

**Southampton City Council  
Corporate Rent Guarantor Policy  
2024**



**Corporate Rent Guarantor Scheme for Care  
Experienced Young People**

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Corporate Rent Guarantor Policy for Care Experienced Young People			
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## Purpose

1. The Local Authority is responsible for providing care and support for children and young people who have been placed in the care system. Once they are 18 years old, Southampton City Council (the Council) wants to support these young people and help them to become more independent.
2. Under the Children and Social Work Act 2017, the Council established a Corporate Parenting Board and published a local offer for care leavers. The offer sets out the services for children leaving care from both the local authority and other agencies.
3. As part of this local offer for care leavers, the Council wants to act as a Corporate Parent to support young people leaving care to lead happy and independent lives.
4. Many parents offer to be rent guarantors to support their children move into their own tenancy. Under this scheme, the Council can act as a Corporate Rent Guarantor for eligible young people, where there is no family member willing/able to do so.
5. This scheme aims to expand housing options by enabling young people leaving care to access private accommodation and to support them in becoming more independent.

## Scope

6. The Care Leavers Service will begin a 12-month pilot of acting as a Corporate Rent Guarantor for eligible young people leaving care, starting in January 2024. A maximum of 12 young people will be accepted for this pilot scheme. The eligibility criteria are outlined later in the document.
7. The Council is obliged to cover the cost of rent if the young person is unable to pay due to a change in their circumstances. The limit that the Council will guarantee to pay is £850 per month per young person for rent under the scheme. The young person will not have to repay any cost covered by the Council.
8. The pilot will start on a small scale, to minimise the risks and consider learning from other Local Authorities. After the pilot, the Council will determine whether to implement this as a permanent policy change, with a larger cohort of young people, in 2025. There will be a mid-way review after six months (June 2024) and the findings will be presented to Corporate Parenting Panel.
9. The pilot will test out:
  - the financial implications by testing the numbers of young people who default on rental payments;
  - whether the scheme opens more choices of private rental accommodation, in terms of both quality and location;
  - whether young people in semi-independent accommodation can be moved into rental properties by using the enhanced offer of the Council acting as a guarantor;
  - if the guarantor offer directly improves the outcomes for our care leavers in securing long-term quality housing options.
10. There will be scope to review the young people in both supported and semi-independent accommodation, with an aim to move them into better quality independent rental properties. This may also result in lower costs for the Council.

### Definitions

11. **Care Leaver:** Someone who has spent time in the care system, such as in a children's home or with a foster family, under the care of the Local Authority. This is for a period of 13 weeks or more spanning their 16<sup>th</sup> birthday.
12. **Personal Advisor (PA):** A person who works with care leavers to ensure they receive the care, support, and entitlement they need when they leave care.
13. **Guarantor:** A financial term describing an individual who promises to pay a borrower's (tenant's) debt if the borrower (tenant) defaults on their loan obligation.
14. **Corporate Guarantor:** A guarantor for payment of debt (as above) but instead of having an individual person held responsible for these debts, a company or organisation (in this case Southampton City Council) agrees to bear this responsibility.
15. **Deed of Guarantee:** This is a legally binding contract between the landlord and renter naming a Guarantor on the tenancy. This deed of guarantee 'formalises' the agreement through the production of an official document, completed and signed by necessary parties to be legally enforceable. These often outline the exact expectations and liabilities of each party. However, they sometimes simply contain the official contact and other details of all parties.

## Policy Commitments

### The offer

16. The successful applicant will be provided with a 'Corporate Guarantor' (not personal) who can stand as an official guarantor for the initial 12 months of their tenancy (provided the young adult remains under 25 years of age throughout).
17. During the application process, the young person will need to give evidence that they can afford their rent commitments. However, if there is a **change in circumstances, which means they become unable to pay their rent** the Council agrees to cover unpaid rent costs for this young adult whilst in this initial 12-month period of their tenancy.
18. The limit that the Council will guarantee to pay is £850 per month per young person. The Council will only guarantee to cover the cost of unpaid rent and will not cover the cost of other breaches of the tenancy, such as damage.
19. The young person will not be required to re-pay the amount of rent the Council has covered. However, if the young person continues to be unable to meet their rent and living costs, the Council will support them out of private rented sector accommodation and into better-suited accommodation.
20. The young person will only be able to apply to this scheme once.
21. The Council will act as an advocate and single point of contact for issues around the young adult's accommodation. Where appropriate and permissible, the Council will engage with the landlord/property management firm to ensure that issues which could affect rent payment are dealt with swiftly.

