

Private Sector Leasing

A guide to leasing property to
Teignbridge District Council



This leaflet tells you about the Private Sector Leasing Scheme

- What is Private Sector Leasing?
- Advantages of leasing to the council
- About Private Sector Leasing
 - Rent Levels
 - Payments
 - Property Condition
 - Type and Size of Properties
 - Vacant Possession
 - Heating Security
 - Required Items /furnishings
- Who is responsible for the bills?
- What about repairs and damages?
- Documents
- Additional Checks
- Declaration
- Teignbridge Council employees, Councillor & Partners
- Taxation
- Electrical Items
- Cleaning
- Inventory
- What happens when the agreement comes to an end?
- A quick checklist of how it works
- How to contact us

What is Private Sector Leasing?

Private Sector leasing, or PSL for short, is a scheme where the council take a lease on a privately owned property. The council then uses the property as temporary accommodation for homeless households. You can offer your privately owned property for leasing as long as it meets the conditions in this leaflet.

Advantages of leasing to the council

- Guaranteed rental income for the lease period – even if the property is empty
- Rent paid quarterly in advance
- Professional property management
- Right to Rent checks carried out
- 1 or 2 year lease providing peace of mind
- After initial set-up minimal input required
- No contact with the tenants
- Assurance that all legislation relating to letting is being met
- We agree to cover the cost of minor repairs up to the value of £250 per annum, without contacting you
- Guaranteed vacant possession of the property and in good state of repair and decoration – excluding fair wear and tear
- No need to use deposit protection schemes

About Private Sector Leasing

- **Rent Levels**

After inspecting the property and subject to the property being suitable for the scheme the following rental figures apply depending upon location and property size. Rents are lower than market rents to account for guaranteed rent and management. [Broad Rental Market Area splits by postcode](#)

	South Devon Broad Rental Market Area	Exeter Broad Rental Market Area
1 bed (own facilities)	£377.95	£454.43
2 bed	£499.94	£550.84
3 bed	£596.78	£642.68
4 bed	£749.74	£852.65

- **Payments**

Payments are processed by BACS, quarterly in advance. If the lease commencement date is part way through the quarter, partial payment will be processed to bring payments in line with all private sector lease properties.

- **Property Condition**

The property has to be of an acceptable standard. Our inspecting Officer will inform you of any work needed to achieve this. See [‘Landlords’ checklist – covering the basics’](#)

- **Types and size of properties**

The council will consider most types of properties, flats, maisonettes, bungalows or houses. We are particularly keen to take on properties with level access that have been or can be adapted for occupants with mobility difficulties.

We won't over-occupy your property.

- **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.

- **Heating**

The property must have gas central heating or where there is no mains gas supply, fan assisted storage heaters are acceptable. If you have a tank with an immersion heater it must be covered by a jacket.

There may be grant assistance available to improve heating and insulation.

- **Security**

You must supply 3 full sets of keys for the property including shed and garage keys if applicable. Any lockable outside door must have a key. Window keys need to be supplied for any locks on PVCu windows. Restrictors on windows above the first floor must be provided on any type of accommodation. A smoke alarm must be installed on every storey of rental property which is used as living accommodation. Ideally hard wired, but 10 year tamper proof battery operated smoke detectors are also acceptable. Carbon monoxide monitors must be installed in any room used as living accommodation where solid fuel is used.

- **Required Items / Furnishings**

You will need to provide the following items:

- **Kitchen**
 - A cooker that includes an oven and hob, clean and in good condition (PAT tested), with instructions.
 - Wall and base units, with sink unit suitable for the size of the kitchen
- **Bathroom/shower room**
 - A shower or bath in 1-bedroom properties
 - A bath in properties with 2 or more bedrooms
- **General items**
 - Suitable floor covering in each room
 - Curtain tracks/poles for each window
 - TV aerial

All other furniture must be removed prior to the lease commencing. (Any furniture left will be disposed of, the cost of which will be reimbursed from initial lease payment)

If you want to leave any additional white goods, they must be clean, modern and PAT tested or they will be removed and disposed of. These will not be replaced and you will be asked to confirm you are donating them to the scheme.

Full Property Management

We will:

- Carry out a full inventory and schedule of condition with photographic evidence.
- Carry out right to rent checks.
- Set up and manage new tenancies
- Discuss the contents of the occupancy agreement with the tenants and/or their advocates.
- Act as the point of contact for tenants to sort out any issues with the property.
- Arrange for cleaning between tenancies and cover the costs
- Carry out quarterly inspections
- Arrange for repairs, liaise with landlord where annual costs are in excess of £250
- Arrange for annual gas service checks to be carried out (The cost of which will be deducted from the next rent payment due)
- Ensure compliance with existing and future legislation

We may work with partners to help deliver services.

Who is responsible for the bills?

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

- The tenants will be responsible for paying the Council Tax, Electricity, Gas, Water and house contents insurance
- You will be responsible for paying the building insurance and any service /maintenance charges.

What about repairs and damages?

