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# Welcome to the 16th Edition of 02 2011

the London Landlord 



Welcome to this edition of the newsletter  
for accredited landlords and agents

I am pleased to announce that the date and venue for the *London and South East Landlords Day* has been set as *Tuesday 19<sup>th</sup> April 2011 at University College London, Gower Street, Bloomsbury, London WC1E 6BT from 10.00 am until 4.30 pm.* The event is free and LLAS/UKLAP members will be able to attend talks and visit exhibitors to learn about the issues which are affecting the private rented sector. Attendance will count towards your continuous professional development (CPD) requirements. Put the date in your diary.

The latest figures from the Land Registry, which monitors actual prices paid for housing, shows that the annual house price rise in London in 2010 was 6.2%, which was over 4 times the national average. Several reports indicate that rents are also holding up in most of the region as demand rises and there has also been some improvement in the availability of buy to let mortgages.

These positive indicators may be affected by the soon to be introduced changes to the local

housing allowance. The Government's decision to delay the rent capping until January 2012 will reduce some of the impact of this first tranche of changes. Not only landlords, but many Councils however are looking forward with a degree of trepidation to the future as Councils are increasingly relying on the private rented sector to house tenants for whom they have a re-housing duty. Any reduction in supply will cause problems for some. The Government's announcement that direct payment will be made to landlords who accepted rent reductions may help in the short term as this has long been a plea from landlords.

Another issue which is on the horizon is the Government's Green Deal which is intended to help reduce the carbon emissions from all buildings. The poor energy efficiency of some of the private rented sector is a concern which has attracted attention and the proposals to allow tenants to demand energy efficiency works from landlords is soon to become law. Research from the Energy Efficiency Partnership for Homes found that out of the top 8 reasons tenants gave for choosing a property 5 of them related to energy efficiency such as fuel bills, whether it is central heating etc.

If any of your premises have a poor energy efficiency rating you should make plans now to deal with the issues, before you will be forced to carry out works. A good source of information is available at the Energy Savings Trust website [www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)



## Inside this issue

- ▶ Forward by Dave Princep
- ▶ Solicitor Tessa Shepperson: advice on TDP
- ▶ Tenants Checks & References
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- ▶ Census 2011 –Why London needs landlords to help
- ▶ Letting agents give landlords large problems with small print
- ▶ Letting Leasehold flats
- ▶ What is carbon monoxide?

An excellent investment opportunity for your own and your rented premises can be found in the "Generate your own electricity" section. I will return to the Green Deal in future issues as more detail is revealed.

In the meantime please enjoy this issue and hope to see you at the London and South East Landlords Day in April.

**Dave Princep**  
**Chair of the London Landlord Accreditation Scheme**

## What are the LHA changes? A brief re-cap

The LHA changes announced in the Emergency Budget on 22nd June 2010 include the following

- From April 2011, LHA rates will be capped at £250.00 per week for a 1 bed, £290 for a 2 bed, £340 for a 3 bed and £400 for a 4 bedroom property
- From April 2011, the £15 excess that some customers can receive under the LHA arrangements will be removed.
- From April 2011, the removal of the five bedroom LHA rate so that the maximum LHA rate is the four bedroom rate
- From October 2011, LHA rates will be set at the 30th percentile of local rents rather than the median (50th percentile)
- From 2013/14, LHA rates will be uprated on the basis of the Consumer Price Index (CPI)
- From 2011-14 there will be staged increases in non-dependent deductions to bring them up to the level they would have been had they been fully uprated since 2001
- From 2013/14, working age people in social housing will no longer be able to claim HB on a property deemed bigger than their needs
- From 2013/14, HB award will be reduced to 90% after 12 months for claimants of Job Seekers Allowance (JSA)

The discretionary housing payment (DHP) budget will rise in 2011-12 by £10 million and in subsequent years the Government will treble its allocation to £60 million per year. This will provide local authorities with substantial support in helping customers through the transition period and help avoid evictions. For more info please visit [www.parliament.uk](http://www.parliament.uk)



## Landlord Law

The legal resource centre for landlords and tenants

Online legal services from solicitor Tessa Shepperson

### Giving you the information and documentation to manage your properties

- Wide selection of tenancy agreements – and you can add your own clauses
- Eviction notices • Letters service
- FAQ and Tips on law and practice
- Do it yourself kit for CCJ for rent arrears
- Ask Tessa questions in the forum

1 month £20.00 / 1 year £180.00 / Join online at:

**[www.landlordlaw.co.uk](http://www.landlordlaw.co.uk)**

## HMO Legislative Change

The definition of a small HMO (the new C4 use class) will remain and permitted development rights will be extended to allow all changes between the C4 and C3 classes without the need for planning applications. In areas where there is a need to control HMO development, local authorities will be able to use an Article 4 direction to remove these permitted development rights and require planning applications for such changes of use.

These proposals will mean that any change of use between dwelling houses and small HMOs will be able to happen without planning permission unless the local council believes there is problem with such development in a particular area. In these areas they will be able to use article 4 powers to require planning permission

For further info visit [www.communities.gov.uk](http://www.communities.gov.uk)

# Solicitor Tessa Shepperson answers landlords FAQ, This issue: How can I protect my position so I don't lose tenancy deposit adjudication?

Most landlords take tenancy deposits. They are important psychologically, as tenants tend to take more care of a property if they think that their deposit is at stake.

However if the tenants leave the place damaged or in a mess, you want to make sure that you can recoup your losses. This article gives some guidance.

## **Give your tenants a tenancy agreement when the first go in**

This is vital. The tenancy agreement should be a fairly recent one which sets out what you are entitled to deduct from the deposit – if you don't have this you can't make any deductions!

## **Get an inventory done**

This is also essential. Unless you can prove that the damage was done by the tenants and was not something which was already there when the property was let to them, you won't succeed. The inventory should be as detailed as possible and include details of the walls, doors etc as well as the furniture and fittings.

## **Take photographs**

These need to be very clear, and have something to show the scale. A blurry photo of a scratch on a table leg could be anywhere, so perhaps do a photo of the table in the room and then a close up of the scratch, so the adjudicator can see it in context. Ideally the photos should also be dated, and get the tenants to sign them at the same time as they sign the inventory (or leave this to your inventory clerk!)

## **Use an inventory clerk**

You don't have to do this. Your own inventory will be fine so long as the tenants sign it to prove that they agree with it (note that they should sign it on every page). However what if they refuse to sign? Then it is possible that the adjudicator (if you need to go to adjudication) will believe the tenants rather than you.

If you use a professional inventory clerk, they will be seen as being independent, so if the tenants refuse to sign the forms it won't matter so much.

## **Keep detailed records**

This will include inspection reports, receipts and invoices, PAT records and the like

Then if, say, the bedside light malfunctions and the tenants say it was always like that, you will be able to produce the receipt which shows you bought it

new and/or had it tested, a few days before they moved in

If at the end of the tenancy there is a dispute which goes to adjudication, then

## **Check the adjudication procedure**

You should find this on the website of the scheme you are using. Make sure in particular that you keep a note of any time limits so that you get your evidence in on time.

## **Have sufficient evidence**

Remember that the money belongs to the tenant. You have to prove by evidence to the adjudicator that you have the right to have some of it paid to you. So you will need to prove:

- That the damage was done by the tenants
- That it was not just 'fair wear and tear'
- The amount it would be reasonable to pay you in compensation

## **Understand fair wear and tear**

Landlords often think that they are entitled to get the property back in the same pristine condition it was in at the start of the tenancy. This is not the case. You are entitled to get it back in a condition which is reasonable bearing in mind that it has been lived in by the tenants for the fixed term. The standard will vary depending who the tenants are. So you can expect a property to be left in better condition if it has just had a single person living there, than a property which has had a family with three young children.