### Eligibility criteria applicable for all young people

22. Between the ages of 18 and 24 years old. The Council will only be a young person's corporate guarantor if they remain under 25 years of age throughout the tenancy. If they are 24, there must be another person in place agreeing to stand as guarantor from the day of their 25th birthday.
23. Willing and able to pay their own rent in full each month.
24. In agreement to pay ALL benefits issued for the purpose of payment towards rent costs in full towards their rent each month as per the purpose without exception.
25. Point 22 and 23 will be evidenced by agreement from the Practice Manager (PM) and Personal Advisor (PA). They will provide a written statement outlining that they believe this young adult fits the criteria and that they officially nominate the young adult for this scheme. They will ensure that a signature from the nominated young adult is provided outlining that they intend to pay all funds received for the purpose of rent payment to rent.
26. Be in either paid employment (at least 8 hours per week) OR in full-time, higher education. If an applicant is unable to work due to a disability or under medical grounds, they may still be eligible for the scheme. They will need to demonstrate that their income/benefits can cover the costs of rent and cost of living.

27. Be fiscally responsible and able to manage the variety of costs involved in running a home. This will be assessed with the involvement of the PA. The PA should record this on Care Director and include it within their latest Pathway Plan.
28. Not have any significant level of debt. The young person's current 'Debt to Income Ratio' must be no greater than 20%. This excludes student loan debt.
29. Engage regularly and meaningfully with any supporting professionals (and intention to continue) to ensure relevant support is being accessed and provided when required. If this is not occurring, (i.e. they have outstanding unaddressed need/s) this will need to be actioned prior to acceptance to avoid placing a young adult at risk of homelessness. There will be updates and reviews of the young adult required after a set period of time (3 months) OR at point of other significant change of circumstances.
30. Have the required independent living skills. This includes proactive problem solving, a 'proven ability to access support when required' and at least a basic ability to read and respond to correspondence in relation to their needs. For example, if they receive a letter which requires a response, they would either do this themselves or contact a relevant member of their support network to address this as a priority. This will be assessed by the involvement with PA. This should be recorded by Care Director and included within their latest Pathway Plan. This is necessary to avoid placing this young adult at significant risk of failing to maintain an independent tenancy.
31. The above criteria should be relevant to all young people who wish to access Private Rented Sector (PRS) accommodation and wish to receive support from the Council Rent Guarantor Scheme. However, as a service, we pride ourselves on being responsive to the needs of our young people and experts in their advocacy. If it is believed that a young adult does not 'match' with one of the above criteria, but should be supported to access this scheme, please discuss this with a PM, so that they might put a case forward to the Head of Service.

### **Eligibility criteria applicable for those in employment**

32. Earning an income above or in addition to state benefits (be paid for at least 8 hours a week). For example, if a young person is working their total income must be more than the Local Housing Authority rate in the area desired for PRS accommodation OR the young adult must be earning income in addition to being in receipt of benefits.
33. Be engaged positively with their employment. This includes not being involved in, or expecting to become involved in, any disciplinary or other process which has the potential to limit or negatively impact their future income.
34. Have no intention to end this employment or have hours reduced below 8 hours per week, in the duration of the tenancy.

### **Eligibility criteria applicable for those in higher education**

35. Currently enrolled in full-time education (Tertiary / Degree Level). This needs to be confirmed in writing. They must also have the intention to continue this study to its conclusion.
36. Be engaged positively with their education. They must not be involved in or expect to become involved in any disciplinary or other process which has the potential to limit or negatively impact their future enrolment in their current educational provision.