Repairs

The owner of the property is responsible for the repairs as specified by section 11 of the Landlord and Tenant Act 1985, as follows:

- The structure and exterior including the walls, roof, foundations, damp proof course, drains, guttering and external pipework, windows and external doors
- Basins, sinks, bath, toilets and the pipework
- Water and gas pipes, electrical wiring, water tanks, boiler, radiators, gas fires, fitted electric fires or fitted heaters.
- Treatment and prevention of rodent infestation.

However, during the term of the lease Teignbridge Council agree to cover the cost of repairs up to the value of £250 per annum. If the cost of works is in excess of £250 we will contact you.

You can arrange for necessary works to be carried out or we can do this for you, the cost of which will be deducted from the next rent payment due.

Damages

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

What happens if the tenant is a nuisance to their neighbours?

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 then the Council will take legal action against them to secure an eviction.

Documents

You will need to provide some documents before the council can produce the lease:

- Building society or bank's written consent to lease the property if there is a mortgage or charge held against it.
- Your freeholder's agreement if the property is leasehold or a copy of the lease if there are no sub-letting restrictions.
- A copy of the title deeds if there is no mortgage or charge held against the property.
- Copy of the insurance certificate which is specific to a lease between the Local Authority and the landlord (DSS Cat 2 policy).
- A copy of your legal Power of Attorney certificate if you intend being resident outside the United Kingdom.
- A Landlord Gas Safety Certificate, dated within the last 3 months. These can be obtained from engineers on the Gas Safe Register.
- A NICEIC electrical safety certificate, dated within the last 3 years. You can get this from an NIC/EIC accredited electrician. NAPIT certificates are also acceptable.
- An Energy Performance Certificate to comply with legislation that came into effect 1 October 2008. The energy performance rating for the property must be a minimum of 39.

Additional Checks

We will arrange and pay for the following additional checks to be carried out:

- An asbestos survey. However if asbestos is found to be present the costs of its removal is the responsibility of the landlord.
- Fire Risk Assessment
- Legionella checks

Declaration

You will be required to confirm that you are not aware of any unresolved civil issues or otherwise which would impact upon the occupation of above premise during the lease period.

Teignbridge Council Employees, Councillors and Partners

If you are a Teignbridge Council employee, partner or relative, Councillor or work for a partner organisation you must write to the Service Lead for Housing and Health. Say that you intend to lease your property under Private Sector Leasing (PSL). Copies of this letter will be kept on file. The council's Audit Team will be invited to review the proposed agreement before a lease is signed.

Electrical Items

If any electrical goods are being left at the property Portable appliance testing (PAT) certificate will be required. Electrical appliances without PAT certification must be removed prior to commencement of the lease. (New equipment does not need portable appliance testing but should be supplied in a safe condition; a simple visual check should be carried out to verify that the item is not damaged).

Cleaning

The property must be cleaned to a good standard prior to the commencement of the lease. If the property has not been cleaned to a satisfactory standard, works will be arranged the cost of which will be deducted from the landlord's initial rent payment.

Inventory

When all the documents are ready we will visit your property again to complete a full photographic inventory. The inventory will list each item the fixtures and fittings in each room and its condition. We will also take photographs of each room.

The inventory is used to check the occupants in and out. It is also used as a checklist when handing the property back to you.

When we are compiling an inventory, it is essential that the property is ready to let. All required items must be in place and repairs/decorating carried out. In addition we will give you a full checklist to ensure that you have met all standards at the time of the inventory.

Before the visit, you will need to have removed all furniture (other than items specifically required, above). When we have complete the inventory, we will arrange with you a date for the lease to be signed.

What happens when the agreement comes 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, we will make a full inspection and take details of any damage that is more than fair wear and tear.

We will calculate the cost of any work and make you a cash offer as compensation.

The Council does not guarantee to renew or replace any of the following items, at any time during the term of the lease or at the end:

- Built-in appliances
- Flooring (including carpets and wooden or laminate flooring)
- Curtains, and other window dressings
- Lamp shades and specialist light fittings
- Fencing and other garden items

A quick checklist of how PSL works

1. The property is inspected 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 this leaflet and send it to the Housing Officer.
3. The Housing Officer will check that the paperwork is correct and inform the owner of any problems.
4. We will arrange for additional checks to be carried out.
5. The owner will carry out all the necessary repairs and provide required items. Ensure the property is thoroughly 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 an inventory, schedule of conditions, take photographs and arrange a date to sign the lease.
8. Lease forwarded for signing or signed at the office

How to contact us

Please contact the Private Sector Leasing Team who can advise you and answer any questions you may have.

Contact us by phone on:

☎ 01626 215202 / 01626 215425

Or write to:

Landlord Liaison Officer
Housing Services
Teignbridge District Council
Forde House
Brunel Road
Newton Abbot TQ12 4XX

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

We are aware that however hard we try, occasionally things go wrong. Please help us to put them right. If you would like to make a complaint please contact:

Joint Housing Needs Lead

☎ 01626 215202

Nicola.forsdyke@teignbridge.gov.uk

Or in writing, to:

Joint Housing Needs Lead
Housing Services
Teignbridge District Council
Forde House
Brunel Road
Newton Abbot TQ12 4XX