



Accommodation Assistance Scheme Guidance

Status of Policy

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Access: If you require this information in an alternative format such as large type, audio cassette, or Braille, please contact the Policy and Support Team, Human Resources on 01609 532593

Introduction

- 1.0 This Scheme is aimed at assisting new employees who need to move home in order to take up their employment in circumstances where the employee has financial difficulty in securing rented accommodation.
- 1.1 In order to overcome this difficulty and aid recruitment the Authority may, when certain conditions are met (as defined under 3 below), make an interest-free loan to the employee of up to £1000 to enable the employee to pay an accommodation bond required by their prospective landlord and the first month's advance rent.
- 1.2 The loan offered under this Scheme will be made available to any individual on one occasion only.
- 1.3 Limited assistance may also be given from the Council's Relocation Expenses Scheme e.g. removal expenses, disturbance allowance, if appropriate in the circumstances.
- 1.4 In order to limit the Authority's financial liability, the scheme is restricted to a maximum of 100 loans per financial year (01 April – 31 March). The Council will not consider any application for a loan under this Scheme during the financial year once it has made 100 loans within the same financial year.
- 1.5 The scheme is discretionary and is subject to an application process, with authorisation at Corporate Director level or nominated senior management.

Scope

- 2.0 This Scheme applies to new employees of the County Council in the categories listed under section 3 below unless they are specifically excluded by reason of a separate policy and procedure, for example employees employed directly by schools under the Local Management of Schools arrangements. However, school Governing Bodies may adopt the scheme, financed by schools' delegated budgets.

Eligibility

- 3.0 Only employees newly recruited to the County Council will be eligible for this Scheme and they must apply for a loan within one month of commencing employment. If necessary the application can be made and processed in advance of the individual commencing employment as detailed under 'Process' below.
- 3.1 The post recruited to must be established or of a fixed –term duration of one year or more and be at pay Band 6 or below.
- 3.2 The employee must be able to provide evidence of having to move home in order to accept the post (e.g. current address being outside a reasonable commuting distance, bearing in mind the level of the post or their current accommodation is tied to their existing employment and they will have to vacate).

3.3 Other indicators which would influence the acceptance of a loan application are as follows: -

- Post types which have a history of being hard to fill
- The new employee being a member of a target recruitment group e.g. an apprentice, a young offender, a disabled person or other group under-represented in the existing workforce
- The amount of expenditure involved being proportionate to the business aim to be achieved.

Amounts

- 4.0 The amount of the interest-free loan will be limited to the actual combined amount of the accommodation bond and the first month's advance rent, subject to an overall limit of £1000.
- 4.1 The cost of the loan will be charged to the appropriate service budget, with repayments being credited to the same budget.

Process

- 5.0 Any new employee who wishes to apply for an accommodation loan should discuss this with his/her line manager as soon as possible and, preferably, before commencing employment.
- 5.1 If the employee appears to meet the eligibility criteria of the Scheme (see 3 above) the line manager will complete a Loan Application Form (Appendix A), obtaining the employee's signature, and submit the form to the Corporate Director or nominated deputy for approval. The approved form will then be sent to the Directorate HR Administration Supervisor.
- 5.2 In cases where the manager/Corporate Director requires guidance on the eligibility of an individual under the Scheme, the service's HR team should be consulted
- 5.3 The loan period will normally be 12 months but can be extended up to 24 months maximum at management discretion (provided the employment contract duration is at least the length of the loan period) The employee will be informed at the time eligibility is confirmed of the period over which repayments will be made.
- 5.4 If the employee leaves the Council's employment before the expiry of the loan period then the outstanding balance will become repayable immediately.
- 5.5 For approved loans, once the new employee's preferred accommodation has been identified the employee shall submit a letter/form to the Directorate HR Administration Supervisor from their prospective landlord (or landlord's agent) giving details of the accommodation bond and advance rent required.
- 5.6 The Directorate HR Administration Supervisor will issue a letter (Appendix B) and two copies of an Agreement (Appendix C) to the prospective landlord (or landlord's agent).

