility in all parts of the property.

Other - please note that following an inspection by the Council's Accommodation Officers or your Surveyor there may be some specific Works required to be carried out depending upon the state of the property.

The main guidance LAs and Registered Social Landlords (RSLs) are expected to refer to on implementing the Decent Homes Standard is *A Decent Home: the definition and guidance for implementation* and *Decent Homes: capturing the Standard at the local level*.

In more detail;

Criteria A - It must meet the current statutory minimum standard for housing.

A property will meet this standard only if it is free from any serious hazards posed to occupiers' health and safety (Category 1 hazards.)

The framework and methodology for assessing such hazards is set out in Part 1 of the Housing Act 2004. Supplementary guidance is provided in the government publication: "Housing Health & Safety Rating System - Operating Guidance (Published, February 2006, ISBN 13:978 185112 846 4)

29 hazard types are specified and these fall into four groups each reflecting basic health requirements in housing:

A. Physiological Requirements:

Damp and mould growth

1. Exposure to house dust mites, damp, mould or fungal growths.

Excess cold

2. Exposure to low temperatures.

Excess heat

3. Exposure to high temperatures.

Asbestos and MMF

4. Exposure to asbestos fibres or manufactured mineral fibres.

Biocides

5. Exposure to chemicals used to treat timber and mould growth.

Carbon monoxide and fuel combustion products

6. Exposure to -
 - (a) carbon monoxide;
 - (b) nitrogen dioxide;
 - (c) sulphur dioxide and smoke.

Lead

7. The ingestion of lead.

Radiation

8. Exposure to radiation.

Un-combusted fuel gas

9. Exposure to un-combusted fuel gas.

Volatile organic compounds

10. Exposure to volatile organic compounds.

B. Psychological Requirements:

Crowding and space

11. A lack of adequate space for living and sleeping.

Entry by intruders

12. Difficulties in keeping the dwelling or HMO secure against unauthorised entry.

Lighting

13. A lack of adequate lighting.

Noise

14. Exposure to noise.

C. Protection Against Infection:

Domestic hygiene, pests and refuse

15. (1) Poor design; layout or construction such that the dwelling or HMO cannot readily be kept clean.

(2) Exposure to pests.

(3) An inadequate provision for the hygienic storage and disposal of household waste.

Food safety

16. An inadequate provision of facilities for the storage, preparation and cooking of food.

Personal hygiene, sanitation and drainage

17. An inadequate provision of -

(a) facilities for maintaining good personal hygiene;

(b) sanitation and drainage.

Water supply

18. An inadequate supply of water free from contamination, for drinking and other domestic purposes.

D. Protection Against Accidents:

Falls associated with baths etc

19. Falls associated with toilets, baths, showers or other washing facilities.

Falling on level surfaces etc

20. Falling on any level surface or falling between surfaces where the change in level is less than 300 millimetres.

Falling on stairs etc

21. Falling on stairs, steps or ramps where the change in level is 300 millimetres or more.

Falling between levels

22. Falling between levels where the difference in levels is 300 millimetres or more.

Electrical hazards

23. Exposure to electricity.

Fire

24. Exposure to uncontrolled fire and associated smoke.

Flames, hot surfaces etc

25. Contact with—

(a) controlled fire or flames;

(b) hot objects, liquid or vapours.

Collision and entrapment

26. Collision with or entrapment of body parts in, doors, windows or other architectural features.

Explosions

27. An explosion at the dwelling or HMO.

Position and operability of amenities etc

28. The position, location and operability of amenities, fittings and equipment.

Structural collapse and falling elements

29. The collapse of the whole or part of the dwelling or HMO.

A Surveyor must therefore check if there are any faults in the property which contribute to any of these 29 hazards

Note 1 - Whilst these are a brief summary of the hazards found in housing, the above list is not exclusive. Regard must be had to all 29 hazard types when assessing housing under the Housing Health & Safety Rating System. (Refer to Operating Guidance.)

Note 2 - Electrical and Gas safety certificates will also have to be provided separately by an owner prepared by recognised professionals

Criteria B - It must be in a reasonable state of repair.

