

## **SQUATTING IN RESIDENTIAL PROPERTY - A CRIMINAL OFFENCE FROM 1ST SEPTEMBER 2012**

Members will be delighted or relieved to note that as from 1st September 2012 squatting in residential premises became a criminal offence. This means, in effect, that if a person squats in a residential property the police must act and evict, if requested to do so. No longer will the police be able to say, "It's a civil matter which has to be resolved through the County Courts".

For as many years as I can remember, squats have occurred in residential premises, often where there is obvious forced entry, and when requested to assist the landlord, the police have invariably made an excuse so as not to be involved. I have even heard a senior officer say, and I quote, "Squatting is a funny old game". Well, it might be to the police, but the landlords who have been victims of squatters certainly have never considered it to be funny, more a nightmare where the police are reluctant to act.

Two more cases of squatting in members' properties have been reported to me in the last couple of months and upon passing the properties, I have seen evidence of significant damage being caused whilst the police simply allow it to happen. The cost to the landlord, not only of repairing the damage but also of engaging the legal profession to obtain a possession order, is not cheap by any means and invariably the squatters disappear, leaving all costs and clearing up to the landlord.

As from 1st September, all should have changed, but will it? Will the police take responsibility for recovering the property for the landlord and bringing a criminal action against those who squatted in it? I truly hope that they will. The penalty for squatting is up to six months imprisonment and a fine of up to £5,000. It is welcome news indeed, if only it will do what it is set out to do, and that is deter potential squatters from entering other person's residential properties without their permission.

If any member is unfortunate enough to experience squatting in a residential property owned by them, their first port of call must be the police. If, however, the police act in a manner not in accord with the new

<b>Tel:</b>	<b>0845 475 3583</b>
<b>Fax:</b>	<b>0845 475 3283</b>
<b>Help-line</b>	<b>0845 475 2483</b>
<b>Accounts</b>	<b>0845 475 5583</b>
<b>Insurance</b>	<b>0845 475 1383</b>

Act and decline to evict the squatters, members should contact our Helpline (Tel: 0845 475 2483), as we will wish to know of such incidents and will attempt to assist.

Members should also take steps to ensure that an empty property is secure, with services switched off, and must notify their insurers when a property becomes vacant.

Unfortunately, the new Act does not include commercial property, and squatting in commercial property remains a civil offence. Your association pressed strongly for squatting in both residential and commercial properties to be made a criminal offence but Government decided to legislate for residential properties only. One can imagine that squatting in residential properties after 1st September will decrease whilst there will be an increase in squatting in unoccupied commercial properties. It is most important therefore that members owning commercial properties ensure that all steps are taken to make them secure whilst unoccupied.

Whilst commenting about the attitude of police towards squatting, it has been brought to the attention of our association that where members, as landlords, find strong evidence of fraud, the police are reluctant to act. In fact, it could be said that the police will not act in criminal cases if they can avoid doing so. A very good example is where a tenant vacated the property of a member and afterwards a significant number of demands for payment for goods in the name of the landlord were received at the property. The landlord concerned notified the police and provided significant evidence that the fraud had occurred at the hands of the tenant, whose address was known. In this particular case, the police made every excuse not to investigate, asking how the landlord could prove it was the tenant who committed the alleged offences.

We are all aware that more pressure and responsibilities are being placed on the police at this time. We are also (or at least most of us are) aware of the numbers of police seeking out motorists to prosecute for one

minor offence or another. It is very disturbing therefore that the police, when given good evidence, decline to pursue cases further. Much better that those with the responsibility for policing make sure that potential offenders are interviewed when evidence is provided and are not simply let off by police inaction.

Members may not be aware but it was Mike Weatherley, Member of Parliament for Hove, who was instrumental in pursuing the case for squatting being a criminal offence and that our association assisted him with evidence and, together with Mike Weatherley, we appeared on the ITV News when the action commenced.

## **ANTISOCIAL BEHAVIOUR**

Members will be pleased to know that Government has announced its intention to increase the powers of possession to include convictions of tenants or members of their household for offences committed at the scene of a riot. A new mandatory possession power will cover a wide range of offences, including domestic violence, drug dealing and some offences against property. The crime only has to be committed in the locality of the property to trigger mandatory possession powers. At the same time, it is planned to place limitations on the court's discretion to suspend or postpone a possession order under such powers.

Whilst all this is welcome, landlords need to be aware that much will occur within the social rented sector, with antisocial behaviour tenants being evicted and consequentially seeking accommodation from private landlords. In these circumstances, the need for tenant checks will become even more important, for even if mandatory powers for possession are in place, you can be assured that it won't be a simple process to obtain a possession order. Much better to do everything possible to protect yourself from an antisocial tenant before accepting that person into your property.

