



Rent Deposit Scheme

Introduction

Orkney Islands Council manages a scheme to help people on a low income to access private sector accommodation. This scheme is called a rent deposit scheme.

What is a rent deposit scheme?

This is a scheme where the Council may pay a deposit to participating landlords to help those who are eligible to rent in the private sector. The deposit is taken by the landlord against any damage caused by the tenant to the flat or furniture or losses such as unpaid bills at the end of the tenancy and held by one of the three National Rent Deposit Schemes. The tenant arranges to pay the deposit back over a period of time usually a maximum of twelve months. The deposit should be repaid to her/him at the end of the tenancy if there are no outstanding damages or debts.

Would you qualify?

To qualify for the scheme, you have to meet all of the following criteria:

- Have an established local connection with Orkney.
- Be claiming benefits, for example, Universal Credit or you have no other way of paying a deposit – you will have to complete and sign a financial statement stating this.
- Have, normally, no outstanding debt with Orkney Islands Council.
- Satisfy the Housing Service that you are able to pay the rent on the proposed tenancy; the Housing Officer (Homelessness and Advice) makes this decision, though you can appeal if you disagree. Separate information is available on our appeals process.

How does it work?

If you find somewhere to rent you should explain to the landlord that you are contacting the Council about using the scheme.

You will provide the Council with information on the property you want to rent.

You will set up an arrangement to repay the deposit in full to the Council normally during the first twelve months of the tenancy.

The rent deposit should not exceed the equivalent of one months' rent.

What will the Council do?

When you come to the Council, you will need to show us a copy of an agreement/lease which is unsigned. We will have to be satisfied that it does not breach your rights.

The Council may also inspect the property and will have to be satisfied that the property is free from serious disrepair.

We will ask you to sign a statement agreeing that if your actions result in your deposit not being returned by the landlord, you will still be required to repay the Council in full.

What does the landlord need to do?

If the landlord wishes to become involved in the scheme, she/he will have to do the following:

- Allow the property to be inspected if necessary and she/he should complete a full inventory – an inventory details the contents in the property and its condition – which should be signed by both the landlord and yourself. We will need to be given a copy of the signed inventory.
- Provide a written tenancy agreement.
- Sign an agreement to confirm that, subject to agreed deductions, and unless advised otherwise, the deposit will be returned to the Housing Services at the end of the tenancy.
- Ensure that the property offered is free from serious disrepair.
- Ensure that the property is registered under Private Sector Landlord Registration.
- Ensure that where there are three or more tenants living in the same property who are not of the same household (a house in multiple occupation) that Environmental Health has inspected the property and that the Council has issued a license.
- Ensure that your deposit is lodged within one of the three National Rent Deposit Schemes.

The landlord must accept responsibility – not Orkney Islands Council – for the suitability / reliability of their tenant.

What happens once the Council agrees to go ahead?

We give the landlord the deposit once the agreement has been signed.

You will make an arrangement to pay the deposit back to the Council and sign an agreement to this effect.

We will inform your landlord that you have been sent an invoice for the deposit.

Your landlord should advise you within 30 days of your tenancy starting with which National Rent Deposit Scheme Administrator your deposit has been placed.

How long does it take?

Once you have made contact with the Council we aim to make an initial decision within two working days on whether or not we will pay the deposit.

A final decision will be reached after the required information has been received.

We will confirm in writing to you and the landlord whether assistance is being offered.

If assistance is being offered, you and the landlord will be asked to sign the Deposit Agreement.

The deposit will then be paid to the landlord within two weeks.

What happens when you move in?

We will provide you with a copy of the relevant forms for your records.

Six months after the start of the tenancy we may contact you and your landlord to make sure that you are still the tenant.

We may carry out further checks every six months until your tenancy comes to an end or until the deposit has been repaid to the Council.

When you have repaid the deposit, we will notify you and your landlord by letter that, when the tenancy ends, the deposit should be returned to you.

From that stage the Housing Services will have no further involvement in the tenancy. However, if there are any problems or issues we would be happy to advise either you or your landlord.

What happens when the tenancy comes to an end?

If you decide to end the tenancy by giving your landlord notice then you should contact the Housing Services for advice prior to doing so.

If your landlord serves you with a notice or asks you to leave the property please contact the Housing Services immediately for further advice.

Further Information

If you would like to talk about any of the issues in this leaflet or you need further advice, please contact the Homelessness and Advice Section by calling 01856873535.

Alternatively, you can make an appointment to see an advisor at our offices at Orkney Islands Council, Council Offices, School Place, Kirkwall, Orkney, KW15 1NY.

We can also help you contact a range of other agencies that may be able to assist you.

This leaflet can be made available in a range of other languages and formats as required.

The Citizen's Advice Bureau provide an independent, free, housing advice service and they can be contacted at Anchor Buildings, Bridge Street, Kirkwall, Orkney or by calling 01856875266.

Appendix One: Definition of Local Connection

Someone may have a local connection with Orkney if they:

- Have lived in Orkney for at least six out of the last twelve months; or three out of the last five years.
- Have employment in Orkney.
- Have close relatives in Orkney.
- Have other special reasons that the council should be aware of and take into consideration.

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