## **Prepare your paperwork nicely**

This is not essential but it will make the adjudicator think more kindly of you. If there are a lot of papers, put them in a logical order (normally chronological) and perhaps put them in a bundle, number the pages and provide an index. Try to avoid handwritten documents as they are often hard to read, or provide a transcript. Make everything as clear as possible – then it will be less likely that the adjudicator will misunderstand.

Finally, be aware that in most cases the adjudicator's decision cannot be challenged, so it is important that you get things right. Particularly if there is a lot of money involved.

## **© Tessa Shepperson 2011**

Tessa Shepperson is a solicitor and author, and runs the popular Landlord Law site at [www.landlordlaw.co.uk](http://www.landlordlaw.co.uk). She also blogs at [www.landlordlawblog.co.uk](http://www.landlordlawblog.co.uk) Note the first Landlord Law podcast (which can be downloaded from iTunes) covered many of the points made here.



# A tempting offer for Landlords



## GUARANTEED RENTAL INCOME ...for up to 5 years

Orchard & Shipman urgently require properties in **Brighton** and the London Borough of **Bromley**

Benefit from:

- **Flexible lease periods**
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rent paid even when property is vacant
- **No agency fees**  
tenants immediately available
- **Full professional management**
- **Guaranteed vacant possession**

Properties also required in Southwark and Westminster.



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Call us today on

**020 3301 5993**  
[www.orchard-shipman.com](http://www.orchard-shipman.com)

## Demand for properties as Local Authorities appoint Private Sector Leasing experts Orchard & Shipman

Landlords with properties in London and the South East are benefitting from two new schemes run in partnership with Private Sector Leasing expert Orchard & Shipman and local authorities in Bromley and Brighton & Hove.

The schemes have been set up to tackle homelessness and housing waiting lists, between them they offer their respective authorities access to over 300 private sector leased homes.

With the appeal of guaranteed rental income for up to 5 years the two schemes have so far attracted landlords across all levels of experience and property portfolios.

John Taylor, CEO for Orchard & Shipman explains: "Leasing private sector property in this way enables us to secure long-term investments for landlords in many areas it provides a more viable alternative to seasonal and student rentals. There are no empty property costs to budget for, no inventory or agency fees, and vacant possession at the end of the tenancy".

Properties on the scheme are fully managed by Orchard & Shipman who take responsibility for looking after everything from the general maintenance of the property to the rental collection.

With more properties required in Brighton and the London Borough of Bromley landlords are encouraged to contact Orchard & Shipman on 0207 3301 5993 or email [enquiries@orchard-shipman.com](mailto:enquiries@orchard-shipman.com)

Demand is also high for properties with similar schemes in the London Boroughs of Southwark and Westminster for more details visit [www.orchard-shipman.com](http://www.orchard-shipman.com)

## Advertising opportunity With the LLAS

Landlords and Agents can advertise their services with the LLAS at discounted rates in the LLAS Newsletter and on the LLAS website. For further information, please email [LLAS@camden.gov.uk](mailto:LLAS@camden.gov.uk) or Tel: 020 7974 1970

# Does your property stand out for the wrong reasons?

## TO LET

2 Bedroom Flat. Large Reception and Dining Area. Master Bedroom with en-suite Bathroom. Study/Work Area. Roof Terrace. Lots of Storage Space. **No TV Signal.** Allocated Parking Space. Interested? Call Alan. 0256 156 4124.



The switchover to digital TV has started. If your property is not ready to receive a digital TV signal, you could find that nobody wants to move in. Make sure it is ready for the digital TV switchover.

For more information visit [digitaluk.co.uk/propertymanagers](http://digitaluk.co.uk/propertymanagers) or call **08458 455 455\***.

get set for digital 

\*Calls are free for BT customers within inclusive calling plans. Call charges from other providers may vary. The standard business hours for Digital UK's contact centre are 9am to 7pm Monday to Friday and 10am to 4pm on a Saturday. Opening hours will be extended during the switchover in each area.

## Tenant Checks and Referencing

Landlords of old would perhaps never have considered referencing or credit checking a tenant.

Many would have considered themselves so adept at selecting their tenants, using a mixture of good old fashioned common sense, personal judgement of character and sheer “gut feel”, that referencing was unnecessary and perhaps a little bit “sissy”. Agents of course, being the professionals that they are, have always used referencing.

Today, we are in a much more complex mobile society where the potential for fraud, identity theft and bad debts is much higher than it was. The modern landlord, if he or she is to be successful, should be thinking much more in terms of professionalism – the amateur landlord is still very much alive and well but now managing their properties calls for a more scientific approach.

Judgement, common sense and “gut feel” still remain very much part of the equation when it comes to tenant selection, but this needs to be supplemented by systematic checks.

Having the tenant complete a really comprehensive [tenancy application form](#) (1) is the starting point for a really good selection process. The application form gives landlords or agents all the necessary information they need should things go wrong with a tenancy in the future. In addition, it gives landlords permission to do the checks and a statement of truth – very valuable in possession claims as fraudulent statements give grounds for possession under Ground 17 of the Housing Act.

**References** are frequently sought from previous landlords, letting agents, employers, accountants or solicitors (for the self-employed or retired), character referees and banks or building societies.

No one reference should be totally relied upon, but should be seen as one element in the overall pattern of information gathered about a prospective tenant. Bank or building society references in particular are usually sparse on information, written in coded terms, usually involve a fee, and take a long time to obtain. For those reasons they are less commonly used. Having sight of a tenant's last 3 banks statements is usually more enlightening.

**Credit Checks** give a credit score which is an indication of how well the prospective tenant has been handling their financial affairs. If we have any sort of financial history such as bank accounts and credit cards, we all



have credit reports held on us by the three major credit reference agencies. These agencies now use some very sophisticated techniques to determine credit ratings, which enable creditors with access to this information to give instant credit decisions.

Using a specialist on-line tenant credit reference agency such as TenantVERIFY.co.uk can be surprisingly simple and relatively inexpensive when compared to the hassle and expense of a bad tenant – the average eviction now costs a landlord over £1,000 and takes several months.

### The main types of tenant check:

**Basic Checks** - credit check and credit score plus address and debt records search.

**Comprehensive Checks** – these include the same as the Basic Check, plus reference checks normally with the previous landlord and the employers. Referencing involves both a telephone call and written documentary evidence.

**International Checks** - for foreign citizens or those UK citizens who have lived abroad recently. Also, limited company checks and guarantor checks are available. Using a thoroughly systematic approach to tenant selection means you considerably reduce the risk of making a mistake, but you can never eliminate the risk of getting a bad tenant completely.

Something worth considering when you have a successful Comprehensive Check result is taking out **rent guarantee insurance** with legal protection. Then, even if your tenant fails to pay the rent through no fault of their own, for example if they are suddenly made redundant, the insurance will cover the loss, and will even provide the legal resources to evict the tenant if this proves necessary.



Landlords should bear in mind that tenant checks can verify information supplied, but cannot totally check identity – identity checks require face-to-face contact, original documents and photo checks which only the landlord or agent can carry out.

From the tenant's point of view, a successful report will verify that the information on file is correct. Tenant's can obtain, for a small fee, their own credit information and if necessary have any errors corrected by contacting one of the main credit reference agencies (Experian, Equifax and Call Credit).

(1) Free to download tenancy application forms are available here:

<http://www.tenantverify.co.uk/notices-forms.htm> (2) Guide to Tenant Screening - <http://tinyurl.com/6jg3zfr>



Tom Entwistle (Director TenantVERIFY) [www.TenantVERIFY.co.uk](http://www.TenantVERIFY.co.uk)  
February 2011

The advertisement is set against a blue background. At the top left is the "total landlord insurance" logo with a house icon. Below it, the text "Total protection" is followed by a green starburst graphic that says "CALL TODAY for low cost Landlord Insurance!". To the right of this is a 3D illustration of a blue house with stacks of money underneath it. Below the illustration, the text reads "for your property investment..." and "with one of our two great Landlord Insurance products!". A large blue call to action says "Call 0800 634 3880 Quote LLN01". On the right side, there are two insurance product logos: "landlord essential INSURANCE" and "landlord premier INSURANCE". Below these are four bullet points with checkmarks: "Property Owners Liability Cover\*", "Loss of Rent or Alternative Accommodation Cover\*", "Full cover between tenancies\*", and "Compare full policy features and benefits online". A small note at the bottom of the list says "\*subject to terms and conditions". At the very bottom of the ad, the website "www.totallandlordinsurance.co.uk" is written in white.