## **GREEN DEAL AND ENERGY PERFORMANCE CERTIFICATES**

Government has announced that both local authorities and Green Deal providers, in preparation for the Green Deal, will be able to access Energy Performance Certificate (EPC) data in bulk.

What this means is that the providers of Green Deal packages will be able to target marketing based on the EPC ratings of residential property that is let. At present, any marketing must be restricted to mailing potential customers, but one wonders how long that will last and whether the rules are tight enough to ensure that it does.

## **POSSESSION CLAIMS ARE ON THE INCREASE**

County Court possession claims have increased by nearly 20% in the last three years, rising to approximately 15,000 cases in 2011. No doubt many of these claims relate to tenants who either do not pay the rent, do not properly look after their property or are antisocial.

It is thought the reason for the significant increase is the ease with which, in many areas, landlords can replace tenants and therefore are less sympathetic to retaining tenants who do not honour their tenancy obligations and, in particular, do not pay the rent. In March of that year, possession orders achieved a four-year high and, at the same time, Section 21 notices increased by over 30%.

## **COUNCIL TAX CHANGES**

Government is reducing the grant to local authorities in respect of Council Tax by 10%. Local authorities are therefore required to either further reduce expenditure or find ways of making up the 10% lost from the Government grant.

Consultations are being held in every local authority area throughout the country and members should participate in those consultations, as the only way to make your views known is to take part.

From your association's point of view, we have already made known our views, but let's make it quite clear - members who think that local authorities will extend any current relaxation on Council Tax are mistaken. The sole objective of the consultation is to recover a significant amount of money to make up the loss in grant provision.

Members need to go to their own local authority website to view the consultation. The consultation can be found by opening Google and entering the full name of your local authority, followed by the words: Proposals for changes to Council Tax discount and exemptions.

To put matters in perspective regarding some of the things that are proposed, in Brighton and Hove it is proposed that as from April 2013 any tenant in receipt of full benefits who has a Council Tax obligation will have to pay 10% of their Council Tax bill, whereas before they were exempt.

Members will already realise that those tenants unable to work or unable to obtain employment are the poorest in society and it is that group that is being targeted, yet again, from their very small income, and one wonders how long it will be before they cannot

pay the rent simply because it's either no food or no rent.

Other examples that many councils are proposing are: 100% Council Tax on holiday lets as compared with 90% at present; a reduction in the time a property can remain vacant in between tenants; an increase to 150% Council Tax for properties unoccupied long-term.

There is little doubt that some local authorities will ease the reduction in grant by reducing areas of expenditure in other areas of local government, but don't hold your breath - it is most likely that we as landlords will be affected in one way or another. It is important therefore that every member accesses the consultation in the area where they have properties and lets their views be known.

## **JUDICIAL REVIEW - THANET DISTRICT COUNCIL**

Members will be aware that Thanet District Council introduced selective licensing in certain areas of Margate and Cliftonville approximately 18 months ago. Your association considers that the application of selective licensing in those areas is unlawful and has obtained the permission of the High Court to bring a judicial review against the Local Authority. This is the very first judicial review brought against a local authority in respect of the implementation of a discretionary licensing scheme. No other case has been brought and it is considered by ourselves and our legal advisors that we have a good prospect of bringing a successful judicial review.

A very significant amount of work has been already carried out by members of your association and, in particular, the committee and a number of landlords who have significant property holdings in Thanet. The cost of bringing a successful judicial review is expensive indeed but the Government has made it the only option possible for challenging the actions of a local authority.

It should be made very clear that the judicial review does not in any way concern the scheme that has been implemented or the consultation that preceded it. It is not a matter of whether the scheme, as implemented, is a good one or a bad one; it is quite simply about whether the local authority has acted unlawfully in implementing a scheme at all.

As already mentioned, the cost, even if our association is successful, will not be cheap, and a sum, if we lose, of around £50,000 has been mentioned, although it could be even higher than that. To date, our association and a number of individual landlords, as well as

other landlords' associations, have contributed towards the costs, but today we have no further funds available from these sources and the cost of the judicial review going forward is being borne by an individual member of the association to ensure that the judicial review is not withdrawn on the basis of lack of funding.

Many members have already been subjected to either selective or additional licensing in areas where they have properties, and others will find what additional/selective licensing means in the future, when more local authorities seek to introduce such schemes to bring in monies and keep staff in employment. This particular case, if successful, will establish the parameters that local authorities must adhere to if they wish to introduce such schemes in the future and will also make local authorities understand the parameters that they must meet, otherwise they will face being challenged through the judicial review process. In fact, it has already come to the attention of your association that a particular local authority has backed off implementing a selective licensing scheme because it fears being challenged if it makes such a decision.