A home will meet this criterion unless

1. One or more of the **key** building components are old and because of their condition need replacing or major repair, or
2. Two or more of **the other** building components are old and because of their condition need replacing

Key building components are

External Walls

Roof structure and covering

Windows/doors

Chimneys

Central Heating boilers

Gas fires

Storage heaters

Plumbing

Electrics

If any of the above are old and need replacing/major repair then remedial action must be taken because the property is not of a decent standard

Other building components are/include:

Kitchen Units

Bathroom generally

Central heating parts

If two or more of these are old and need replacing/major repair then remedial action must be taken because the property is not of a decent standard

N.B 'Old' means older than its standard lifetime

'Poor condition' means if they need major work, either full replacement or major repair

Criteria C - It must have reasonably modern facilities and services

A home will not meet this criterion if it lacks 3 or more of the following:

1. A kitchen which is 20 years old or less
2. A kitchen with adequate space and layout (e.g. large enough to fit sink, cupboards, cooker, worktops)
3. A bathroom which is 30 years or less
4. An appropriately located bathroom and WC (e.g. It can't be accessed via a bedroom, or if located outside, or if no sink and enters from kitchen)
5. Adequate noise insulation (Is it near rail/road/air traffic or factory?)
6. Adequate size and layout of common entrance areas for blocks of flats (e.g. must not have narrow access ways or steep stairs)

Criteria D - It must provide a reasonable degree of thermal comfort

This criterion requires a home to have both **efficient heating** and **effective insulation**.

Efficient Heating means

1. Any gas or oil programmable central heating, or
2. Electric storage heaters, or
3. Programmable LPG/solid fuel central heating, or
4. Warm air system, or
5. Under-floor system, or
6. Similar efficient heating systems

Central Heating is the Council's preferred option

N.B the system must ensure that the home is warm enough for the occupant. A rating system under SAP is a minimum of more than 35 (using 2001 SAP methodology)

Effective Insulation means

1. Cavity wall insulation OR Loft insulation of minimum thickness 50mm if it has gas or oil central heating, or
2. Cavity wall insulation and Loft insulation of minimum thickness 200mm if it has electric space heating

Swindon Borough Council's Decent Homes Standard – Checklist for Surveyors Inspecting Under Private Sector Leasing Scheme

Based on minimum requirements as set out in 'A Decent Home Definition & Guidance for Implementation – 2006' by Department for Communities and Local Government

Property Address:

Owner:

Wherever possible please reply 'Yes' or 'No' or 'See Attached' (and then provide further details separately)

Criteria A – Free from ALL 'Category 1 Hazards' as set out In the Governments Health and Safety Rating System (HHSRS) Introduced in April 2006

Is the Property:	Yes	No
1. Structurally Stable		
2. Free from Serious Disrepair		
3. Free from dampness or mould growth		
4. Secure from risk of intrusion		
5. Safe from the risk of fire and affords means of escape		
6. Of adequate space for living and sleeping		
Does the property have:	Yes	No
7. Adequate lighting (natural and artificial)		
8. Adequate noise insulation		
9. Adequate facilities for refuse storage		
10. Adequate heating		

- 11. Adequate ventilation
- 12. Adequate drinking water
- 13. Effective drainage for foul-waste/
surface-water
- 14. Suitably located WC
- 15. Suitably located bath or shower and
wash-hand-basin all with hot and cold water
- 16. Satisfactory facilities for preparation and
cooking of food with a sink and hot and
cold water.
- 17. Safe barriers against fires, flames and hot
objects

Smoke Detectors - Please refer to Guidance Notes	Yes	No
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Does the property have satisfactory mains powered
(hard-wired with battery back-up) **Smoke Detectors**

Is the property free from:	Yes	No
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- 18. Unreasonable risk of falls between
levels, on steps or stairs, on level surfaces
or in baths/showers
- 19. Electrical hazards
- 20. Pollutants such as Asbestos, MMF fibres
Carbon monoxide (and fuel combustion
Products), Biocides, Volatile organic
compounds, Radiation & Lead
- 21. Risk from explosion
- 22. Risk of entrapment

Criteria B – It must be in a reasonable state of repair

Are any of the following 'old' (i.e. older than years shown) **and** in need of replacing
or major repair?