**total landlord insurance**

Total protection

**CALL TODAY**  
for low cost  
Landlord  
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for your property  
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with one of our two great **Landlord Insurance** products!

**Call 0800 634 3880** Quote LLN01

**landlord essential INSURANCE**

**landlord premier INSURANCE**

- ✓ Property Owners Liability Cover\*
- ✓ Loss of Rent or Alternative Accommodation Cover\*
- ✓ Full cover between tenancies\*
- ✓ Compare full policy features and benefits online

\*subject to terms and conditions

Kingmaker House, Station Rd, New Barnet, Herts EN5 1NZ | Total Landlord Insurance is a trading name of HFIS plc. HFIS plc is authorised and regulated by the FSA

**www.totallandlordinsurance.co.uk**

## LHA (Local Housing Allowance) Calculator Software Program

The Coalition Government has made welfare reform one of its primary objectives in reducing the national budget deficit. Housing benefit makes up a large part of the welfare budget and the Govt has decided to make changes to the system in order to reduce the bill.

Most landlords and letting agents who operate in this market will be aware of the changes, but just to recap the changes that will be implemented over the coming year or so are:

- The capping of maximum HB entitlement
- The move to calculate LHA rates at the 30<sup>th</sup> percentile of the market
- The extension of the single room rate from single claimants under 25 to single claimants under 35

Most landlords and letting agents will be aware of the changes that are about to be implemented but many are unclear about whether their tenants will be affected, when they will be affected and by how much they will be affected. The fact that the Government decided to make some amendments to the original proposals to protect existing claimants while bringing forward the date that the changes would affect new claimants has only added to the confusion.

In order to try and de-mystify some of these issues Settled Housing Solutions, in partnership with Destin Solutions, have produced an LHA Calculator software program that provides the answers at the touch of a button. The software calculates both the current and future LHA rates, based on the latest figures provided by the Valuations Office Agency, and works out how and when the changes to the HB/LHA system will affect tenant's claims. It allows landlords and letting agents to gain access to this information before the changes take place and to mitigate the potential effects on the tenancy.

One leading licensed letting agent in North London who specialises in the management of LHA tenancies and invited to test the software commented, "This piece of software is simply essential for any landlord or letting agent who operates in the LHA and Housing Benefit market"

Purchasers of the Calculator will also receive a copy of our Local Housing Allowance manual – A guide for letting agents and landlords which provides a wealth of information and practical guidance on making a success of LHA tenancies. For more information about the product and to purchase a copy please visit our website at: [www.settledhousingsolutions.com](http://www.settledhousingsolutions.com)

Settled Housing Solutions and Destin Solutions are both committed to promoting better housing standards management standards in the private rented sector so are making a special offer to accredited landlords and letting agents who will receive a £25 discount on the normal retail price.

### London Borough of Tower Hamlets 2011 Landlord Forum Dates



Representatives from the Housing Benefit Section will be at the next Tower Hamlets Landlord Forum on Wednesday 23<sup>rd</sup> February 2011 to explain the impact in more details. It would be an opportunity to find out how the changes will affect your tenants.

LL Forum - **Wednesday 23 February 2011, from 13:00 P.M - 16.30 P.M**

LL Forum - **Wednesday 15 June 2011, 13:00 P.M - 16.30 P.M**

LL Forum - **Wednesday 12 October 2011, 13:00 P.M - 16.30 P.M**

Venue: **ROOM RR101 ,ALBERT JACOB HOUSE, 62 ROMAN ROAD, LONDON E2 OPG**

For further info, please email: [Jamie.jackson@towerhamlets.gov.uk](mailto:Jamie.jackson@towerhamlets.gov.uk) Tel: 020 7364 3558





## Q. how can you reduce the risk of rental losses from council tenants?

## A. with a unique and exclusive rent guarantee insurance policy!

### why us?

- 3 covers in one policy
- no additional work - standard letting agency tenant reference form acceptable
- less rejected claims as policy wording specific to housing benefit tenants
- £24,000 paid out to date, Single largest claim £7,500! (June 2010)
- coversure kennington winners of 2009 coversure conference claims assistance award voted best out of 87 branches

### 1. rent guarantee insurance

- 12 months cover
- maximum £2500 per month or £576.93 per week
- County Court Judgement (CCJ) check only required if tenant is receiving the Housing Benefit directly

### 2. legal expenses insurance

- £50,000 cover for any one claim
- £25,000 eviction cover (100% cost covered by insurer - nil excess)
- health and safety prosecution & tax protection cover

### 3. home emergency cover

- £500 cover for each and every claim on 7 contracted repairs
- tenant can call the insurer direct 365 days of the year
- NIL excess & £100 uninhabitable accommodation

### fixed annual premium

- if rent paid to tenant £292.56 & £25 broker fee = £317.56
- if rent paid to landlord £216.24 & £25 broker fee = £241.24

- terms and conditions apply - full written quotation on request
- full details on our website [www.coversure.co.uk/kennington](http://www.coversure.co.uk/kennington)

### unique

the most important benefit to you is that Coversure has found an insurer who will, provided the tenant has no CCJ's, accept the risk for housing benefit tenants without a credit check.

for more information contact Monika or Rajan free on

**0800 093 9009**

or email [kennington@coversure.co.uk](mailto:kennington@coversure.co.uk)

232 Kennington Park Road  
London  
SE11 4DA

fax 0207 820 3888



[www.coversure.co.uk/kennington](http://www.coversure.co.uk/kennington)



## Landlords we Want you!

Many landlords already have contact with rent officers researching the lettings market for the purposes of Local Housing Allowance production

automatically, based solely on lettings information we collect.

From April 2011, new limits will be introduced to restrict the amount of benefit payable. This includes a change in the formula used to calculate LHA rates. The 30<sup>th</sup> percentile will be used instead of the current 50<sup>th</sup> percentile or median point. Thus for new claims in April 2011, 3 out of 10 properties will be affordable within the appropriate LHA rate rather than the current 5 out of 10 properties.

Landlord data is the key to ensuring that the 30<sup>th</sup> percentile LHA is stable and representative of the market. To achieve this rent officers continue to collect lettings information from a range of sources including private landlords and tenants.

The more we collect and the wider the range of that information, the greater confidence you can have that future LHA rates will only change in response to market trends.

Would you like to contribute?  
Please contact either:

Steve Peters on 07795 332 198 or email  
[stephen.peters@voa.gsi.gov.uk](mailto:stephen.peters@voa.gsi.gov.uk).

John Craddock on 07789 273 445 or email  
[john.a.craddock@voa.gsi.gov.uk](mailto:john.a.craddock@voa.gsi.gov.uk)  
You can also visit the "How Can You Help" section of our website:  
[http://www.voa.gov.uk/rent\\_officer\\_functions/LettingsResearch/lettings-research-how-can-we-help.htm](http://www.voa.gov.uk/rent_officer_functions/LettingsResearch/lettings-research-how-can-we-help.htm)  
This will give you access to our lettings research form which is easy to complete.

*The Valuation Office Agency (incorporating Rent Officer Functions) ensures the collection, storage, use and disposal of any lettings information is strictly controlled to comply completely with the Data Protection Act (DPA) 1998. Rent officers do not share this information with anyone else, so any information provided by you will be treated with the utmost confidence..*



## Selective Licensing

Thanet District Council has designated an area of Cliftonville West and

Margate Central Wards as a selective licensing area. The designation was made on 12<sup>th</sup> January 2011 and will become operative on 21<sup>st</sup> April 2011.