This judicial review is therefore not only unique but will also determine the future direction that local authorities will take (win or lose). In such circumstances, our association believes that this is a very important case indeed, not isolated in the Thanet area. It would therefore be most helpful if you, as a member of this association, would contribute a sum of money in order not to place the burden on an individual member.

Your association believes that if you have properties in the area of the judicial review a donation would be tax deductible. If you do not have such properties, it is also possible, but not certain, that a donation would be tax deductible.

Unfortunately, the association's subscriptions and our reserves do not allow the association itself to donate further monies to this particular case and other associations who have significant funds have declined to donate. It would therefore be most helpful if a minimum donation of, say, £100 (or more if you feel able) could be donated towards this judicial review. All donations should be made payable to the Southern Landlords Association (or SLA) and sent to 162 Milner Road, Brighton, BN2 4BQ.

Any donations made by landlords with property in the affected area are fully tax deductible.

The judicial review itself is due to be heard in the High Court, London on 30th and 31st October 2012 and your representatives will be attending.

## UNIVERSAL CREDITS

Members who have tenants on Local Housing Allowance (LHA) should be aware that as from October 2013 LHA will be paid as part of a Universal Credit direct to the tenant and that landlords will be responsible for collection of rent from their tenants. This not only applies to the private landlord but also to social landlords and is giving great concern to those who have to administer rent collections regarding how this can be achieved.

Members will know that our association is holding talks with the Credit Union in order to facilitate tenants using that service for their Universal Credit to be paid into, and for the Credit Union, in turn, to process the rental element direct to private landlords. This dialogue is ongoing and significant, but Credit Unions operate differently in various parts of the country and do not have a nationwide cover. Government is working with the body that represents Credit Unions to use their facilities for the purpose of getting rents to landlords.

A representative of our association is attending a meeting in London with the Department for Work and Pensions (DWP) to discuss the possibilities of dealing with those tenants who have difficulty in managing their own affairs. We hope to be able to report some progress in the next Newsletter, but landlords who have tenants on Local Housing Allowance where they receive the rent direct in respect of that tenant will not do so under the present arrangements for payment of Universal Credit. Members should therefore be taking steps now to set out how they intend to collect their rents in the future when direct payments will most certainly not be as easy to obtain as they now are.

## DISCRETIONARY LICENSING IN LONDON (NEWHAM)

Members will be interested to know that Newham Council has implemented both additional and selective licensing throughout the entire borough.

Members may not know that this is the area in which the Olympic venue is situated. It is an area of extremely high demand. Many landlords with properties in Newham are amazed that the Local Authority has decided to implement licensing of every residential property in the borough.

Our association has been giving advice to a group of landlords intent on opposing the licensing scheme in the borough. However, once again, when it comes to providing finance to bring (or even assess the prospect of) a judicial review, landlords back away and expect others to pay the costs. If 100 landlords in Newham

were to give £1,000 each, that should be ample to cover the eventuality of losing a judicial review.

I have heard it said that the cost of a licence in Newham is not significant if one applies early enough, but what is forgotten is that there are pages of conditions that a landlord must comply with if he/she is to hold such a licence. Those conditions, in our opinion, are, in the main, unacceptable, and we have no doubt whatsoever that the scheme itself is unlawful. If Newham Council is able to get away with its licensing of landlords (and a judicial review has to be brought within three months of any scheme being implemented), then it will open the floodgates for other local authorities in London to do just the same, without much fear of being challenged!

Our association cannot financially support a judicial review in Newham; we can only assist with advice, and it is unfortunate that our judicial review in Thanet does not take place until after the three months is up for the ability to obtain or to seek permission in Newham, but we are hopeful that the landlords in the area will see sense, contribute, act together and not simply expect others to do it for them.

## TENANCY DEPOSIT REGULATION - THE REALITY

You won't believe this (or perhaps you will)

*A report from Mike Stimpson*

A tenant occupying a four bedroom property in Brighton as the sole occupier was served a Section 21 possession notice by her landlady. Having received it, she visited the advice centre at Brighton Housing Trust (BHT) in Queens Road, Brighton, seeking help in finding alternative accommodation. Instead of helping her in that direction (we believe because very little accommodation is available) she was advised to visit the legal department of Brighton Housing Trust.

Upon doing so, scrutiny of the agreement, Section 21 notice and the deposit information was undertaken, with the result that Brighton Housing Trust's solicitors' office found that the landlady had not complied **EXACTLY** with the requirements of the deposit protection scheme. It was not a matter that the deposit had not been regulated within the required time or that information was not supplied to the tenant, simply that the **EXACT** requirements of the scheme had not been followed.

This resulted in a defence being prepared by the solicitors' office at BHT, with the objective of having the Section 21 notice (application for possession) dismissed and for the landlord to have to pay up to three

times the value of the deposit and all costs in respect of the case.