- 5.7 Upon receipt of the signed and dated landlord's Agreement the Directorate HR Administration Supervisor will request the employee to sign two copies of a Credit Agreement for the loan. For legal reasons, the Credit Agreement must be signed on NYCC premises.
- 5.8 On the first day of employment the line manager will confirm to the Directorate HR Administration Supervisor by email that the individual has commenced employment. The Directorate HR Administration Supervisor will immediately request a BACS transfer to the landlord (or landlord's agent) on form T21 to Financial Services, Room 70 attaching a copy of the payee's bank details. Form T21 must be marked 'immediate' and coded to L9504-1981. This form will then be sent to Room 62 for processing.
- 5.9 The Directorate HR Administration Supervisor will send a copy of the Loan Application Form to Payroll for administration of the monthly deduction.
- 5.10 The Directorate HR Administration Supervisor will send a letter to the employee (Appendix D), confirming the amount of the loan, repayment period and monthly repayment amount.
- 5.11 A further copy of the Loan Application Form will be sent to the Directorate's HR service or administering team for placing on the employee's personal file, together with a copy of the loan notification letter and Credit Agreement.
- 5.12 Should the employee leave NYCC employment prior to the repayment of the loan, the line manager must immediately contact the Directorate HR Administration Supervisor who will arrange for recovery of the balance outstanding from the employee's final payment.
- 5.13 Should the employee leave NYCC at any point in time the landlord will return the Accommodation Bond to NYCC. The Directorate HR Administration Supervisor will Arrange for the return of the value of the Bond to the employee less any outstanding amounts owing on the Credit Agreement.

NORTH YORKSHIRE COUNTY COUNCIL

APPLICATION FORM – ACCOMMODATION ASSISTANCE SCHEME

This form relates to the Accommodation Assistance Scheme, the guidance for which should be read carefully by the applicant before applying for assistance. Please complete as much of this form as possible. Final details can be added at a later stage.

<p>Personal Details</p> <p>Surname and Title (Mr, Mrs, Miss, Ms).....</p> <p>Forenames.....</p> <p>Current Address.....</p> <p>.....Post Code.....</p> <p>Date of Birth.....National Insurance Number.....</p> <p>Contact Telephone Number.....</p>
<p>Employment with NYCC</p> <p>Job Title.....Business Unit.....</p> <p>Directorate.....Pay Band.....</p> <p>Start Date.....</p>
<p>Details of New Accommodation</p> <p>Type of Accommodation (e.g. house, flat, room in shared house).....</p> <p>Address of new accommodation.....</p> <p>.....Post Code.....</p> <p>Name and Address of Landlord.....</p> <p>.....</p> <p>Name and Address of Letting Agent (if applicable).....</p> <p>.....</p> <p>Amount of Bond (deposit) required by Landlord £.....</p> <p>Amount of first month's advance rent £.....</p> <p><u>Please attach a letter/form from the Landlord or Landlord's Agent confirming the amount of Bond and the advance rent required.</u></p>
<p>Loan Period Requested</p> <p>I request a loan of £.....to be repaid overmonths</p>

Please note that the maximum loan is the total of the amount of the Bond and first month's advance rent and is subject to an absolute limit of £1000. The repayment period will normally be 12 months. Extensions to this period can be requested and will be considered but repayment periods greater than the length of the initial employment contract will not be granted. If you leave the employment of NYCC before the loan has been repaid the full outstanding balance will be repayable upon termination of employment.

Declaration

I certify that the information I have given is true and correct.
If the loan request is approved, I agree to sign a formal Credit Agreement with NYCC in respect of the loan.
I authorise North Yorkshire County Council to make monthly deductions from my net salary until the interest-free loan has been repaid.
I understand that if my employment terminates for any reason while a balance of the loan is outstanding then I will be required to repay the full balance immediately.
I agree that if I leave my accommodation, the landlord will repay the Bond to NYCC who will return the value of the returned Bond to me less any amount required to cover any outstanding amount from the loan.
I attach a letter/form from the Landlord or Landlord's Agent confirming the amount of Bond and advance rent required.

Signed.....Name.....

Dated.....

For Office Use Only:

Application recommended for approval by line manager:

Signed.....Name.....

Dated..... Post.....