There is a discount on the fee for early applications that are made before 30<sup>th</sup> June 2011 and a further discount for accredited landlords.

Thanet Council will be holding a series of landlord advice sessions over the next few months and welcome all landlords to come along to discuss this in more detail.

For more information on the scheme and for details of the dates of the landlord sessions please contact Thanet District Council Housing Regeneration Team on

01843 577437  
e-mail [housing.conditions@thanet.gov.uk](mailto:housing.conditions@thanet.gov.uk)

The proposal document can be viewed on Thanet District Councils website  
<http://www.thanet.gov.uk/housing/selective-licensing-scheme.aspx>

## Annual rental threshold increased to £100,000

The Statutory Instrument raising the annual rental threshold for assured, including assured shorthold tenancies to £100,000, the Assured Tenancies (Amendment) (England) Order 2010 came into effect on 1 October 2010. The previous annual rental threshold, established by the Housing Act 1988, was £25,000 and any tenancy with an annual rental above that figure was a "common law" tenancy.

The new order means that these "common law" tenancies will become assured shorthold tenancies on 1 October 2010 if the annual rent is below £100,000 and will have implications for tenancy deposit protection and the right to use Section 21 notices and the accelerated possession procedure.



Designed and Developed by...



Settled Housing Solutions  
Consultancy Service<sup>©</sup>

destin  
SOLUTIONS LTD

## Local Housing Allowance Calculator

*Don't be left behind...*

Our LHA Calculator will bring you right up to speed on how the new LHA rates will affect your rental income now and in the future.

An essential piece of software for every landlord, letting agent and local authority that operates in the LHA market.

Visit our website to watch our short demonstration video  
[www.settledhousingolutions.com](http://www.settledhousingolutions.com)

Tel 0208 340 5526 M 07739 405486  
[info@settledhousingolutions.com](mailto:info@settledhousingolutions.com)



**Plus!** When you purchase one of our LHA Calculators you will receive a **Free** copy of our: Local Housing Allowance Manual - A guide for letting agents and landlords.



[www.settledhousingolutions.com](http://www.settledhousingolutions.com)

## London and South East Landlords Day 2011

This event is for all landlords and agents in London and the South East and will focus on inspiring, informing and supporting those landlords and agents who seek to provide some of the Capital's vital housing stock.

London and South East Landlords Day is sponsored by RLA Insurance ([www.rla.org.uk/insurance](http://www.rla.org.uk/insurance)) and will take place on Tuesday 19th April 2011 between 10am and 4.30pm at University College London, Bloomsbury, London.

Organised by Unipol Student Homes and the Residential Landlords Association, the event is fully supported by the UK Landlord Accreditation Partnership (UKLAP) and University of London Housing Services as it seeks to assist landlords and provide vital information to help you provide the best accommodation possible to your tenants.

What is more, by registering now you will:

- Be entered into a free prize draw to win 1 of 5 one year memberships of the Residential Landlords Association (worth £75).
- Received 5 CPD points by registering now and attending on the day.

Simply visit [www.unipol.org.uk/london](http://www.unipol.org.uk/london) to complete your registration and enter the prize draw.

London and South East Landlords Day will consist of a landlord exhibition where you can meet service providers and learn about new products on offer. A series of training events take place throughout the day on a range of topics, many of which are specific to the latest developments in the London and South East Region.

We hope to see you on 19th April 2011.





## Q. Are damaged contents a costly problem?

## A. If you answered yes, cover the costs for up to £5,000 with our Landlords Contents insurance for Housing Benefit tenants

### why have the cover?

- provides real cover for malicious damage and theft
- quick and simple to set up cover
- less rejected claims as Policy wording specific to Landlords Contents
- always speak to the same experts for all your queries and claims
- cost is 34p per day!
- coversure kennington winners of 2009 coversure conference claims assistance award, voted best

### landlords contents insurance

- 12 months cover
- £5,000 limit for each and every claim
- carpets, curtains and white goods belonging to the landlord cover up to £2,500
- malicious damage cover by the tenant or any persons lawfully on the premises
- standard £250 excess on each and every claim

### fixed annual premium

- single premium of £100.95 + £25 broker fee = £125.95
- discounts available for multi policies

### unique

- a true standalone policy for landlords contents
- cover can be included within landlords buildings policy

for more information contact Monika or Rajan free on

**0800 093 9009**

or email [kennington @ coversure.co.uk](mailto:kennington@coversure.co.uk)

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**Attention Landlords And Agents**  
**we are making changes to our private sector opportunities scheme**



From 4 January 2011, the non-refundable incentive is being replaced by either a Rent Guarantee Scheme or Bond Scheme depending on your preference. The aim of these schemes will be to provide financial cover against malicious damage or rent arrears and will be valid for the duration of the tenancy. These will also include:

- up to 8 weeks compensation (at the rental level agreed at beginning of tenancy)
- client background information to manage risk
- a comprehensive tenancy support package
- assistance with resolving rent arrears
- direct rental payments (in Islington)
- Pet Bond Scheme
- tenant training on managing a tenancy
- debt and money management for tenants
- encourage credit union accounts for non HB direct clients

For more information please contact the Procurement and Development Team.

Private Housing Partnerships  
Room 111, Islington Town Hall, Upper Street, London N1 2UD  
T 020 7527 6089, 6073, 6081  
F 020 7527 6085  
E [landlords.enquiries@islington.gov.uk](mailto:landlords.enquiries@islington.gov.uk)  
W [www.islington.gov.uk](http://www.islington.gov.uk)



**Consultation on Proposed Additional Licensing Scheme and Changes to Licence Fees for Houses in Multiple Occupation (HMO)**

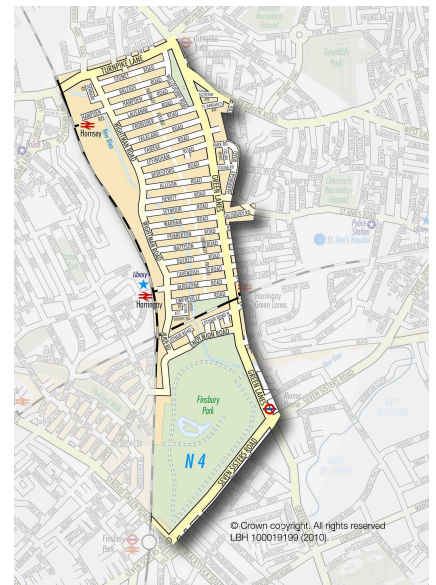
The LB of Haringey is keen to obtain the views of the private sector on proposals to introduce an additional HMO licensing scheme based around the Haringey Ward. We are also proposing to amend the HMO licensing fee structure, which will affect all HMO licences, both mandatory and the proposed additional

Licences. We would welcome your opinion on the additional licensing proposal and whether the licensing regime should be changed so as not to penalise good landlords, such as those who are members of the London Landlord Accreditation Scheme (LLAS).

The consultation is available on line at:-  
[www.haringey.gov.uk/current\\_housing\\_consultations](http://www.haringey.gov.uk/current_housing_consultations)

*(Please note the underscores between the words)*

Read more about the scheme and click on the link [Survey for landlords, agents and businesses](#) to open the consultation document





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## A Licence for Rogue Landlords

Would like to get this straight from the start... Despite being a Tenancy relations Officer I am not a landlord basher. I am actually very sympathetic to the plight of the huge number of decent landlords I come across having a hard time with problem tenants. I don't think the law as it stands serves those people very well. It is unnecessarily complicated, expensive and time consuming to follow. It must be awful to deal with the headaches created by a rogue tenant, of which there are many.

I chuck this waiver in at the start because I am about to go into one.