37. In receipt of all benefits/other incomes to which they are eligible to support with the costs of their studies and reduce the potential dependency i.e. Employment and Support Allowance, Personal Independence Payment, student grants/loans etc. This includes the Council's University bursary accessible via an application from the PA of the care leaver.

## **Expectations for fulfilment by the young adult**

38. No choice will be made by the young adult whilst under this scheme not to pay their rent. A choice does not mark a 'change in circumstance which affects their ability to pay their rent'. Therefore, if it is understood to be a choice by the young adult not to pay, this will need to be addressed by the PA in advance of funds being released by the scheme.
39. If a young adult becomes aware that they are likely to experience problems in paying their rent at any point in the future, this must be communicated to their PA and landlord/letting agent as soon as possible. This will allow a joint approach to supporting the young adult to take preventative measures where possible and to work with their support network to avoid ongoing or recurring problems in this respect.
40. If the Council is not made aware of the amount owed, they cannot be held responsible for payment. Both the landlord/letting agent and young adult have the responsibility to inform the Council's Care Leavers Service of issues regarding rent payment arrears at the earliest possible point.
41. At the point that a change in circumstances which affects the young adult's ability to pay their rent becomes a reality and the scheme is required to cover their rents, the young adult remains responsible for paying any benefits or other monies issued for use against rent payments to the landlord/letting agent. Only the shortfall will be covered by the Corporate Guarantor Scheme.
42. If a young adult loses their job, they will be expected to notify their PA within 48 hours, to discuss the next steps. They will then be expected to engage immediately with the Department for Work and Pensions, to ensure that Universal Credit (or other benefits) can be utilised to pay their rent.
43. If a young adult claims benefits to support them to pay their rent and then disengages with or otherwise loses this provision, there is an expectation that this young adult will notify their PA within 48 hours. They will also accept support to reengage with this provision and explore other legal methods by which their rent liability can be met.
44. If the higher education setting accessed by the young adult has an offer of support for care leavers in respect of their rent or living costs, there will be an expectation that the young adult informs them of their change in circumstance. This is so that this support can be accessed to reduce costs for the Council's 16+ Services.

## **The process for accessing the Rent Guarantor Scheme**

45. The PA will identify a young adult who is suitable for the scheme and complete a guarantor application form with the young adult. PAs will receive training to ensure they identify appropriate young people and can support them with the application form. The PA will need to provide a summary as to why they believe that the young adult can hold a tenancy. The young adult should not be made to believe that they

will be eligible for the scheme until the application process is complete in order to avoid disappointing them.

46. In most cases, the young adult will have identified a possible property and be aware of the main costs, including rent, rent in advance and deposit.
47. The young adult will sign a statement to say that they promise to meet the commitments of their rent payments each month, using whatever legal income they receive to do this. They will also sign to agree that all benefits or other monies received specifically for the purpose of paying accommodation costs, will be used.
48. The summary, application form and documents relating to the tenancy should be checked by the respective PM. The PM will need to agree that the young adult is able to meet the requirements to oversee their own accommodation.
49. The PM and PA will each sign a statement stating that they have assessed that there is affordability for this young adult, for which they feel it is appropriate for the Council to 'Guarantee'. They will each sign a statement to say they are confident in the young adult's ability to manage a tenancy with only basic input from their PA.
50. The PM or PA will then forward all the documents (including signed statements) to the Head of Service for Pathways Through Care who will check and assess whether it seems an appropriate agreement. The Head of Service for Pathways Through Care will decide whether or not to accept the application. The Head of Service will have overall responsibility for the tracking and monitoring of financial implications.
51. Each agreement may be different, for many it will be for student accommodation, and for others long-term private rental agreements. The PA, PM and Head of Service for Pathways Through Care will ensure that the risk is minimal for the young adult.
52. If the Head of Service agrees to the application, a letter will be given to the PA to give to the young adult confirming the outcome. The Council will aim to provide a response to the young adult within 2 weeks of the application being received.
53. If the young adult is accepted into the scheme, they will receive an 'Acceptance in Principle' letter, which confirms the Council are prepared to stand as a Corporate Guarantor for their tenancy. The Council aims to issue this form within 1 week of acceptance.
54. The young adult can use the 'Acceptance in Principle' letter when speaking to letting agencies as evidence that they have a Guarantor in place. However, the letting agent/landlord must be made aware that we are offering a Corporate Guarantee for rent only. Neither the Council nor any individual within the Care Leavers Service can stand as a personal Guarantor for a tenancy. Only if the letting agent/landlord is prepared to accept a Corporate Guarantor can we move forward.
55. If accepted, the PA and young person will complete a supplier request form ([Appendix F](#)) and send this to the Pathways Through Care Team.
56. If the young adult who is subject of any Corporate Guarantor Agreement defaults on their rent, it will be the Council's responsibility to pay this, as per the terms of the agreement. The Council must have on file, **all** documentation for each part of this agreement. The PA/PM will discuss any fund exceeding £500 with the Access to Resources Panel.



