

Minutes

For: Landlord Forum

Date: 27th April 2011

Time: 2.00pm to 4.00pm

Location: Council Chamber

Attendees: Stella Okeke – Minute Taker, Chair - Tony Jemmot.

Sharon Webb, Moses Nyaunu, Ann Pirie, Shannon Forte, Karen Martin, John Craddock, Angela Garalnick, Amit Sanger, Steven Singh, Polly Nanlhray, Rosie Kaur, Imran Subhan, Laura Mann, Sarb Sanger, Shabeer Dean, Manjider Bhati, Tamara Heslop, Gosia Czneerik, A.T, Aman Singh, Elliot Dash, Steven Jahar, Richard Raind, Thomas Badu, B P Rastogi, Manunta, Mrs Chaudhury, Mr A A Raja, Dr M Kassim – Mamodu, T Bowles, J Aitkin, t Scrutton, M. Lean, Garry Perrin, , Ameen Chaudhury, Banle Ras, Mohammed Raza, Hiten Patel, S N Ahmed, Funsho Adeniyi, Nasir Khan.

Appoligies – Modester Anucha, Fred Baxter and Sue Walker

Introduction

The Chair introduced the speakers -Tony Jemmot

Matters arising from previous minutes – None

John Craddock - Lettings Research Manager (London)

VOA Rent Officer Functions

John discussed the changes in Housing Benefit and how **Local Housing Allowance (LHA)** is set up, the changes that came into effect in April and other proposals.

The LHA is set from rental information collected from the private rented sector in the area. The LHA rates are produced by rent officers each month. Officers will collect 20% of market information similar to RS - using 150 broad actual property rent rather than the advertised rent. These are provided by goodwill of people and all information is treated as confidential.

The rates are set by an automated system based on information collected to produce monthly rate figure. Each month the rate is updated using 12 months data sets. The personal entitlement is based on property size, number of bedrooms, where the old system was based on number of rooms in the property.

Changes to LHA Rates in April

The 30th percentile calculation will replace the median. The table below illustrate the difference if this approach was used today

Newham – April 2011	1 Bed Shared	1 bed	2 bed	3 bed	4 bed	5 bed
150 – Outer East	£ 70.58	£161.54	£200.00	£242.31	£300	N/A
If at 50% now approx	£ 80	£167.31	£207.69	£255	£300	£375
DIFFERENCE	£9.42	£5.77	£7.69	£12.69	£0.00	£75
146 - Central	£140.94	£370	£548.10	£775	£1150	£2000
If at 30% now	£137.50	£330 (£250)	£450 (£290)	£650 (£340)	£950 (£400)	

Capping impacts on the following BRMAs:

- Central London
- Inner East London
- Inner North London
- Inner South East London
- Inner South West London

Central London	£140.94	£375.00	£550.00	£795.00	£1,250.00	£2,000.00
30th Percentile (CAP!)	£137.50	£250.00	£290.00	£340.00	£400.00	N/A
DIFFERENCE	£3.44	£125	£260	£455	£850	£1,600
Low Rent bottom 5%	£100	£270	£350	£470	£675	N/A

There will no longer be a 5 bedroom rate. Some areas of London will be

affected. Details of these will be on the LHA website lha-direct.voa.gov.uk

The maximum £15 excess that tenants renting below LHA will not apply anymore.

LHA – Long term reform. Single people under 25 are only entitled to 1 room rate. From April 2012 this will change to affect all under 35 year olds
From 2013/14 LHA rates will be CPI (consumer price index) linked. This means only 3 in 10 properties will be affordable under the LHA as opposed to 5 in 10 currently.

John also stated that the universal credit is where Benefit moving to and it will have big effect on the market.