Application approved by Corporate Director/nominated senior manager:

Signed.....Name.....

Dated.....Post.....

For Administration Use Only:

Amount of Loan £.....Loan Period (months).....

Start Date..... Completion Date.....

Amount of Monthly Repayments £.....**FAO Payroll: Repayment Code L9504-5201**

Copies of Forms:

1. Payroll
2. Employee's Personal File (appropriate HR Section)

Letter to Landlord or Landlord's Agent

Dear (Name)

I refer to your prospective tenant (Name) who has expressed a firm interest in acquiring the tenancy of the following property:

(Address).....
.....

I can confirm that North Yorkshire County Council has agreed to lend (Name) the amount of his/her* Deposit Bond (state amount £) and first month's rent* (state amount £) and agreed with him/her* that NYCC will pay this/these* amounts to you as soon as possible after the commencement of (Name's) employment on (Date).

In order to proceed with this arrangement we need you to sign and date the attached Agreement and return one copy in the reply paid envelope provided. The second copy is for you to keep. The purpose of this Agreement is so that you will return the value of the Bond less any deduction for dilapidations to North Yorkshire County Council (who provided it in the first place) - at the end of the tenancy. In order to cover this situation you will need to amend your Tenancy Agreement in such cases to reflect the arrangements for the Bond repayment. We intend to pay by BACS transfer so request that your bank details are stated on the Agreement.

As a final point, if (Name) does not take up his/her* employment we will, of course, be unable to forward the cheque.

Yours sincerely

NAME
JOB TITLE

*Delete as appropriate

Encl: 2 copies of Landlord's Agreement

Agreement with Landlord

Tenancy of (Full Name).....

Address of Tenancy.....

.....
.....

I agree that upon termination of the above tenancy I will return the value of the Accommodation Bond less any deduction for dilapidations to North Yorkshire County Council, payable by cheque. I will include this provision in the Tenancy Agreement.

My*/the Landlord's* Bank Details for payment of the Accommodation Bond/advance rent are as follows: -

Bank/Building Society.....

Name of Account.....

Sort Code.....

Account Number.....

Signed.....Dated.....

Name (CAPS).....

Status (Landlord/Landlord's Agent).....

* Delete as appropriate

Letter to Employee Confirming the Loan Details

Dear (Name)

Confirmation of Interest Free Accommodation Loan Details

Further to your application I am pleased to confirm that your loan has been approved, details as follows: -

Amount of Loan:

Duration of Loan:

Start Date of Loan:

End Date of Loan:

Monthly Repayment Amount:

The loan was paid to your Landlord/Landlord's agent* (Name/Address) at the commencement of your employment.

If you have any queries about the loan please do not hesitate to contact me.

Yours sincerely

NAME
JOB TITLE

*Delete as appropriate

2.0 Borrower's Duties

2.1 The Borrower agrees with the Council: -

To apply the Loan for the accommodation bond (deposit) and/or first month's advance rental on a property within convenient travelling distance of his/her workplace and for no other purpose.

3.0 Termination

3.1 If the Borrower: -

- (a) Notifies the Council in writing of his/her wish to repay the Loan; or
- (b) Ceases to be employed by the Council; or
- (c) Dies; or
- (d) Becomes bankrupt; or
- (e) Is in breach of this Agreement

then the balance of the Loan Sum shall immediately become due and payable to the Council and any balance due to the Council may be deducted from any sum including salary held by the Council which is due to the Borrower.

IMPORTANT - YOU SHOULD READ THIS CAREFULLY

YOUR RIGHTS

The Consumer Credit Act 1974 covers this Agreement and lays down certain requirements for your protection which must be satisfied when the Agreement is made. If they are not, we cannot enforce the Agreement against you without a Court Order.

The Act also gives you a number of rights. You have a right to settle this Agreement at any time by giving notice in writing and paying off all monies payable under the Agreement which may be reduced by a rebate.

If you would like to know more about the protection and remedies provided under the Act you should contact either your local Trading Standards Department or your nearest Citizen's Advice Bureau.

This is a Credit Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms.

.....
The Borrower

.....
Dated

.....
Signed for and on behalf of the Council

.....
Dated