57. Most letting agents/landlords will want to include information about the Guarantor either within the Tenancy Agreement or by completing a separate 'Deed of Guarantee'. The Council will ensure that these documents reflect the Council's Policy of the scheme.
58. All documents should be sent to the Head of Service for agreement and signature. The signed copies can be returned to the letting agent/landlord. The PA must save the information to the Care Director case record (upload to '*Documents*') and update a case note.

### **The process if a care leaver defaults on their rent**

59. The young person is to inform their PA of any financial worries as soon as possible so that options such as accessing Universal Credit, finding employment, or adjusting their household budget can be explored to support the young person.
60. The PA will inform the Pathways Through Care team as soon as the young person is facing financial difficulties. The Pathways Through Care team will set up a Purchase Order against the Supplier.
61. If a young person is unable to pay their rent, the PA will request a rent statement from the landlord/letting agent, and any narrative on the issues and upload it as evidence on Care Director. The PA will inform and request support from the Pathways Through Care team. The PA will also inform the team of the young person's plans to address rent payments in the future.
62. The Practice Manager will liaise with the Head of Pathways Through Care who will determine how much the Council will cover (a maximum of £850 a month per care leaver for rent only) and when the payment will be made. Any funding required exceeding £500 from the Council will be discussed with the Access to Resource Panel. The Head of Service will inform the Team Standards Coordinator, PA, care leaver and landlord/letting agent of this decision.
63. The Team Standards Coordinator (TSC) will raise and inform the PA, PM and Heads of Service for Pathways Through Care team that this has been actioned and when it will be paid to the landlord. The TSC will record on the tracker.

## Legislative Context

64. The Council is using powers under the Localism Act 2011 to carry out this scheme. The Localism Act 2011 contains a wide range of measures to devolve more powers to Councils and neighbourhoods. The Localism Act 2011 states 'A local authority has the power to do anything that individuals may generally do' subject to certain exceptions, none of which are applicable here. This Act gives the power to Local Authorities to act as a Corporate Guarantor for young care leavers.
65. The Children and Social Work Act 2017 ensures that all local authorities establish a Corporate Parenting Board and publish a local offer for care leavers. This sets out the services on offer from both the local authority and other agencies. It is important that young people have the best start in life possible. The Local Offer is designed to give care experienced young people some practical information. This scheme aims to improve our Local Offer and enhance accommodation options for young care leavers.
66. Other relevant legislation and codes of guidance have been considered, including the legislation outlined below.
67. The Housing Acts, 1985, 1988, 1996 and 2004– outlines the legal requirements for the provision of rented properties, including social rented properties, houses in multiple occupation, rights and responsibilities of both tenant and landlord.
68. Human Rights Act 1998 – This Act gives effect to the human rights set out in the European Convention on Human Rights. These include the right to life, the right to respect for private and family life and the right to freedom of religion and belief. Public authorities must follow this act.
69. Equality Act 2010- This Act protects everyone in Britain from discrimination, harassment, and victimisation. Under the Equality Act, there are nine protected characteristics. The Council has considered how this policy may impact people with protected characteristics and outlined ways to mitigate negative impacts in the Equality and Safety Impact Assessment.