In my random posts on websites such as Money Saving Expert I have been accused of demonising landlords by simply telling the tales of everyday woe that I encounter in my current day job. It is inevitable. I am a TRO (in all but job title), my job is to only get involved with rogue landlords, plus I work in a particularly rough inner London borough where violent incidents of harassment are the norm. Percentage-wise rogue landlords are small, but in terms of numbers there are still enough of them out there to cause major problems in a community. The law as it stands is there to protect tenants from the actions of those Rachman-ites who still exist in considerable numbers. Last week I doorstepped one of our local agents over an allegation that one of their landlords had harassed a woman and her children, the agent was dismissive and told me that in his view all tenants are scum. A nice attitude for an accommodation agent don't you think?

When the coalition government came into power they axed Labour's plans to regulate and licence landlords in the private rented sector, stating that there was enough legal machinery in place for local authorities to prosecute rogue landlords. Shelter jumped in with a campaign to encourage local authorities to be more zealous in their pursuit of legal action, and even the Housing Law Practitioners Association floated the idea of writing a letter to parliament in support of a more rigorous policing of the PRS by council's.

A few weeks back the government announced its proposals to cut LSC Funding (Legal Aid to the rest of us) for a number of landlord and tenant problems; notably help to take civil action for harassment and illegal eviction. Solicitors were already reluctant and even mainly unknowledgeable in this area, in the near future it will be dead in the water and the responsibility will lie solely with the local authority.

But public sector cuts are making that possibility less and less likely.

My team is a case in point. Actually 'Team' is a misnomer. 18 month's ago there were 8 of us, dealing with the complaints of 20,000 private tenants on housing benefit alone, not counting those not on benefits. Now there are 2 of us, and we now have to deal with mortgage repossessions on top of that as well. Many other local authorities are in the same boat. There simply aren't the resources to tackle the amount of complaints we get about rogue landlords, let alone take action on them. So if there isn't going to be legal aid available for tackling civil claims of harassment and illegal eviction, and there isn't the resources within a local authority to bring a criminal prosecution for the same actions, where does that leave tenants? Part of me thinks I shouldn't write this but I guess the rogue landlords I deal with don't read this newsletter; if legal aid goes out the window for these issues it will be open season for the worst landlords out there.

The government says that the legal machinery is available and then they cut a large part of it through LSC restrictions and cuts in public services. The council prosecutes harassment and illegal eviction as criminal offences under the Protection from Eviction Act 1977. the thing is, it happens quite rarely. Partly because of lack of resources but mainly because of practicalities. For one thing a landlord can commit serious criminal acts but often the tenants doesn't respond very well either, so it often looks like 6 of one, half a dozen of the other. Also it can easily take 18 months to 2 years to get a case into court. By which time your tenant, who was outraged when they first brought the complaint, has long since moved and got on with their lives. Even if you are still in contact with them they are usually less than enthusiastic about being a witness by that time. Add that to the natural caution and reluctance of most council legal departments to take on anything that isn't an open and shut case and you have a vacuum in which genuine offences don't get prosecuted.

Yes there are the odd high profile prosecution cases that get into the press but compared to the amount of complaints received on a weekly basis by TROs and housing advisers up and down the country they are absolutely miniscule. What prompted this post is my discovery at Xmas that one of our most notorious property agents has had a self help/personal improvement book published. When a person involved in the private rental sector who has a reputation decidedly on the murky side has become a motivational guru it is time to throw in the towel me thinks.

I am not optimistic about the future of dealing with serious cases of harassment and illegal eviction and generally feel like King Canute trying to hold back the tide. The private rental sector is a crucial component in providing homes for a huge part of the population and yet unlike in other countries it often has a bad name. For many the holy grail of living in the UK is home ownership. Conversely the PRS has a reputation that it doesn't deserve, that it gains from the actions of rogue landlords and cuts in legal aid and the emphasis on resource decimated council's to police it will ruin that reputation even further.

**Ben Reeve (Tenancy Relations Officer Lewisham)  
2011**



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For more information please contact Mariana, Beverleigh, Adam or David  
0207 974 5801 or e-mail [hodt@camden.gov.uk](mailto:hodt@camden.gov.uk) .

We look forward to hearing from you

### London Borough of Hillingdon Landlord Forum 2011 Dates

- **Thursday 10th March 2011** - Committee Room 6 - 6-9pm
- **Tuesday 14th June 2011** - **Landlords Fair** - Middlesex Suite - 4-8pm (stall holders welcome so if interested please contact [llovelock@hillington.gov.uk](mailto:llovelock@hillington.gov.uk))
- **Wednesday 14th September 2011** - Committee Room 6 - 6pm-9pm
- **Tuesday 13th December 2011** - Committee Room 6 - 6pm-9pm

All Forums will be held at : **The Civic Centre, High Street Uxbridge, UB8 1UW**

To register your interest, please email your details invites and agenda details for each forum they should email their details to [Findersfee@hillington.gov.uk](mailto:Findersfee@hillington.gov.uk)

# Do you have a property to let?

The Finders Fee Team are here to help and assist you in letting your property.

For further information and free impartial advice please call the Finders Fee Team on 01895 277600 or 250399.

Alternatively email them on [findersfee@hillington.gov.uk](mailto:findersfee@hillington.gov.uk)

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## Presentation to the 100<sup>th</sup> Swale Accredited Landlord

In April 2009, the Kent Landlord Accreditation Scheme was launched, in partnership with the London scheme.

Over 700 Accredited landlords now operate in Kent. In November 2010, Swale achieved its 100<sup>th</sup> accredited landlord. Mayor Steve Worrall, and Dave Princep, Chair of UKLAP presented Zoë Ralph with her certificate at the Private sector landlord forum held at Swale House on the 16<sup>th</sup> February 2011.

**Steve said** "Swale is keen to promote the scheme to encourage good landlords so that it leaves the Council to concentrate its resources on taking enforcement action on the poorer landlords".

**Zoe said** 'I become a landlady by accident some years ago by virtue of the credit crunch & world recession, then the property slump. Unable to sell a property at the right value and concerned with leaving a property empty till the market picked up my only option was to let the property out. My partner, Rob Smith, is also an accredited landlord and has been letting property for over 25 years, and gave me some good sound advice and smoothed out my first worries of the letting market.

After notifying mortgage company's and house insurances I was going to use the equity the property as a buy to let, things started to move more fluently. With the changing legislation I found the accreditation scheme and ongoing support very helpful and rewarding, and to be entered into Swale Borough Council's list of trustworthy landlords along with other accredited landlord that can be recommended.

For further info on accreditation please visit [www.kentlas.org.uk](http://www.kentlas.org.uk) or [www.uklap.org.uk](http://www.uklap.org.uk)

## Advertising opportunity With the LLAS

Landlords and Agents can advertise their services with the LLAS at discounted rates in the LLAS Newsletter and on the LLAS website.

For further information, please email [LLAS@camden.gov.uk](mailto:LLAS@camden.gov.uk) or Tel: 020 7974 1970



## CONFESSIONS OF A LANDLORD

### ***Closed mouths don't get fed***

Our Croydon house completed at £238k (gross profit £38k) with a first time buyer who was closed by my business partner. Sometimes Estate Agents need a helping hand which was the case with Croydon. As you know we were having problems in receiving offers and couldn't understand it until the agent's feedback was "*the rooms are too small*". Didn't wash with us, we believed it was the unsightly neighbours house which we told the agents was being developed. The next viewing arranged was done by us and surprise surprise the couple loved it but were concerned by the neighbours house which we replied "*don't worry it's being developed, anything else*"? Next day we were offered £238k and completed four weeks later. If we had left it with the agents I doubt they would have covered the buyer's objection as they occasionally use temps to do viewings on Saturdays who lack the experience to deal with such objections. This was only done because we asked the agents, "*we'll do the viewing*", don't ask don't get.