The action came up for hearing in July at Brighton County Court and was adjourned in order that evidence could be prepared. A further hearing was arranged for Monday 20th August at Brighton County Court, where it was decided that the prescribed information to be provided to the tenant by the landlady had not been provided in accordance with the requirements of the Act. A penalty of twice the deposit, namely £3,000, was ordered to be paid to the tenant within 14 days, together with the costs of the case - a very large sum in respect of a minor omission.

Members will be aware that as a landlord I made the decision not to take deposits following the implementation of the deposit regulations. I was well aware that legal aid offices, such as the one operated through Brighton Housing Trust, would use any means possible to sustain a tenancy or delay eviction, and this is a prime example which justifies my fears.

Deposit regulation was brought in to stop a small minority of landlords from unlawfully retaining deposits that were properly due to be returned to tenants. It was never intended by Government to be used as leverage by taxpayer-funded solicitors' offices to extract large sums of money from landlords, but this is the consequence of badly drafted legislation.

One cannot blame the tenant, because she only went to Brighton Housing Trust for the purpose of seeking assistance in finding alternative accommodation. I believe that she had no idea of what would follow and no doubt is amazed at the result, which puts £3,000 in her pocket. Hopefully, she will pay the outstanding rent she owes out of this sum. The tenant is suffering depression. I am sure that even with the extra money this tenant is still suffering as a result of what Brighton Housing Trust's legal aid department has done. New notices have now been served, as has the prescribed information, and the tenant, although substantially better off, has only delayed being evicted.

In the event, everybody concerned will have lost: the tenant (through probably no fault of her own) the goodwill of the landlady; the landlady will be dismayed at the way she was treated, having never been in any court previously (and she was treated as though she should have known better); and Brighton Housing Trust, once again by supporting a tenant and using leverage against the landlady to delay the possession, has gained, in my opinion, no friends and has again demonstrated that it will use any means possible, in-

cluding leverage, against landlords to delay or stop evictions going ahead.

When Brighton Housing Trust, whom I support, again ask our members to support them by assisting in providing accommodation to their clients, they will need to understand that their legal department works entirely against the same landlords, and BHT cannot expect our members to provide accommodation in such circumstances. BHT's solicitors' office may not have acted unlawfully, but morally?

**As in all such cases, there are morals to be learned from this situation. If you, as a landlord, take a deposit from a tenant you must regulate that deposit within 30 days of receiving it and, in addition, provide every detail of the prescribed information that has to be provided to the tenant. Failure to dot an 'i' or cross a 't' will mean that if Brighton Housing Trust are contacted by any tenant who has been served a Section 21, their legal department will scrutinise all paperwork to establish whether even the most minute omission will bring about a successful dismissal of the Section 21 possession order.**

To assist members, a list of the specific requirements is reproduced overleaf and members should retain it as an aide-memoire to ensure that they do not fall foul of the regulations when giving their tenant the prescribed information.

## **AROUND THE BRANCHES**

### **Brighton branch**

#### Additional licensing

Members who have properties in Brighton and Hove will be aware that additional licensing is being implemented for smaller houses in multiple occupation (HMOs) from 5th November 2012. Any member who owns a property in any one of the five wards that are to be included in the additional licensing scheme needs to look at the conditions on the Brighton and Hove website for having a licence and needs to prepare for it. Your association has asked that the fees for our members be discounted but has yet to receive a response.

#### Article 4 Direction

Members in Brighton and Hove will also be aware that in 2013 landlords will require planning permission if they wish to convert a family house into a house in multiple occupation (HMO). This includes shared houses which are HMOs. The area concerned is the same five wards that will be subject to additional licensing.

## Example of Prescribed Information required when taking a deposit

- (a) the name, address, telephone number, e-mail address and any fax number of the scheme administrator of the authorised tenancy deposit scheme applying to the deposit;
- (b) any information contained in a leaflet supplied by the scheme administrator to the landlord which explains the operation of the provisions contained in sections 212 to 215 of, and Schedule 10 to, the Act ;
- (c) the procedures that apply under the scheme by which an amount in respect of a deposit may be paid or repaid to the tenant at the end of the shorthold tenancy (“the tenancy”);
- (d) the procedures that apply under the scheme where either the landlord or the tenant is not contactable at the end of the tenancy;
- (e) the procedures that apply under the scheme where the landlord and the tenant dispute the amount to be paid or repaid to the tenant in respect of the deposit;
- (f) the facilities available under the scheme for enabling a dispute relating to the deposit to be resolved without recourse to litigation; and
- (g) the following information in connection with the tenancy in respect of which the deposit has been paid—
  - (i) the amount of the deposit paid;
  - (ii) the address of the property to which the tenancy relates;
  - (iii) the name, address, telephone number, and any e-mail address or fax number of the landlord;
  - (iv) the name, address, telephone number, and any e-mail address or fax number of the tenant, including such details that should be used by the landlord or scheme administrator for the purpose of contacting the tenant at the end of the tenancy;
  - (v) the name, address, telephone number and any e-mail address or fax number of any relevant person;
  - (vi) the circumstances when all or part of the deposit may be retained by the landlord, by reference to the terms of the tenancy; and
  - (vii) confirmation (in the form of a certificate signed by the landlord) that—
    - (aa) the information he provides under this sub-paragraph is accurate to the best of his knowledge and belief; and
    - (bb) he has given the tenant the opportunity to sign any document containing the information provided by the landlord under this article by way of confirmation that the information is accurate to the best of his knowledge and belief.