## Appendix A – Application Form



Southampton  
City Council  
Civic Centre  
Civic Centre  
Road  
Southampton  
SO14 7LY

Date form completed:	
Name of Applicant:	
Applicant DOB:	
Allocated PA:	
Team/Hub:	
Practice Manager:	

This form allows you to seek an appropriate Corporate Guarantor. It will allow Southampton City Council (the Council) to gain an understanding of your financial position and emotional wellbeing in preparation of you living by yourself.

The answers that you provide the Council within this application form are part of the first stage application process for the potential of the Council acting as your Guarantor.

Once you have completed this application form in **full**, please submit the form to your Personal Advisor.

The Council will try to provide you with a response within 2 weeks of the application being received. When you receive a response from us, you will be provided with information on whether we have accepted your application, declined your application or we require further information to come to a decision.

If your application is successful, we will attempt to issue you with your 'Acceptance in Principle' letter within 1 week of acceptance.

Should you have any questions or require assistance when completing this application form, please contact your Personal Advisor who will be able to assist.

From everyone at Southampton City Council, we wish you luck with your application.

## Application Questions

What is your current living situation?

What is the accommodation for? (e.g. University, full-time residence)

If University accommodation – name of University:

What is your current education, training or employment status? Employed full or part time, a full-time student (College or University)?

Do you have any reason to believe that this may change over the next 6 months?

How much can you afford to pay in rent per month?

£

Please explain how you will pay your rent, for example, wages, Housing Benefit, Student Loan, etc.:

Please submit to Southampton City Council copies of any below documentation **with** your application form. Please tick which documents you have also attached.

Housing Benefit eligibility letter

Letter of financial support from Southampton City Council

University Finance entitlement summary

Please also attach copies of the last 3 months' bank statements. Additionally, if you work, please attach the last 3 months' payslips and proof of employment.

3 Months' bank statements

3 Month's payslips and proof of employment

Please provide us with a breakdown of your planned expenditure in order to provide evidence to Southampton City Council you have a monthly budget.

Please advise and tick the appropriate box if you receive your income other than monthly

- Daily
- Weekly
- Fortnightly
- Other, please specify \_\_\_\_\_

Planned expenditure breakdown:

Monthly income	
Wages	£
Universal Credit	£
Housing Benefit	£
Southampton City Council support	£
Job Seekers Allowance	£
Student Finance England (for university students only)	£
Bursary from University (for university students only)	£
Other, please specify	£
Other, please specify	£
<b>Total amount</b>	<b>£</b>

Monthly outgoings – Section A (if you are a university student and your outgoings are one payment covering a selection of the list below, please complete section B)	
Rent	£
Gas	£
Electric	£
Council Tax	£
Water	£
TV Licence	£
Food	£
Alcohol	£
Tobacco	£
Going 'out'	£
Clothes, Make-up, Washing products and other	£
Hobbies	£
Cleaning products	£
Travel	£
Phone	£
Internet	£
Education	£
Other, please specify	£
Other, please specify	£

<b>Total</b>	<b>£</b>
<b>Monthly Outgoings Section B – (only complete this box if you are a university student)</b>	
University accommodation costs per month (please list what this includes e.g gas, electric, water)	£
<p>Have you found a property?</p> <input type="checkbox"/> Yes <input type="checkbox"/> No	
<p>If you have said no, do you know which area/s you may want to live in and what are you doing to find a property, if so, <i>please specify</i>:</p>	
<p>If yes, what is the monthly rental cost per week/month:</p>	
<p>Please specify what research have you carried out in relation to local rent costs? I.e. is this accommodation similar in cost to others? If not, why have you chosen this accommodation?</p>	
<p>What will be the living arrangements in this property?</p> <input type="checkbox"/> Alone <input type="checkbox"/> In a shared house with friends <input type="checkbox"/> In a shared house with others <input type="checkbox"/> In student halls of residence for university study <input type="checkbox"/> With a partner/friend <input type="checkbox"/> Other, <i>please specify</i> _____	
<p>Which skills do you believe that an individual requires in order to live independently and how would you describe those you have? How did you learn them? How do you use them?</p>	
<p>If you found yourself in financial difficulty, who would you turn to for budgeting and practical support? <i>Please explain.</i></p>	
<p>How would you financially cope if you found yourself with an unexpected bill, loss of your job, or if you do not have any 'spare money'; whilst still paying your rent?</p>	

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Please provide us with contact details for a supporting reference, for example, your Personal Advisor, Social Worker, Carer, Employer, Tutor, or another:

Name and Job Title	Contact telephone	Contact email address	Company name

Please specify any further information that you feel may help towards your application.