I received an offer of £168k on my Cambridge house from a first time buyer but I kept my eye off the ball and didn't realise until 3 weeks in they hadn't done the searches. I was promised they would instruct their solicitors that day, however, I decided to ring the second agent to keep an eye out on potential buyers as a back-up. My current buyer, low and behold hadn't instructed the searches, apparently, they were waiting on the mortgage offer first! I received a call from the other agent to say they received an offer of £173k (making a gross £35k profit) and after giving my buyer a couple of days to instruct searches which they didn't, decided to go back and see if we could go ahead with £173k, however, the buyer had found something else so I was back with the unreliable buyer 1. There was a problem with their mortgage, so I told both agents to put it on the market but the £173k buyer returned as the other vendor couldn't complete until March! I said okay but "*I want a £1k non refundable deposit to be placed into my solicitor's client account*" and proof of funds by way of bank statement as they were cash buyers. Two days later it was done, told my current buyers I was withdrawing the contract, however, upon completion I will pay their searches (which I was told had been done now) and valuation fee. A few weeks later I found out the original buyers hadn't done the searches, cheeky! As I write I am a few days from exchanging now and the original buyers are still holding on in case my buyer pulls out, charming. It's all about covering all scenarios, a closed mouth...

Other deals I have done: buying a two bed house in Orpington with potential land development for £118k (potential gross £105k with planning and £34k without), buying a 4 bed house in Cornwall with potential conversion to flats for £135k (potential gross £150k with planning and £40k without) which is great as I love Cornwall and it means I get some rest bite from the kids! I sold a lead on (flat above commercial) for a 1.5% finder's fee (£1900) onto a buying company whom I deal with on occasions. Moved my Croydon tenant in where I installed new windows and updated the fuse board and now I'm looking to remortgage to take out 70% equity to use for further development projects. The tenant wants to stay another year and pay twelve months rent upfront, so I will put off selling for now.

Other news, I have negotiated leases extensions on two of my flats. One which had a 73 year lease (the flat was bought 4 years ago) was extended to 150 years at a peppercorn rent for £11k, the freeholder wanted £15k. The second flat had an 84 year lease and I know when it dips below 80 years the premium increases dramatically so we agreed £3k plus legal's to 150 yrs at a peppercorn rent.

I have slowly increased some of the rents to either market levels or just below but only on properties where I know the tenants won't get upset and serve notice, it's all about compromise and not to be scared to ask.

On the finance side I have now been accepted by one lender which is great but their products are terrible. I do have options with other lenders but they are very slow up to four weeks to mortgage offer which is not quick enough, however, fortunately I managed to meet the Chairman of one lender who confirmed as long as my record is clean and my gearing is 70 ltv with a profitable portfolio income there's no reason why a credit line couldn't be introduced. I won't get too excited just yet! Again I asked if this was possible.

As a landlord I believe one has to look after not only the tenants, the properties but also our business model which brings me to a situation that occurred recently. We bought a property in Orpington which needed a light refurbishment and tenants were sourced fairly quickly through gumtree at £25 per month more than the agents suggested market rent. They loved the property and wanted to put down a holding deposit straight away to start on the 12<sup>th</sup> February. As they couldn't move in straight away it meant we would have no rent for that period, therefore, I worked out the daily rate and charged them a non refundable holding fee up to the 12<sup>th</sup> February. My colleague said he had always asked for a holding deposit which would go towards their first months rent but I argued 'what about the void for that period, what if the second tenant to view could start ASAP', treat it as a business, don't get emotional attached to the tenants circumstances.

My business partner and I are sailing along smoothly though we had to iron out a few creases which were resolved by being honest and upfront with each other. We both have our strong and weak points and realise we need to delegate accordingly through communication. This is the key in any business relationship, without it, 'you're sailing directly into the wind'.

In regards to The Property Boardroom we are now having our first guest who will pay £400. This will give him access to nine property professionals from 10:30am to 5:30pm at our private members club including lunch. He will find out about new strategies the group is using, challenges that are faced and solutions to overcome them. Wish I had been offered this when I started out.

All in all times are good, portfolio is running well, an increase in leads where I hope to be converting at least two leads per month and a couple of planning projects are underway. For this year I want to concentrate on land development as this is where my experience is lacking and I feel the timing is right and of course the returns will be a lot higher, work smarter to work less, as long as I continue to ask!

Tim Hodges  
Private Landlord

## Do you manage, or are thinking about managing a House in Multiple Occupation in LB Redbridge?



Changing economic situations and demographics mean that more people than ever before are looking to rent out properties in Multiple

Occupation London Borough of Redbridge are looking to develop their information services for landlords, particularly with regard to this developing sector of the market. We would like to know what landlords would like to know about general management and fire risk assessment in HMO's. So if you are a landlord, and are operating in Redbridge, or thinking of doing so, and are unclear about requirements and good practice **Email Philip Smith** at [philip.smith@redbridge.gov.uk](mailto:philip.smith@redbridge.gov.uk) with your query. There is no need to give any property address.

Thanking you in advance for all those who wish to reply.

## Rents are Booming

Over the last year, private sector rents are booming in most parts of the UK. To some extent rising rents represent something of a long overdue "catch-up" because rents have grown much more slowly than house prices since house prices started their long (and occasionally stuttering) march upwards back in 1996.

Most commentators think a big factor in recent strong tenant demand must be the difficulties experienced by would-be home buyers in getting a mortgage - leading them to rent instead.

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[www.newham.gov.uk/privatelandlords](http://www.newham.gov.uk/privatelandlords)



## Census 2011 – why London needs landlords to help

**By Hugh Grover, Director of Fair Funding, London Councils**

The twenty-seventh of March marks the UK's twenty first census day, and we hope that you will soon be seeing posters, adverts and news articles encouraging you to fill out forms. This is because the census is not only an opportunity to measure London's rich diversity but is also a chance to make sure London's public services get the funding they need over the next 10 years.

Why is it so important? Because over a quarter of public spending in London - **£19.3 billion** – is targeted using population figures to allocate funding for essential services ranging from the NHS through to transport. So this literally means your child's school, your local GP surgery or the bus or tube you travel to work on benefits from people completing the census form.

Executing a successful census in London will be difficult not least because it is a highly mobile, diverse city where 3 million people commute each day and more than 300 different languages are spoken. There is no place like it in the UK and consequently the challenge of notifying people about the census and persuading them to fill in their form is a unique challenge for the capital.

What we cant afford is a repeat of 2001 where the 10 lowest response rates in the whole of the UK were located in central London. This created a decade-long legacy of under funding, which meant that funding levels in London were based on more uncertain estimates than Manchester, Leeds and Birmingham.

Based on one grant alone, an undercount of 10,000 people for a borough could see it lose £60 million in notional funding over a ten-year period, equivalent to 155 teachers per year. And if this were to happen in 2011 with the current economic environment, the impact could place unbearable strain on the ability of local councils to deliver vital services.

So why do we need landlords to help? Well, one particular challenge is engaging people and families who live in the private rented sector. People here are often difficult to engage with as they tend to have little interaction with their local council or local services and filling in the Census form, as mentioned, can help improve your community and, in turn, the value of your property.

London's public services need to meet the needs of a hugely diverse community that is changing all the time. But through people completing the census, we gain a better understanding how a community is made up – and more importantly, what services it needs - can be achieved.

By knowing where you are now in your life, and how other people's lives are developing, we will be able to help shape London's communities of the future.

So how can you help us? The assistance of private sector landlords in advertising the Census around their properties and with their tenants will help make a difference. And you can do it by stressing these simple messages:

- Filling in your census is in everyone's interest and by taking part you help ensure fair funding from the government for the community and public services in your area
- Public money is in very short supply and having accurate information on your local population is now more important than ever in helping public services meet community need
- Help is at hand if you are struggling to complete the census form.

We hope you agree that this years Census will play an important role in the future shape of our communities and if you require any further information or assistance then please contact: Liam McKay, [liam.mckay@londoncouncils.gov.uk](mailto:liam.mckay@londoncouncils.gov.uk) Tel: **0207 934 9709**.

## Landlords & Teanants need to work together to boost sustainability'



An expert has noted proprietors and occupants need to join forces in order to improve sustainability. Landlords and tenants must work together to boost communication in terms of issues surrounding sustainability, it has been claimed.