(2) For the purposes of paragraph (1)(d), the reference to a landlord or a tenant who is not contactable includes a landlord or tenant whose whereabouts are known, but who is failing to respond to communications in respect of the deposit.

Any landlord wishing to use a family house as an HMO must ensure that it is in that use prior to the implementation of the Article 4 Direction. Failure to do so will result in a planning application being required and, to put it bluntly, it is likely to be refused under the criteria being implemented.

Members should also be aware that if a property currently used as a house in multiple occupation or shared house (or shared flat, for that matter) reverts to family use after the implementation of Article 4, it will not be allowed to return to HMO / shared house use without planning permission first being obtained. What this, in effect, means is that any property that has HMO rights on the date Article 4 Direction is implemented will continue to have that use as a right unless a family occupation is granted in the future for any period. Members must therefore be aware that once an HMO, it must continue as an HMO, otherwise Article 4 rights will no longer apply.

Our association sees the following type of advertisement appearing in respect of such properties: 'No DHSS and no families'. In our opinion, Brighton and Hove City Council is turning the clock back when using such legislation in the five areas concerned.

Members will also wish to know that the need for planning for a small HMO outside the five wards will not apply; that use can be brought in and removed at any time without the need for planning.

#### Brighton and Hove City Plan

Members will be aware that the City Plan consultation process has now finished and that your association replied to the consultation in some detail. Our reply is available on the SLA website.

The association does not consider that the City Plan does anything to assist private landlords within the city. In fact, it is detrimental to them when providing further new accommodation, as they will have to provide social housing as part of any development, just like any developer.

It is not the first time landlords have been ignored. It is every time. One would not believe that we, private landlords in this city, provide by far the largest amount, in numbers, of accommodation to let. We are not mentioned, we are simply ignored. The City Plan, so far as our association is concerned, is without merit.

### **MIKE STIMPSON'S COLUMN**

My observations on this Newsletter are being dictated on one of the hottest days in August. A great change

from when I sat dictating my column for the previous Newsletter.

As will be seen from the articles in this Newsletter, many things are changing and some not for the better.

I welcome the change from civil to criminal offence for squatting in residential properties. I have experienced squatting and have seen other properties occupied by squatters owned by members. I have never seen a squatter occupy a property in a manner that you could say was decent. All have abused the properties entered and, without exception, none were in a position of homelessness but rather wished to exercise what they considered to be a right to occupy properties owned by others. It is unfortunate that occupation of commercial properties by squatters is not to be made a criminal offence as well.

The changes to Government's grants to councils with respect to Council Tax are disturbing. There is little doubt that those who will be most affected will be those who are least able to pay. It is one thing to comment that people should be working, but we all know that there are those tenants in our properties who could never obtain employment and will never again work. Government should be helping those people, not making life impossible.

This brings me to the implementation of Universal Credits and the meeting to be held in London, which is entitled 'Private landlords' role in supporting claimants under Universal Credit'. I believe that heading says it all. What it should say, in my opinion, is 'Government's role in supporting claimants under Universal Credit'. Landlords have little control over tenants. Seeking rent under the Universal Credit system will soon be regarded as harassment by legally aided solicitors' offices, whereas they themselves should be looking at ways to assist those tenants, not abuse the kindness of private landlords.

*Mike Stimpson*

### **The Montague Report**

We have recently (Aug 23rd) seen the publication of the Montague Report, a Government commissioned review of the lack of rental property, and the potential for institutionalised investment in the Private rented sector (PRS).