**Personal Advisor Comments/Recommendations:**

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**Signature:**

**Date:**

**Practice Manager Comments/Recommendations:**

--

**Signature:**

**Date:**

	Signatures	Date
<b>Applicant</b>		
<b>Head of Service</b>		

## Appendix B – Young Person’s Guide to the Scheme



### Young Person’s Guide to the Corporate Rent Guarantor Scheme for Care Leavers



Southampton City Council Children’s Services



Date: January 2024

## What is a Guarantor?

A 'Guarantor' is a financial term describing an individual who promises to pay a borrower's (tenant's) debt if the borrower (tenant) defaults on their loan obligation.

A 'Corporate Guarantor' is a guarantor for payment of debt (as above) but instead of having an individual person held responsible for these debts, a company or organisation (in this case Southampton City Council) agrees to bear this responsibility.

## What does the Care Leaver Rent Guarantor Scheme Offer?

In certain circumstances, Southampton City Council (the Council) can act as a Corporate Rent Guarantor on your behalf, where there is no family member willing/able to do so.

In these instances, you can apply for (via your Personal Advisor) support from the Care Leaver Guarantor Scheme, so that you are not disadvantaged.

The support available via this scheme is outlined below:

- If successful, you will be provided with a 'Corporate Guarantor' who can stand as the official guarantor for the initial 12 months of your tenancy (provided you remain under 25 years of age throughout this entire tenancy). Your PA will support you with the application process.
- If you are successful, the Council will provide you with an 'Acceptance in Principle' letter, which confirms the Council is prepared to stand as a Corporate Guarantor for their tenancy.
- You can only apply to this scheme once. Your PA will work with you to provide evidence that you are eligible for this scheme and able to cover your rent payments and other household costs during the tenancy.
- If you have not been able to pay rent due to an unforeseen change in your circumstances, the Council will cover the cost of rent up to £850 per month per young person in the initial 12-month period of your tenancy. The Council will **only cover rent**, and therefore, will **not** cover other breaches of the tenancy, for example for damages to the property. You will not be required to re-pay this cost. However, if you are unable to meet your ongoing rent or living costs, the Council will support you in other accommodation which is better suited.
- If you default on your tenancy and are not able to pay rent, you will be expected to work with your PA to address any needs you have around non-payment. This may include engaging with the Department for Work and Pensions, finding work or other actions as required as soon as possible.
- The Council will act as an advocate and single point of contact for issues around your accommodation. Where appropriate and permissible, the Council will engage with your landlord/property management firm to ensure that issues which could affect rent payment are dealt with swiftly.

## Am I Eligible for Support via this Scheme?

You should meet the criteria below to be eligible for this scheme. Remember: it is best to check with your Personal Advisor (PA) on whether you are eligible before you decide to apply, even if you are confident, you meet the criteria below.

**To be eligible for this support, you must be:**

- between 18 and 24 years of age (if 24, there must be another person in place agreeing to stand as guarantor for you, from the day of your 25th birthday);
- willing and able to pay your own rent each month and hold a tenancy in your name;
- agree to pay all benefits issued for the purpose of payment towards rent costs in full towards your rent each month;
- be in either paid employment (at least 8 hours per week) OR in full-time, higher education. If you are unable to work due to a disability or on medical grounds, you will need to demonstrate that their income/benefits can cover the rent costs and cost of living.
- be responsible with money and able to manage the variety of costs involved in running a home, including bills and Council Tax;
- not have any significant level of debt (less than 20% of your income should be used for debt repayment). This excludes student loan debt;
- engage regularly and meaningfully with supporting professionals (and intention to continue) to ensure relevant support is in place to support you;
- have the skills to live alone, to avoid placing yourself at risk of failing to maintain an independent tenancy.

