

Rent Guarantee for Landlords.



June 2022

Milton Keynes City Council now offer landlords a Rent Guarantee, the offer will last for the duration of the assured shorthold tenancy, working in the same way as a cash guarantee by covering an amount for rent, a locally managed, straightforward claims process at the end of the tenancy.

A Rent Guarantee works to protect you in the same way as a cash guarantee by covering an amount in case of rent arrears, at the end of the tenancy. It's completely free. During the term of the tenancy, you can also get free specialist support and advice from the Supply & Acquisitions Team who will quickly and effectively deal with any issues that arise.

- We have a large selection of potential tenants in need of a home.
- An easy process if you need to make a claim against a Rent Guarantee.
- We also offer you a landlord cash incentive.

For further information about our cash incentive scheme please visit the website below:

www.milton-keynes.gov.uk/housing/supply-and-acquisitions.

Frequently asked questions

Who can benefit from the Rent Guarantee?

Any household can get a Rent Guarantee, including single people, couples, families, and people that would like to share a home but to be eligible, they must:

- Be on a low income.
- Currently homeless or threatened with homelessness which cannot be prevented.

We have a number of potential tenants looking for a new home. You will not need to spend money advertising your property if you rent it through Milton Keynes Council.

How much does it cost to secure a Rent Guarantee?

The Rent Guarantee scheme is completely free for both landlords and tenants.

Do you pay cash Incentives to landlords?

Yes, we have a wide range of incentives available.

We recognise that being a landlord can be costly, for example paying for legally required safety certificates and managing empty properties. In addition to the Rent Guarantee, Milton Keynes Council offers a wide range of cash incentives for landlords including, free property inspections with trained staff in the housing health and safety rating standards scheme (HHSRS). Advice & guidance is also available before and during the term of the tenancy, including continuous landlord support for the duration of the tenancy.

We also offer a half price one year membership to the National Registered Landlord Association (NRLA) accreditation scheme as you agree to let your home under the terms of an assured shorthold tenancy.

More information about the landlord accreditation scheme is available here:

www.milton-keynes.gov.uk/housing/private-housing-and-landlords

Do you carry out any checks on potential tenants?

Yes. All potential tenants applying to Milton Keynes Council for a Rent Guarantee must complete a homelessness application and attend a comprehensive assessment appointment to discuss their circumstances and housing history. Our goal is to create sustainable tenancies, so we assess:

- If the client will manage a tenancy successfully
- The chances of claim being made on the Rent Guarantee at the end of the tenancy by the landlord.

Can I get a Rent Guarantee if I find my own tenant?

- Possibly. If your potential tenants are homeless/threatened with homelessness and on a low income they may be eligible to apply for a Rent Guarantee. However, you should contact us before moving them in or signing a tenancy agreement with them, as we are unlikely to provide a Rent Guarantee after someone has moved in.
- If you are bringing a tenancy to an end and your tenant may be threatened with homelessness as a result, we would like to try and prevent this. Please contact us before you consider serving notice. Please also pass on our details to your tenant. We have a range of free support services in addition to the Rent Guarantee that may help them.

What standard do you expect from my property?

- We expect your property to be of a decent standard, in a good state of repair, free from hazards and meeting legal requirements. Before issuing a Rent Guarantee, we will require:
- A copy of your current Gas Safety Certificate, Energy Performance Certificate (EPC) & Electrical Safety Certificate.
- Confirmation of working smoke alarms.
- An inventory of fixtures and fittings.
- We will carry out a property inspection.

Additionally:

- We encourage landlords to supply Carbon Monoxide detectors, regardless of whether they are legally required
- Any furniture provided must comply with fire safety regulations (1998)
- Where the property is a licensable House in Multiple Occupation (HMO), we will check with the Local Authority where the property is located that the property is fully licensed

Do I still manage the property?

Yes. Milton Keynes Council will provide the Rent Guarantee and support to you and your tenant throughout the duration of the tenancy. You remain in control, managing all aspects of the tenancy as usual.

Landlords How to Let Guide:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/942509/6.6642_MHCLG_How_to_Let_v5.pdf

How long does the Rent Guarantee last?

The initial Rent Guarantee lasts for the term of the assured shorthold tenancy. The Rent Guarantee does not apply to any continuation or periodic tenancy after the end of the term of the initial tenancy however, the Rent Guarantee can apply to a new tenancy and upon receipt of an up-to-date Gas Safety Certificate and property inspection completed by MKCC.

Are there any limits of how much rent I can charge?

We recommend you charge no more than the local housing allowance amount for your property's location and number of bedrooms. We can advise you on this amount and tell you in advance how much help with housing costs a potential tenant would be entitled to.

We check people's incomes and will provide a Rent Guarantee if we assess the rent is affordable for the potential tenant. We will not provide a rent Guarantee if we think they are unable to afford the rent.

What happens if my tenant fails to pay the rent?

If you do have a tenant who falls into rent arrears, we can offer support to both tenants and landlords to help resolve the situation. It is important to contact us as soon as possible.

How do I make a claim?

Complete a simple claim form 14 days after the tenant vacates the property, we will also need a copy of the rent account. We aim to make the process as straightforward and as quick as possible to help with reletting the property

What if my claim is more than the value of the rent guarantee?

We will only pay for the rent loss, any losses above the value of the Rent Guarantee would need to be recovered from the deposit the tenant paid when they moved in. You would need to make an agreement with the tenant to repay additional costs owed and if this was not successful, pursue your rights further via the Small Claims Court.

Can I use the Rent Guarantee on more than one property?

You can use the Rent Guarantee for the same property again and for as many other properties as you like. Many landlords have multiple properties and offer multiple tenancies.

Can I still use the Rent Guarantee scheme again when I have made a claim?

Yes, making a claim against a Rent Guarantee does not stop you from using the Rent Guarantee scheme again.

Can Milton Keynes Council help me in other ways?

- We have a range of free support services for landlords and tenants, all designed to take the stress out of renting and to make your tenancy a success.
- Support, guidance, and practical help for Landlords from our friendly and knowledgeable Supply & Acquisitions team.
- Free, impartial mediation service between Landlords and tenants to ensure the smooth running of the tenancy and to make tenancies a success.
- Free Landlord training on key areas, including dealing with rent arrears and Universal Credit with our partner the National Resident Landlord Association.
- Outreach support for landlords, specialist advice and troubleshooting for difficult to manage tenancies.
- Landlord forums, events, and newsletters, so you don't miss out on the latest news and services. These events will be co-hosted with our Private Sector Housing Team.

Supporting tenants to manage their tenancies

We have a variety of specialist support services for homeless people and tenants in Milton Keynes. Our Community Support Team, Housing Benefit Service including the Department of Work and Pensions and other partner agencies such as the Citizens Advice Bureau and Adult Services, here at Milton Keynes Council are fully trained and have a wealth of knowledge and experience in a broad range of issues including housing, rent arrears, benefits, debt, mental/physical health issues, and many more.