The principal parts of the report are that:-

*councils be flexible in their use of Planning Laws, to:-*

- enable the development of privately rented homes where they can meet local need;

- not always insist on a percentage of Affordable Homes in Planning reviews;
- where property is to be built for rent, that a covenant be placed on it ensuring it is not sold for owner occupier;
- not be too zealous of the rules that insist the developer pays an amount for local amenities (Section 106, and the Community Infrastructure Levy);

*a task force be set up to encourage and support build-to-let investment from the private sector, and to develop voluntary standards that future landlords would meet and tenants could expect the Government to:-*

- look to provide a number of targeted incentives to encourage the development of Build-to-Let business models;
- work with councils and the Greater London Authority to identify a number of sites where there is good demand for rental housing and make them available to developers on the grounds that a proportion of the homes built be let out to tenants;
- work with councils and the Greater London Authority to identify a number of sites where there is good demand for rental housing and make them available to developers on the grounds that a proportion of the homes built be let out to tenants.

As suggested in the title, the main thrust of the report is how institutions could get good returns from investment in the PRS. However, it suggested that there was plenty of room for the small landlords - in fact it stated that only 1% of landlords own more than 10 properties.

It also strongly suggested that 'Build to Let' be encouraged, and that consideration be given to long term lets, 3-5 years was discussed, especially for institutionalised investment properties.

Housing Minister (as he was then) Grant Shapps said he thought private funding for rental homes was "an interesting idea; I think it's odd that it doesn't exist".

He said the UK housing market was "unusual in that there is no institutional sector in building homes for rent to get a long term rental income".

The report has generally been well accepted by the industry, bar Shelter, stating:-

[The report] offers nothing for the millions of people already in the sector, paying sky-high rents and living under constant threat of eviction or further rent rises.

**See the full report on the SLA website.**

## The London Social returns

Those members living, or working in London will be pleased to know that the popular London Social meetings are poised to return.

You will remember that these have been running for years, arranged by Derek Jenkinson. You may remember that Derek went off to do other things, and we all wish him well. We are pleased that London member Rodney Townson has 'volunteered' - well all right, was persuaded to re-start them.

They will now be on the first Wednesday of every month:-

October 3rd, November 7th, December 5th

And will be from 17.30 at:-

The Jugged Hare (upstairs gallery)  
172 Vauxhall Bridge Road  
London SW1V 1DX

For those that wish to drive, parking is free in the area after 18.30 and it is on the edge of the congestion charge zone (which applies to 18:00). The nearest tube is Victoria. It's a 7 minute walk down Vauxhall Bridge Road, on the left hand side.

Peter Littlewood will certainly be there with Rodney at the first one, and hopefully at most after that.

Some come and get updated on letting matters, and also enjoy a pint.

## Online Lettings

**Upad** is the UK's largest online lettings agent, having let over 4,000 properties in the last 12 months. But just what is online lettings, and how does it work?

Online lettings is streamlining your tenant search...

- 92% of tenants are searching online for their next rental home, so that's where your property needs to be.

Online lettings is making property letting more efficient

- we are available 7 days a week for landlord and tenant enquiries, and we'll get your property listing on Rightmove within 4 hours.

Online lettings is about transparency: knowing what you are getting for your money

- we will let your property to fully-referenced tenants for just £299+vat.

Online lettings is about personally meeting your tenants - as that's what tenants want

- only 15% of tenants prefer to meet the agent for viewings.

At Upad, you meet your tenants and we do the rest, all for just £299+vat. We also offer a “property listing” service for just £99+vat leaving you to finalise the deal with your prospective tenant. SLA members can get £40 off with an exclusive gift card. See the inserted letter for details. To find out more about the service, please give our team a call on 0333 240 1220.

*Editors note: I can personally vouch for Upad’s recent prompt and effective service.*

## Council Tax changes might be coming your way.

As part of the general scheme to save money, council tax exemptions/allowances are changing.

Previously, if you or your tenants were entitled to any allowances or exemptions, the local authority would pay it, and then reclaim it from central Government.

Now the Government are to pay the local authority a single grant for them to deal with as they think best. But the catch is that it is based on the previous year, less 10%. Under the Localism Act it is up to the local authority to decide how and where they make the allowances.

The main matters that you should be aware of are the following potential changes:-

- Empty properties - currently get 6 months exemption from council tax.

Some councils are reducing this to 3 months; some not give any allowance.

Some are even talking of surcharging empty properties, i.e. charging more than 100%;

- Properties undergoing structural changes ;
- Second homes - almost certain to lose any allowance, and be charged the full tax;
- Second adult rebate discontinued for working age people;
- Working age council tax benefits to be reduced.

Please note that these are some of the things some councils are thinking of changing. The confusion is that they are all making their decisions independently from one another. Although some will be affected by the County Council they come under. So for instance Kent Council has made certain decisions affecting much of

the savings, but is allowing the individual councils to decide on the rest.

So unfortunately we cannot give you general guidance apart from:-

there will be no change to the amount of help pensioners receive. This will continue to be administered nationally;

- any change has to be decided by the end of next January (31/1/13) and implemented next April (1/4/13);
- virtually all councils are consulting on this, and are seeking views - but be quick, and remember they have to make at least 10% savings on top of all the other savings they are having to make;
- approach the council dealing with your rental properties now to see what they are proposing.