<u>Key building components -</u> <u>N.B any 1 Item will fail the standard</u>	Yes	No
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- 1. External Walls (80)

2. Roof structure and covering
(50 for house, 30 for flats)
3. Windows & Doors
(40 for house, 30 for flats)
4. Chimneys (50)
5. Central Heating Boilers (15)
6. Central Heating distribution
System (40)
7. Gas Fires (30)
8. Storage Heaters (30)
9. Electrics (30)

**Other building components -
N.B 2 or more Items will fail the standard**

Yes No

1. Kitchen Units (30)
2. Bathroom generally (40)
3. Central heating parts (40)

**Criteria C - It must have reasonably modern facilities and services
3 or more Items will fail the standard**

Does the property have

Yes No

1. A kitchen which is 20 years old or less
2. A kitchen with adequate space and layout
(E.g. large enough to fit sink, cupboards, cooker,
worktops)
3. A bathroom which is 30 years old or less
4. An appropriately located bathroom and
WC (e.g. it can't be accessed via a bedroom,
located outside, or if no sink and
enters from kitchen)
5. Adequate noise Insulation
(Is it near rail/road/air traffic or factory?)
6. If Applicable,
Adequate size and layout of common
Entrance areas for blocks of flats (e.g. must
not have narrow access ways or steep stairs)

Criteria D - It must provide a reasonable degree of thermal comfort

This criterion requires a home to have both **efficient heating** and **effective Insulation**.

Does the property have (Efficient Heating) i.e.	Yes	No
1. Any gas or oil programmable central heating, or		
2. Electric storage heaters, or		
3. Programmable LPG/solid fuel central heating, or		
4. Warm air system, or		
5. Underfloor system, or		
6. Similar efficient heating systems		
<u>Central Heating is the Council's preferred option</u>		

N.B the system must ensure that the home is warm enough for the occupant.

Does the property have (Effective Insulation) i.e.	Yes	No
1. If has gas or oil central heating, Cavity wall Insulation OR Loft Insulation of minimum thickness 50mm or		
2. If has electric space heating Cavity wall Insulation AND Loft Insulation of minimum thickness 200mm		

Signed by.....

Firm.....

Address.....

..... Tel.....

Date.....

From the 1st October 2008 an EPC will be required whenever a privately rented building is let to a new tenant. It becomes an offence not to do so.

The certificate must show the Energy Efficiency Rating (relating to running costs) and the Environmental Impact Rating (relating to carbon dioxide emissions) of the dwelling. Each rating is shown on an A-G rating similar to those used for fridges and other electrical appliances. The purpose of the EPC is to show prospective tenants the energy performance of the dwelling they are considering renting.

The rating is accompanied by a recommendation report that shows how to improve the dwellings energy efficiency. These two elements together form the EPC and a copy of the complete document should be made available free of charge to prospective tenants and at the earliest opportunity a copy **must** be given to the person who takes up the tenancy. There is no requirement for landlords to carry out the recommended energy efficiency measures stated in the recommendation report but it is hoped that the scheme will encourage improvements in the energy efficiency of private rented accommodation and that tenants will be able to make informed choices over regarding their housing.

EPC's are valid for 10 years and can be reused as many times as required within that period. It is not necessary to commission a new EPC each time there is a change of tenant. An EPC is not required for any property that was occupied prior to the 1st October 2008 and which continues to be occupied after that date by the same tenant. Note also that the requirement for an EPC applies only to self-contained housing, therefore for housing such as, bedsits, hostels and halls of residence where there is sharing of facilities, an EPC will not be required.

The format of EPC's is prescribed and they can only be issued by an accredited assessor. Some assessors currently offer a discount to landlords who are accredited under a bona-fid Landlord Accreditation scheme. Further details can be obtained from Swindon Borough Councils Residential Services Team.

Landlords must provide a valid EPC to the Council before a property can be considered for Private Sector Leasing. However throughout the duration of any subsequent lease the council as landlord will be responsible for providing copies of the EPC to tenants at the commencement of each new tenancy.

