



Horsham
District
Council

Private Sector Leasing

A guide to leasing a
property to Horsham
District Council



Contents

What is Private Sector Leasing	3
Benefits for families and the local community	3
Benefit for landlords	3
Frequently asked questions.....	3
What types of properties are required?	3
Property condition	3
Vacant possession	3
Furnished or unfurnished	4
Conservatories, ponds and garages.....	4
Gardens	4
Heating	4
Security	4
Smoke Alarms and Carbon Monoxide monitor	4
How much rent am I likely to receive?	4
Am I expected to supply safety certificates?	5
Safety Checks.....	5
Who is responsible for the repairs?.....	5
Damages.....	6
Full property management	6
What happens if the tenant causes anti-social behaviour?.....	6
Rent.....	6
Who is responsible for the bills?	7
What happens when the agreement comes to an end?	7
A quick checklist of how PSL works	7
How to contact us.....	8

What is Private Sector Leasing

Private Sector leasing or PSL for short, is a scheme where the council takes on a lease on a privately owned property. The Council then uses the property as temporary accommodation for homeless households.

Benefits for families and the local community

Homeless families benefit as we can provide good quality temporary housing which is within the local area. The alternative is often located outside the District and can be some distance away, disrupting home life, work, school at what can already be a stressful time. This scheme enables us to use self-contained properties to those in need of emergency housing.

Benefit for landlords

- Guaranteed rental income for the lease period – irrespective of any void periods or tenant rent arrears.
- Rent paid quarterly in advance
- We manage the property for you. We take possession of your property and sub-let it to homeless households in housing need. We manage the property and any tenancies at no additional cost to you.
- Lease agreement between 3 – 5 years
- No letting agent or management fees
- No contact with the tenants
- Assurance that all legislation relating to letting is being met.
- Property returned in original condition (minus wear and tear)
- Innovatory checks completed at start and end of the lease
- No need to use deposit protection schemes.

Frequently asked questions

What types of properties are required?

We need 1,2- and 3-bedroom unfurnished self-contained properties. The properties need to be within the Horsham District. The council will consider most types of properties, flats, maisonettes, bungalows or houses.

Property condition

Properties must be in a good state of repair, as required under the Housing Health and Safety Ratings System (HHSRS). All properties must have adequate and suitable fixed space heating.

Vacant possession

Only vacant properties will be accepted into the scheme. While you have tenants in your property the council cannot consider the property for the scheme.

Furnished or unfurnished

Properties should be unfurnished with suitable floor coverings. White goods are not required, unless they are built in. If you want to leave any additional white goods, they must be clean, modern and PAT tested. These will not be replaced, and you will be asked to confirm you are donating them to the scheme.

Conservatories, ponds and garages

It is very unlikely that we will take on properties with conservatories, ponds, and garages.

Gardens

- Garden to be clear of rubbish, building materials and animal faeces
- To have vegetation cut back including shrubs and trees
- Fences to be continuous, secure, safe and in good repair
- Gates to be operational, gate posts/pillars to be secure
- Paved patio areas and paths/steps must be even and sound with no tripping hazards
- Garden ponds must be emptied and filled to make them safe.
- Greenhouses must be dismantled and removed.

Heating

The property must have a gas central heating or where there is no mains gas supply, fan assisted storage heaters are acceptable.

Security

You must supply 3 full sets of keys for the property. Any lockable outside door must have a key. Window keys will need to be supplied for any locks on PVCu windows. Restrictors on windows above first floor flats must be provided on any type of accommodation.

Smoke Alarms and Carbon Monoxide monitor

Smoke Alarm must be installed on every storey of the home and install a carbon monoxide alarms in every room which contains a fixed combustion appliance (excluding gas cookers). Smoke Alarm ideally needs to be hard wired but 10-year tamper-proof battery-operated smoke detectors are also acceptable.

How much rent am I likely to receive?

We guarantee payment of the rent for the duration of the lease, payments are processed quarterly in advance. You will have no commission fees, no void costs, no rent arrears nor will you have any of the costs you would normally incur between tenancies (e.g., redecoration costs).

Rent will be for the duration of the lease 80% of the current Local Housing Allowance Rates.

We are keen to ensure that the PSL scheme is attractive to property owners. Whilst we recognise that these rents are below market rent there are many benefits. We are confident that the package offered represents good value and is relatively low risk when compared with letting the property on the open market.

Am I expected to supply safety certificates?

Safety Checks

Before the lease is signed, we will need:

- Landlord Gas Safety Record (LGSR)
- NICIEC Electrical Inspection Condition Report (EICR) and PAT testing on any built appliances.
- Energy Performance Certificate
- The gas and electrical certificates will need to show that no remedial works are required to make the property safe.
- An asbestos management survey report
- Working smoke and carbon monoxide detectors.

These reports may highlight work that needs to be done to the property before we can accept it onto the PSL scheme.

Who is responsible for the repairs?