**If you are in paid employment, you must:**

- be paid for at least 8 hours of work per week;
- be engaged positively with your employment. This means not being involved in, or expecting to become involved in, any disciplinary or other process which has the potential to limit or otherwise negatively impact upon your future income;
- have no intention to end this employment, during the duration of your tenancy;
- if you have any knowledge that you are losing/leaving your job at some point during the proposed 12-month tenancy or are likely to have hours reduced to below 8 hours per week, this will make you ineligible for this scheme.

**If you are in full-time higher education, you must:**

- confirm in writing that you are currently enrolled in full-time education (Tertiary / Degree Level);
- have the intention to continue this study to its conclusion;
- be engaged positively with your education. You must not be involved in, or expect to become involved in, any disciplinary or other process which has the potential to limit or negatively impact your future enrolment in your current educational provision;
- in receipt of all benefits/other incomes to which you are eligible for to support with the costs of your studies and reduce the potential dependency on the scheme for payment of your rent. This includes Employment and Support Allowance and student loans and grants;
- use any money you receive through Student Finance for your studies, to cover rent costs. If you have asked for your rent to be covered but are known to be in receipt of these payments, it will be expected

that these are used to cover your rent before the scheme supports you with payments. This includes the Southampton City Council Higher Education Bursary accessible via an application from your PA;

- ensure that you make every effort to make your tenancy a success and leave yourself in a strong position to carry on paying rent for the following tenancy period. Some landlords only require a guarantor for the first year and therefore, with good payment history and adherence to expectations, you may not need to find another for ongoing occupancy.

## **What Do I Do If I am not able to Pay my Rent?**

If you have been successful in your application and have received confirmation of this in writing and then find yourself unable to pay your rent, the process for accessing support is as follows:

1. As soon as you think/know you will be unable to pay your next rent instalment, notify your PA.
2. Your PA will then speak to a representative in the Southampton City Council Care Leavers Service (Pathways Through Care team) who has oversight on the scheme to request support.
3. Your PA will ask the landlord/letting agent for a rent statement and any narrative on the issue and upload this as evidence on Care Director.
4. The details of the amount owing and the period for which it is owed, will be considered and discussed with the Head of Service for Pathways Through Care, to agree payment.
5. Your PA will make sure that you are informed of how much will be paid via the scheme (the maximum the Council will cover is £850 per month per young person and for rent only).
6. Your PA will also discuss your plans to address rent payments in the future. This will ensure you feel supported in improving your situation. Taking action to address the situation could involve any number of actions for you, including (but not limited to) accessing the Universal Credit Housing Element, finding employment, or adjusting your household budget.

## Appendix C– Process on a Page

Guidance on the process for applying to the Corporate Rent Guarantor scheme. Please ensure these processes are followed to protect young people and the effective use of public money.

<b>Corporate Rent Guarantor application to Southampton City Council</b>
When a young person is ready to live independently and eligible for the Corporate Rent Guarantor scheme, we advise that an application is submitted to support their search for accommodation as soon as possible.
Personal Advisor (PA) and Young People should complete Corporate Guarantor Application Form prior to a property being identified.
PA submits to Practice Manager (PM) for checking. PM checks and feeds back on any issues.
PM submits to the Head of Service for Pathways Through Care for authorisation.
The Head of Service for Pathways Through Care informs the PA and PM of the decision, copying in the relevant Service Lead.
Team Standards Coordinator (admin) (TSC) sends the letter to the young person outlining the outcome of the application. If accepted, this will be a letter of 'Acceptance in Principle' stating the Council stands as Corporate Guarantor pending a suitable agreement with the landlord/agent.
If accepted, the PA and young person will complete a Supplier Request Form (template in Appendix F) and send this to the Pathways Through Care team.