Director of policy at the British Property Federation Ian Fletcher said there is activity in regards to green issues, but both proprietors and occupants should cooperate in order to deliver improved systems. He noted recent legislation on environmental issues has not helped the two to interact.

"If you look at things like the carbon reduction commitment, it tends to drive each party to their own activities rather than working together to deliver savings," Mr Fletcher added. Large institutional landlords are starting to discuss the topic with their residents, but other firms and individuals within the industry need to follow suit, he observed.

The specialist's comments follow the release of a survey from GVA Grimley, which revealed 89 per cent of occupiers admitted they are dissatisfied with their proprietors and the level of discussion they have with them on green issues.

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or you can email: [PSTS@barnet.gov.uk](mailto:PSTS@barnet.gov.uk)

## Landlords' responsibility for gas safety



As a landlord, you are legally responsible for the safety of your tenants in relation to gas safety. By law you must:

- **Repair and maintain gas pipework, flues and appliances in safe condition**
- **Ensure an annual gas safety check on each appliance and flue**
- **Keep a record of each safety check**

You should also keep your tenants informed about their responsibilities while they are staying in your property for more info visit [www.hse.gov.uk](http://www.hse.gov.uk)

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### Our free service includes:

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Properties must be ready to let and will be managed by the landlord or agent.

### For more information:

visit: [www.croydon.gov.uk/housing/privatehousing/empty/](http://www.croydon.gov.uk/housing/privatehousing/empty/)

call: 020 8726 6100 ext 61870

email: [hsg-landlordlettings@croydon.gov.uk](mailto:hsg-landlordlettings@croydon.gov.uk)

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## Letting agents give landlords large problems with small print

Letting agents are being warned off by the Office of Fair Trading which has concluded some terms included by some firms in their small print are unfair. Jenny Howe, a solicitor at Vanderpump & Sykes reports.

Many landlords pay managing agents to manage their lettings, hoping to avoid calls on Sunday evening from irate tenants with a broken down boiler. Generally they are looking to secure some peace of mind knowing that their tenant – and their property - will be properly looked after. But some landlords get more than they bargained for, writes Jenny Howe of law firm Vanderpump & Sykes.

The reason is that the small print of managing agent contracts often carrying terms including a right for the agent to claim commission if the let property is subsequently sold to a tenant placed by the agent; hefty fees where tenants renew tenancy agreements, even where no work or service was provided by the agent prior to the renewal.

Earlier this year The Office of Fair Trading stepped to challenge this type of practice, which is common among letting agents and perceived by some as unfair and some would say verging on profiteering. The High Court backed the OFT's challenge and found that the Unfair Terms in Consumer Contracts Regulations 1999 applied and managing contracts should therefore be subject to its provisions.

In a landmark ruling (10 July 2009) it found that charging repeat renewal commission and claiming fees (equivalent to estate agents commission on a sale of the property where the managing agent had had no involvement in negotiating the sale) were unfair. The OFT have now asked the court to issue injunctions preventing Foytons relying on such terms. It is expected that the letting industry, which is currently not subject to any compulsory regulation, will take the ruling on board generally and comply with it. If you are considering appointing an agent to manage your letting, you should ensure that the agent is a member of ARLA, the Association of Residential Letting Agents. Members sign up to a code of practice and must meet certain ARLA benchmark standards before being granted membership status. You can also refer disputes to ARLA if you fall out with your agent and need an independent view. Most existing ARLA members already belong to the Property Ombudsman Service which can investigate complaints about members and make financial awards if complaints are upheld.

Joining the Property Ombudsman Service is now a condition of all joining ARLA members. It might sound like the obvious, but landlords should ensure they read management contracts carefully before signing up. Agents usually offer different levels of service - from letting only - where they will generally find the tenant, obtain references and collect the rent - to full management - where they will visit the property, prepare an inventory and deal with maintenance and repair issues, as well as issuing notices to terminate the tenancy.

If you want to ensure a guaranteed rental income, ask your agent about local authority tenants. This avoids problems with private tenants whose circumstances may change leaving them unable to meet the rent. The rent will often be paid in full by the local authority and sometimes the local authority will agree to pay the rent direct to the landlord. However, bear in mind that when you want to get your property back, a local authority tenant will often be advised to sit tight in the property until you have a county court order for possession - which process can take around 3 months - because leaving before that stage will amount to making themselves homeless and not eligible for re-housing.

Also, local authorities will often pay the deposit on behalf of the tenant. The deposit will be subject to the usual rules on deposit protection (see below) so be clear about who is going to do this - you or the agent. Remember that even if you do have an agent, the ultimate responsibility to register the deposit with one of the compulsory schemes is the Landlords. Be equally clear about how the council regards the deposit. Often it will require an agent to sign an agreement stating that the deposit will be kept by the agent and returned at the end of the tenancy, which is in contravention of the rules on compulsory protection of deposits contained in the Housing Act 2004.

If you have private tenants, consider taking out insurance to guard against default in rental payments. Often these types of policy will offer cover for legal expenses if you have to issue court proceedings to recover possession or rent arrears.

Shop around for an agent you are happy with, and don't be afraid to ask them questions about deposits, service of notices and how they vet for references. Managing agents typically charge between 7-12% of your rental income so you're entitled to know what they are doing for your money. Rents can be a useful source of income but when things go wrong, it can be costly and time consuming to get your property back. It's worth doing your homework to make sure that your property is being managed efficiently.  
[www.vanderpumpandsykes.co.uk](http://www.vanderpumpandsykes.co.uk)

# Got a property to let in Lewisham?

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or email [\\_psl@lewisham.gov.uk](mailto:_psl@lewisham.gov.uk)

Terms and conditions apply.



## Green deal for Energy Efficient Homes

The [energy security and green economy bill](#) is expected to place legal obligations on power companies to cut the greenhouse gas emissions in their customers' homes. It is expected to allow the companies to offer incentives, [such as holidays abroad](#), to encourage take-up of the "green deal" loans. Chris Huhne, the secretary of state for energy and climate change, has signaled that other incentives to install energy-saving measures may include rebates on council tax bills or, in future, reductions in the stamp duty paid by homebuyers. Huhne has been working on the incentives with [Downing Street's so-called "nudge unit"](#) – the behavioural insight team.

[Tesco, B&Q and Marks & Spencer](#) are among the big brands that have held talks with the government about delivering the green deal, along with energy companies. The green deal is likely to see billions of pounds lent every year and to create new jobs. The government estimates that 14m of the UK's 27m homes would benefit from cavity, solid wall or loft insulation.

The energy used for heating rooms and water in the nation's buildings generates about 33% of the UK's carbon emissions and must be cut by 20% if the government is to meet its legally binding emissions targets. On Tuesday, the government's official advisers, the Committee on Climate Change, said a green deal that vastly improved home energy efficiency was [one of the three key tests of the coalition's pledge](#) to be the "[greenest government ever](#)", alongside delivering low-carbon energy and implementing ambitious targets for emissions cuts.

The Department for Energy and Climate Change (Decc) has indicated that a "golden rule" will apply to the loans made for energy-efficiency measures which dictate that the cost of the loan repayments will always be lower than the fuel bill savings delivered. The more expensive measures, such as solid wall insulation, appear by the [government's own figures to break the golden rule](#). But the new bill is expected to use powers from the [Carbon Emissions Reduction Target](#) – and possibly it's expected 2013 replacement, the Energy Company Obligation (ECO) – to make energy suppliers balance the books.

The government hopes the green deal will allow householders without the money to fund energy-efficiency measures to gain access to upfront capital, expected to be capped at about £6,000. Those renting may get the power after 2015 to force landlords to install energy-efficiency measures. The green deal loans made are expected to be legally attached to the property, not the owner. This would mean that someone thinking about moving home would not be deterred from taking up the scheme by the prospect of not benefiting from the savings delivered by the work.

Campaigners have expressed concern that the involvement of private sector companies could make the scheme more expensive. They also insist that any incentives given – such as holidays – must not cancel out the emissions savings. Another concern is that without a robust quality assurance system and guarantees, householders may fear poor work carried out by "cowboy" builders.