Even if you don't think you will be affected directly your tenant might, so will have less income for their rent.

## Changes in the Government

You will be aware that there has recently been a change in some Government Ministers.

The main change is Grant Shapps moving as Housing Minister to become Chairman of the party. The Ministers that might affect you are:-

### Department for Communities and Local Government

- Secretary of State for Communities and Local Government - The Rt Hon Eric Pickles MP
- Minister of State (Housing) - Mark Prisk MP
- Parliamentary Under Secretary of State (Planning) - Nicholas Boles MP

### Department for Work and Pensions

- Secretary of State for Work and Pensions - The Rt Hon Iain Duncan Smith MP
- Parliamentary Under Secretary of State (Welfare Reform) - Lord Freud

### Department of Energy and Climate Change

- Secretary of State for Energy and Climate Change - Rt Hon Edward Davey MP
- Minister of State - The Rt Hon Gregory Barker MP

## The Localism Act, and how it might affect you.

The idea of the Act is to pass power back to local people from Whitehall.

The key measures include:-

- gives councils unprecedented freedom to work together to improve services and drive down costs. Councils are now free to do anything - provided they do not break other laws
- Opening the door for the transfer of power to our major cities to develop their areas, improve local services, and boost their local economies
- Freeing up councillors:-
- ending the system for overseeing the behaviour of councillors ;
- free up councillors to express their opinions on issues of local importance without the fear of legal challenge;
- enabling councils to return to the committee system of governance, if they wish, regardless of their size.
- centrally set rules interfering in how councils set up their own affairs are scrapped
- Giving councils greater control over business rates. Councils will have the power to offer business rate discounts, which could help attract firms, investment and jobs.
- Introducing new planning enforcement rules, giving councils the ability to take action against people who deliberately conceal unauthorised development
- Increasing powers for councils to remove illegal advertisements and graffiti and prevent fly-posting, and giving planning authorities stronger powers to tackle abuses of the planning system
- Reforming homelessness legislation to enable councils to provide good quality private rented homes where appropriate, freeing up social homes for people in need on the waiting list
- Allowing councils to keep the rent they collect and use it locally to maintain social homes through the abolition of the housing revenue account
- Passing greater powers over housing and regeneration to local democratically elected representatives in London.

The increased powers to local communities include:

- Introducing a new Right to Bid, which will give residents the opportunity to take over treasured local assets like shops and pubs and keep them part of local life
- Introducing a new Right to Challenge, making it much easier for local groups with good ideas to put them forward and drive improvements in local services
- Remove the ability of councils to charge families for overfilling their bin and to introduce extra tariffs for taking away household waste
- Increasing transparency on local pay, by requiring councils to publish the salaries of senior officials working in local authorities, enabling local people to understand how public money is being spent in their area
- Giving communities the right to veto excess council tax rises. Previously only central government had the power to 'cap' increases
- Introducing a new right to draw up a neighbourhood plan, giving local people a real voice to say where they think new houses, businesses and shops should go - and what they should look like
- Enabling communities to bring forward proposals for development they want - such as homes, shops, playgrounds or meeting halls, through the Community Right to Build
- Enabling people to swap their social home, for example because they wish to move jobs. A national home swap scheme will give access to details of all other tenants who may be a match
- Giving social tenants stronger tools to hold their landlords to account. Landlords will be expected to support tenant panels - or similar bodies - so tenants can carefully examine the services being offered. The Tenant Services Authority will be abolished
- Requiring developers to consult local communities before submitting certain applications. This gives people a chance to comment while there is still scope to make changes
- Ending decision making by unaccountable officials on important infrastructure projects such as train lines and power stations. The Act abolishes the Infrastructure Planning Commission, and restores

responsibility for taking decisions to elected, accountable Ministers.

## Loft Insulation

There are companies that specialise in carbon reduction and are working alongside the Government to lower the carbon footprint. You may be aware of The Green Deal 2012 in which the Government has been set targets to lower the carbon footprint of the country, therefore they now have CERT/ SISC grant funding to distribute to companies like ourselves. This means that such companies can help households throughout the UK to lower the carbon emissions, which means lower energy bills whilst not charging the client a penny to carry out this work.

One such service is loft insulation and funding from the Government allows them to offer this service to all the properties completely 100% free of charge - from the survey to the installation process, the client has nothing to pay!

There are no hidden fees or catches to this proposal...it is available to everyone and the only exception to being eligible to have free insulation is if the property has previously had government funded insulation in the past - this is because they cannot claim from the government for one property twice.