<b>Corporate Rent Guarantor Process when a property is identified</b>
Corporate Guarantor paperwork from landlord/agent to be submitted to Practice Advisor (PA) or Practice Manager (PM) for checking and ensuring our terms are agreed. Application review may be necessary at this stage if any young person's circumstances have changed.
The landlord/agent's terms should align with the Councils, stipulating a 12-month contract and that the guarantee is for unpaid rent only. If the property is deemed affordable and provided in writing by landlord/agent, the PA will forward the relevant documents to Head of Service for Pathways Through Care for Corporate Rent Guarantor paperwork to be signed. PA to upload evidence of the agreed terms on Care Director.
If terms are not aligned with Southampton City Council terms, i.e. not stipulating 12 months and rent only, the PA to liaise with letting agent/landlord and get written agreement that aligns with Southampton City Council terms.
Team Standards Coordinator and PA to track applications, agreements, and any issues.

<b>Process if landlord requests a claim from Corporate Guarantor</b>
Personal Advisor (PA) will inform the Pathways Through Care team as soon as the young person is facing financial difficulties. The Pathways Through Care team will set up a Purchase Order against the Supplier.
The landlord/letting agent can claim unpaid rent from the Pathways Through Care team. The PA will request a rent statement from the landlord/letting, and any narrative on the issues and upload it as evidence on Care Director.
The Practice Manager (PM) will liaise with the Head of Service for Pathways Through Care with agreement/refusal of payment and rationale and total to be paid.
Any funding required exceeding £500; PA/PM will discuss with the Access to Resources Panel.
PA will arrange for payment of arrears via Team Standards Coordinator (TSC).
TSC will raise and inform PA/PM/Head of Service for Pathways Through Care via email that this has been actioned and will be paid to the landlord/letting agent. TSC to record all on the tracker.

## Appendix D - Approval Letter Template

Date:  
Contact:  
Telephone:  
Email:



Dear \*Name of applicant\*

### **Re: Your Corporate Rent Guarantor Scheme Application**

Following your recent application to Southampton City Council's Corporate Rent Guarantor Scheme, I am pleased to inform you that the Council will be able to act as your guarantor on this occasion.

Your Personal Advisor will be in contact shortly to confirm the next steps to complete to ensure we can act as your guarantor as soon as possible.

I would like to wish you well on this important step to independence.

Yours sincerely,

**Head of Service, on behalf of the Pathways Through Care Team  
Southampton City Council**

## Appendix E – Decline Letter Template



Date:  
Contact:  
Telephone:  
Email:

Dear \*Name of applicant\*

### **Re: Your Corporate Rent Guarantor Scheme Application**

Following your recent application to Southampton City Council's Corporate Rent Guarantor Scheme, I am very sorry to inform you that the Council will be unable to act as your guarantor on this occasion.

I know this will be disappointing for you and your Personal Advisor. Your Personal Advisor will be in contact shortly to discuss the reasons why we are unable to act as your guarantor. Your PA will be able to outline your alternative housing options and support you in addressing your housing needs.

Yours sincerely,

**Head of Service, on behalf of the Pathways Through Care Team  
Southampton City Council**

# Appendix F – Supplier Request Form

[Supplier Setup and Amendments \(southampton.gov.uk\)](http://southampton.gov.uk)

UNIT4 ERP ♥ 49 Southampton City Council

New Supplier Request Form

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**New Supplier Form**

Form ID\* [NEW]

Form description\*

Form owner  
Cooper, Lucy  
10088082

New Supplier Details | Supplier Address Details | Supplier Email Addresses | Bank Details | Add. Info and Messages

**i** Before attaching any documents the form will need to be Saved As Draft. NB. Please make sure to select an option for all 4 relation fields.

**Supplier Information**

Reason for Supplier Setup* <input type="text"/>	Type of Purchase* <input type="text"/>
Supplier Name* <input type="text"/>	
Short Name* <input type="text"/>	Supplier Group* <input type="text"/>
Ext Ref* SCC <input type="text"/>	Check Companies House <input type="checkbox"/>
Company Registration No.* <input type="text"/>	VAT Registration No.* <input type="text"/>
VAT Reg No. Check <a href="#">VAT Check</a>	
Notes <input type="text"/>	