Repairing Obligations	Landlord	Council
All Structure and exterior • Chimneys, chimneys pots, stacks and flues • Roof coverings (tiles and slates etc.,) • Roof leadwork (flashings etc.) • Rook ceiling joists • Gutters, drains, drainpipes and external pipes • Fascia boards, soffits and large bargeboards • External walls • Window, windowsills, window frames, and the glass • External doors and frames • Patios, pathway and steps • Gulley's and inspection chambers • Head tanks • Boundary walls, gates and fences • Landscaping and trees • Lifts • Fire escapes • Dry and wet rot • Failure of double-glazed units • Sheds and other outbuildings	Yes	No
Insurable risks	Yes	No
Kitchen fittings including kitchen units	Yes	No
Built in appliances	Yes	No
Any defects at the start of the tenancy	Yes	No
Annual gas certificate	No	Yes

Damage caused by the council or our tenant (unless it is an insurable risk)	No	Yes
Removing rubbish at the end of the tenancy	No	Yes
Keeping the garden trimmed and tidy	No	Yes
Internal repairs • Replacement of taps in bathroom and kitchen • Unblocking sink wastes and gullies • Replacement of defective door furniture • Maintenance of seals to showers, baths, wash-hand basins etc. • Key replacement	No	Yes

The maintenance of our Council own stock or those properties we lease will be conducted by the maintenance contractor who are employed by the Property Services department at Horsham District Council.

Should repairs for which you are responsible be required we will contact you to confirm what needs to be done. We will ask you to confirm what steps you intend to take to address the problem.

At the end of the leasehold agreement, the property will be returned to you in the same condition (minus fair wear and tear) as when the agreement started.

Damages

If the property is damaged as a result of misuse by the tenant, the council will arrange the repairs and will take appropriate action to recover the costs from the tenant.

Full property management

We will:

- Carry out a full inventory and schedule of condition with photographic evidence
- Set up and manage new tenancies
- Act as point of contact for tenants to sort out any issues with the property.
- Arrange for annual gas service checks to be carried out.
- Ensure compliance with existing and future legislation

What happens if the tenant causes anti-social behaviour?

All tenants are required to sign a tenancy agreement which includes clauses about noise and nuisance. Anti-social behaviour will not be tolerated. Should a tenant break their tenancy agreement the Council will try to resolve the situation. If the tenant continues to cause a nuisance the Council will take legal action against them to secure an eviction.

Rent

The collection of rent will be between the Council and their tenant.

Who is responsible for the bills?

We will take meter readings when the lease commences and provide details of the new tenants to the utility and council tax.

- The Council's tenants will be responsible for paying the Council Tax, electricity, gas, water and house contents insurance.
- The landlord will be responsible for paying the building insurance and any service/maintenance charges.

What happens when the agreement comes to an end?

The council will contact you 6 months prior to the lease agreement coming to an end to determine if you are happy to continue to lease your property to the council or if you wish to bring the agreement to an end.

It is the Council's responsibility to provide you with vacant possession of your property at the end of the agreement. Should tenants refuse to leave the council will take legal action against them and bear the costs.

The council will continue to pay your agreed rental payments until the property can be handed back in vacant possession. The property will be in a good state of repair and decoration excluding fair wear and tear. Before the property is handed back to you, the council will complete a check out inventory and take details of any damages that is more than fair wear and tear. In the event of any dispute the inventory will be your proof of condition of the property at the commencement of the lease.

We are confident that our PSL scheme represents good value to property owners and is relatively low risk when compared to letting the property on the open market.

If you are interested in the scheme and you have a property you would like to be considered for the PSL Scheme, please complete the online form on the PSL page of our website. The Housing Officer (Private Letting Service) will contact you to discuss the scheme and arrange a viewing of the property. Alternatively, you can contact the officer on 01403 215570.

A quick checklist of how PSL works

1. The property is viewed by our Housing Officer. If the property is acceptable the officer will explain the PSL Scheme and inform the owner of any necessary works. The owner will be given a checklist and copy of the template lease agreement.
2. The owner will obtain the necessary paperwork listed in the paperwork and send it to the Housing Officer.
3. The Housing Officer will check that the paperwork is correct and inform the owner of any issues.
4. We will arrange for additional acts to be carried out.
5. The owner will carry out all the necessary repairs and provide required items. Ensure the property is cleared and cleaned.
6. When the property is ready, the owner will notify the Housing Officer who will arrange an appointment to visit to make a final inspection and draw up the inventory.
7. If the property meets the required standard, we will take arrange an inventory by an independent company.
8. Arrange a date to sign the lease agreement and for keys to be handed over.

How to contact us

Please contact the Housing Officer (Private Letting Service) who can advise you and answer any question you may have.

Call: [01403 215572](tel:01403215572) or [07867 340938](tel:07867340938)

Email: HorshamPSL@horsham.gov.uk

Or write to us at:

Private Sector Lettings and Leasing

Housing Services
Horsham District Council
Albery House
Springfield Road
Horsham
West Sussex
RH12 2GB

If you have any suggestions on how we can improve the scheme, please let us know.

We are aware that however we try, occasionally things go wrong. Please help us to put them right. If you would like to make a complaint, please go to our website on www.horsham.gov.uk and access the feedback and complaints form.