### Other measures expected in the bill are:

- Powers to force energy companies to provide information on cheaper tariffs available to their own customers; Provisions to allow oil and gas producers to use the pipelines of others, to assist the "full economic recovery" of the UK's reserves;
- Additional powers to ease the connection of offshore wind farms to the National Grid
- Changes to pricing rules to try to ensure sufficient gas is available – the UK keeps relatively low reserves;
- Extending existing powers enabling the start of installation of smart meters;
- Making Ofgem responsible for predictions of future electricity capacity needs

For further info please visit [www.decc.gov.uk](http://www.decc.gov.uk)



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## Letting leasehold flats

Today there are more flats built than houses, and most landlords, especially in London will have flats, rather than houses in their portfolio. When you buy a flat you're not only the landlord of your tenant, you're also the tenant of your landlord. The first you know all about, but its the second that's new and brings with it obligations you may not have foreseen

### Mortgagor's Permission

Most of us know that if there's a mortgage we need the permission of the mortgagor to let the flat for obvious reasons. First they can charge us more for the mortgage. Second there is an added risk if the company needed to re-possess, it would be stuck with our tenants and would have to let them stay for at least two months - or even go to Court for possession once again. In return for taking on this risk, they charge more for the mortgage.

### Permission to let from Freeholders

A lease can forbid letting all together - please check this as you maybe letting yourself in for a dispute. Its possible that the freeholders don't know or don't care about this clause in the lease - they're not all *on the case* all the time, but in the event of our tenants having different musical taste for example from the other occupants, it maybe noticed that we never were allowed to rent the flat out in the first place! Landlords are in an awkward position here, and *could* be taken to a Leasehold Valuation Tribunal for breach of covenant

### Fees from Freehold Company - whether to pay them

A more common proviso in a lease is to require the freeholder's consent to let, along with a fee for the consent. If the freehold is being managed by an agent we will need to pay a fee for consent as well as some costs ( to be charged *at cost*) from the agent. Before 2002 these fees were sometimes arbitrary. They are now controlled by the Leasehold Valuation Tribunal. If we believe the fees are unreasonable we can pay what we consider reasonable, and the freeholder may appeal to a tribunal for the rest. Any fee required should be accompanied by a Schedule 11 notice under the 2002 Act or it is not payable. We are unlikely to know this because the only place we're told we don't need to pay is in the Notice itself! I have come across a case where a freehold company built up fees of £1,800 on its solicitors' advice chasing an admin fee of less than £100-0p. The Tribunal said the fee was not payable as no Notice 11 had been served.

The solicitors refunded the £1,800 and the lessee paid the original fee minus legal expenses which had been the cause of the dispute.

### Sticking to the Lease- assured short hold and long leases

If letting a leasehold flat our own AST should include a proviso that our occupants will stick to the terms of the lease in the block, as well as our own terms. The freehold company, especially if the freehold is owned by leaseholders, may be keen on taking up breaches, where in particular our tenants are disturbing other leaseholders. Permission to let the flat may quite reasonably require **site** of our AST.

### Our tenants and the block managers

A well managed block is an advantage because tenants may go direct to the managing agent rather than to the landlord. To give an example the tenant says there's a funny smell coming out of a water tap in the flat - is it a gas leak? The landlord or the letting agent calls emergency services or a plumber. However if there's a managing agent for the block they may deal with it directly as a first port of call. Strictly speaking our tenant should go direct to us the Landlord (leaseholder) but many block managers will deal with issues such as suspected leaks - as they would have had to anyway, on hearing from us as the lessee.

### Leaseholder's (our) responsibility to the Freehold Company

We as the lessees of any particular flat are held responsible for our tenants' behaviour in the block and the flat. It is we, who have let the flat, who are in 'breach of covenant' if our tenants have for example a dog without permission, one party too many, or block the communal drains. Whilst landlords have fought very hard against taking responsibility for their tenants, a leasehold flat is the one place where taking responsibility is unavoidable, as it is we who are the tenant of the freehold company, and we, the landlords, who are responsible to our own landlord for the behaviour of our tenants.

Shula Rich BA MSc

*Shula Rich is the leasehold advisor for the Southern Private Landlords Association. and may be contacted through the SLA for information and advice to members)*

For further info visit [www.southernlandlords.org](http://www.southernlandlords.org)

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## What is carbon monoxide- why is it a problem?

Carbon monoxide (CO) is a colourless, odourless, tasteless, poisonous gas produced by incomplete burning of carbon-based fuels, including gas, oil, wood and coal. Carbon-based fuels are safe to use. It is only when the fuel does not burn properly that excess CO is produced, which is poisonous. When CO enters the body, it prevents the blood from bringing oxygen to cells, tissues, and organs.

You can't see it, taste it or smell it but CO can kill quickly without warning. According to the [HSE statistics](#) around 20 people die from CO poisoning caused by gas appliances and flues that have not been properly installed, maintained or that are poorly ventilated. Levels that do not kill can cause serious harm to health if breathed in over a long period. In extreme cases paralysis and brain damage can be caused as a result of prolonged exposure to CO. Increasing public understanding of the risks of CO poisoning and taking sensible precautions could dramatically reduce this risk.

What preventative measures can I take against carbon monoxide exposure?

- Ensure that any work carried out in relation to gas appliances in domestic or commercial premises is to be undertaken by a Gas Safe Registered engineer, competent in that area of work.
- HSE strongly advises that gas appliances and/or flues are installed and serviced regularly for safety by a Gas Safe Registered engineer. If you live in tenanted accommodation, your landlord has a legal duty to carry out an annual gas safety check and maintain gas appliances. They must provide you with a copy of the completed gas safety check certificate.

- Always make sure there is enough fresh air in the room containing your gas appliance. If you have a chimney or a flue, ensure it is not blocked up and also ensure that vents are not covered.
- If you plan to install a gas fire in a bedroom, use a Gas Safe Registered engineer; do not use unflued appliances like paraffin heaters and cabinet heaters.
- Get your chimney swept from top to bottom at least once a year by a qualified sweep.
- If you have appliances that use other fossil fuels, make sure they are serviced and maintained by a competent person. For information on competent persons' schemes, visit the [Communities and Local Government website](#).

What are the symptoms of carbon monoxide poisoning?

Early symptoms of carbon monoxide (CO) poisoning can mimic many common ailments and may easily be confused with food poisoning, viral infections, flu or simple tiredness. Symptoms to look out for include:

- **headaches**
- **breathlessness**
- **nausea**
- **dizziness**
- **collapse**
- **loss of consciousness**
- **tiredness**
- **drowsiness**
- **vomiting**
- **pains in the chest**
- **stomach pains**
- **erratic behaviour**
- **visual problems**

For more information visit [the NHS](#) or telephone NHS Direct on 0845 4647.

### Useful Links

**RLA:** [www.rla.org.uk](http://www.rla.org.uk)

**LHA** <https://lha-direct.therenterservice.gov.uk/Secure/Default.aspx>

**Landlordlaw:**  
[www.landlordlaw.co.uk](http://www.landlordlaw.co.uk)

**TDP (Tenancy Deposit)**  
<http://www.depositprotection.com/Default.aspx>

**Landlordzone**  
<http://www.landlordzone.co.uk>

**Accreditation Network UK (ANUK)**  
<http://www.anuk.org.uk/>  
**Landlords UK**  
Links, guides, forums and information  
<http://www.landlords-uk.net/>

**Fire Protection Centre**  
<http://www.fireprotectioncentre.com/>

**LLAS**  
[www.londonlandlords.org.uk](http://www.londonlandlords.org.uk)  
**DCLG:**  
<http://www.communities.co.uk>

**Direct.gov.uk**  
Advice for tenants/ landlords on various issues  
<http://www.direct.gov.uk/HomeAndCommunity/fs/en>  
**NLA:** <http://www.landlords.org.uk/>