Thus, not only will it be free to the landlord, the tenant will benefit from lower energy bills

We have contact with a locally based company, employing local people who are trained to the highest standards; please contact the office for details.

Offering this free service to households is only feasible for as long as Government funding lasts. This will not be something that will be available forever. If you would like to take advantage of this opportunity we advise early action.

## Buyer beware:

From a member:

"I've a query (not the first to ask, I'm sure) about the clause in letting agent's contracts that allows them to charge a finder's fee, ad infinitum. I allowed this clause to stay in the contract when I signed; I paid their 8% fee up front for the 12 month term the tenant had signed in to; and at the end of the term the agent invoiced another 12 month fee.

Contractually, I guess they have the right to do this, in which case I'm liable and the money is due. Morally it seems difficult to justify because they did so little (they made two phone calls, amended a template AST and

got the tenant to sign it - I did the viewing) and yet they're getting £1,600 a year, every year."

**Remember you do NOT have to sign - you can negotiate your terms and if the agent will not accommodate you, you can take your business elsewhere!**

## Member's advert

Four bedroom property for sale in central Southampton, let on an AST from 1st September 2012 until 30th June 2013, at £12,000 payable in three equal installments in September, January and April.

Price £185,000. Contact Tom on 07764 801355

**If you would like to place an advert in our next edition please email [editor@southernlandlords.org](mailto:editor@southernlandlords.org) by 12th November**

## Forthcoming meetings.

The meetings coming up are:-

- London Social - Wednesday October 3rd
- Brighton & Hove meeting - Monday October 15th
- London Social - Wednesday November 7th
- Folkestone - Thursday November 22nd (during the day)
- London Social - Wednesday December 5th
- London and South East Landlords Day - Friday December 7th

See the web for more information  
[www.southernlandlords.org](http://www.southernlandlords.org)

**Copy Deadline fro Christmas edition strictly  
12th November**

*If you have any contributions, ideas or wish to communicate please contact [editor@southernlandlords.org](mailto:editor@southernlandlords.org). For general enquiries: [info@SouthernLandlords.org](mailto:info@SouthernLandlords.org)*

[www.SouthernLandlords.org](http://www.SouthernLandlords.org)

The Business Centre, 17a Priory Road, Tonbridge TN9 2AQ

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## Membership Options:

	Bronze – Free (on-line application only):-	Silver - £35 pa:-	Gold - £75 pa:-	Corporate £195 pa:-
email notification of meetings, etc, in your area;	SLA	SLA	SLA	SLA
all member trade discounts;	SLA	SLA	SLA	SLA
on-line newsletter;		SLA	SLA	SLA
all documents (AST's/notices, etc);		SLA	SLA	SLA
insurance cover for HMRC investigation		SLA	SLA	
fact-sheets;		SLA	SLA	
posted newsletter;			SLA	
unlimited use of advice line;			SLA	
Classified advert and company details and information on our web site				SLA
1/8 page advert in each newsletter				SLA

*No risk • No up-front charges or hidden fees • Full support for your accountant*

### New Rules could mean a huge Capital Allowances Tax Windfall...

...As a landlord YOU must decide  
who gets it: You or your tenant?

Did you know that the vast majority of property owners are sitting on unclaimed tax relief and there is an opportunity to claim now for your full entitlement on refits and refurbishments as well as new build installations such as lifts, alarm systems, air conditioning, lighting, energy & water saving technologies – the list is endless and the process is complex.

But we can help. Simply contact the specialists



**Portal Tax Claims**  
WITH INSIGHT COMES OPPORTUNITY  
**% 0845 000 0450**  
E: hello@portaltaxclaims.com www.portaltaxclaims.com

**'Do you have an HMO where the Local Authority are charging council tax on each NON self-contained accommodation?**

Can you let us know whether that is a 'Yes' or 'No' by either telephoning us on 0845 475 3583, or emailing [Info@Southernlandlords.org](mailto:Info@Southernlandlords.org). We are joining forces with the BPF to get this practice stopped.

## What is it you really want from your Association?

We are always interested in knowing what it is you want from us. And we thought we would take this opportunity to ensure you are getting what you want from us.

Below is a questionnaire currently on the web-site, alternatively, mark this copy and post to:-

The Southern Landlords Association; The Business Centre, 17a Priory Road, Tonbridge, TN9 2AQ.  
Or ring 0845 475 5583.

Put the following services in order of most importance to you:-

- Help Line;
- Boswells Insurance;
- Branch Meetings;
- Newsletter;
- Web site;
- Members discounts.

Please indicate anything else you think we should offer; anything you don't use; and anything we should improve..

Just to help you with this, we will put all the responses in a hat on November 1st, and the one we pull out will get their next renewal for free. Enter your membership number here [                      ]