



Chester-le-Street
District Council

Report to: The Council

Date of Meeting: 20 December 2007

Report from: Housing Options Manager

Title of Report: Bond Scheme

Agenda Item Number:

1. Purpose and Summary

- 1.1 The purpose of this report is for the Council to consider the introduction of a Bond Scheme to assist those who are unable to access the private rented sector and to assist those who are homeless or at risk of homelessness.

2. Consultation

- 2.1 Consultation has taken place with the Chester le Street Homelessness Forum, The Head of Regeneration and the Housing Strategy Manager.
- 2.2 Staff within the Housing Options Team have been invited to comment.

3. Corporate plan and Priorities

- 3.1 The implementation of the Bond Scheme would make a contribution in particular to:
- Priority1, Customer excellence, Increasing our prevention measures and providing an excellent Housing Options Service accessible by all the community.
 - Priority 2, Working in Partnership to deliver the Community Strategy, engaging people in the development of services in Chester-le-street for People threatened with Homelessness and to develop services for victims of Domestic abuse
 - Priority 4, Regenerating the District, working with partners and customers to regenerate services amongst the diverse community who may be threatened with Homelessness.

4. Implications

4.1 Financial Implications and Value for Money Statement

Chester le Street Housing Options Team have been awarded a £35000 grant for 2007/2008 from the Department of Communities and Local Government to tackle homelessness within district. £10,000 of this grant is to be held for the Bond Guarantee Scheme.

Value for Money has been a key consideration in the development of this Scheme and it is envisaged that by implementing a Bond Scheme within Chester le Street it will reduce the number of homeless applications submitted.

4.2 Legal

There are no direct legal implications arising from this report. However, the revised Code of Guidance on Homelessness 2007 suggests that local authorities should focus more on the prevention of homelessness.

4.3 Personnel

There are no personnel implications arising from this report.

4.4 Diversity

The Introduction of the Bond Scheme will broaden the housing options for all applicants including those minority groups and those with support needs.

This Policy is critically important to the council in terms of equality and diversity. This Policy aims at preventing homelessness amongst all diverse groups or households, ensuring the service we provide meets the needs of the wider community.

4.5 Risk

The risks associated if this policy was not implemented are as follows:

- Reduce the amount of people rehoused into the private rented sector
- Increase the costs associated with B&B and temporary accommodation
- Increase the number of homeless applications being submitted

4.6 Data Quality

Every care has been taken in the development of this report to ensure that the information and data used in its preparation and the appendices attached are accurate, timely, consistent and comprehensive. The council's Data Quality Policy has been complied with in producing this report.

5. Background, Position Statement and Option Appraisal

- 5.1 The extension of the duties under the Homelessness Act 2002, increased the number of Homelessness Presentations to Local Authorities and as a result Local Authorities are expected to concentrate more on preventative measures and housing options.

Securing accommodation within the private sector is often difficult as the costs associated with the Bond, admin fees and rent in advance can often leave people feeling that they cannot afford to choose this option of accommodation. This policy will link to the Private Landlord Accreditation Scheme and applicants who are accepted onto the Scheme will have the opportunity to apply to have a Bond Guaranteed.

This Scheme will also secure the rights of these applicants by ensuring that they do not lose their Bond Money. In most situations landlords receive the deposit at the start of the tenancy and sometimes release it when the tenant moves out, but research carried out by Shelter showed that 127,000 private tenants have their deposits unfairly withheld each year. Therefore we hope by introducing this scheme we are protecting the rights of tenants and also helping them to save towards their own bond.

5.2 Benefits of a Bond Scheme Policy:

- Reduction in the number of Homeless Applications
- Increasing the Housing Options to applicants
- Providing assistance to customers to enable them to secure good quality private rented accommodation
- Protecting tenants against the illegal withholding of Bond monies
- Reduction in the number of households in bed and Breakfast
- Reduction in Bed and Breakfast costs
- Spending to Save and providing real and cost effective benefits

6. Recommendations

- 6.1 The Members are recommended to approve the Bond Scheme Policy

7. Background Papers/ Documents referred to

- 7.1 Bond Scheme Policy

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