- contact details:
 - Website: www.voa.gov.uk/lettingsresearch
 - E-mail: john.craddock@voa.gsi.gov.uk
 - Tel: John Craddock on 07789 273445
 - Tel: 3000508747

Maryann Pearce | Regional Rep London **National Landlords Association**

Maryann discussed **Landlord Challenges and Policy**

Updates:

- **De-Regulation - Scrapped Labour Initiatives:**
- **National Register of Landlords**
- **Regulation of Letting Agents**
- **Mandatory Written Tenancy Agreements. Threshold increased from £25,000 to £100,000 per year, which came into effect from 01 October 2010, applied retrospectively and is Complex: Only Court can rule; Seek further advice**
- **Tenancy deposits taken in relation to a tenancy set up on or after 1st April 2007 will need to be protected with an approved scheme**
- **AST possession proceedings, watch dates,**
- **Exemptions inc Regulated Tenancies and Renting a room in your own home.**
- **Taxation -Capital Gains Tax: 28% CGT rate for high earners from 23 June 2010**
- **VAT to increase to 20% from 4 January 2011**

- **Planning Permission for Shared Houses –**
Use Class C4: Houses in Multiple Occupations which came into effect on 6 April 2010. Planning Permission required for all residential property let to between 3 and 6 sharers
Withdrawn: From 1 October 2010, Planning Permission is no longer required for HMOs < 7 sharers, Unless, Article 4 Direction removes permitted development rights.
Need 12 months notice and full consultation.
Discretionary Licensing - April 2010: Local Authorities no longer need to apply to central government for permission to establish an additional or selective licensing scheme in their local area.
Consultation: Still necessary; be alert as Licensing comes with Fees
Changes to the Assured Short hold Tenancy threshold.
- **The Green Deal One of the keynote parts of the Coalition Agreement Last June aim to improve the energy efficiency of the UK Housing Stock**
To meet EU target of 20% CO2 reduction by 2020.
The Green Deal will overcome the ‘Split Incentive’:
The landlord pays for the improvements
The tenant benefits from reduced fuel bills
The Green Deal will require NO up-front cost to landlords for the improvements
The Green Deal is expected to be rolled-out in late 2012

Contact

Maryann Pearce | Regional Representative London
National Landlords Association

M: 07872 381 228 | **W:** landlords.org.uk

22-26 Albert Embankment London SE1 7TJ

Ann Pirie - Business Support Manager

Ann apologised for delay in processing the Incentive Invoices and Damage claims payment due to backlog and some Landlord or Agent not informing us of Change of circumstance, said things have improved and so long as all documents are complete, the team will endeavour to process the invoices to meet for the corporate turnaround of 28 days.

Ann presented a flow chart of how the process works once all

documents/Invoices received.

Ann stated that BACS Form is the most important this only has to be processed once; unless there is a change of circumstance.

If any alteration needed Landlords must send new Invoice through the post we do not accept email.

Invoices must be on letter head and VAT added if applicable.

This must include tenant's name, address and tenancy start date and invoice amount.

Invoice must be original and the date must be the date when all paperwork is completed and sent in, no copies accepted.

Change of Circumstance – You will need to complete a new BACS Form.

Late paperwork would mean that you will not be entitled to the Incentive Payment &/Bond certificate

Can you note the Bond certificate is not Transferable

Damage Claims

If you need to claim on the bond Certificate please make sure you include all the following information:

- Your company name and logo
- Your name and address
- The date
- The tenants name and address
- The Bond certificate reference number
- Housing Options address
- Description stating the reason for payment i.e. Malicious damage
- The amount
- Your signature and date

If you are VAT registered this will need to be added on to the total amount and you will need to state your VAT registration number on the invoice.

Ronjon Bagnchi Choice Homes.uk

Ronjon reminded Landlords if they are interested in marketing their properties through Choice Home UK Website.

Prices for displaying information on the web only are -

- £10 per property per week, including name, contact details, logo, hyperlink and properties
- £25 per month, web banner advert on the Private Possibilities page

- with hyperlink to advert
- £10 per month, name, contact details, logo, hyperlink
 - £5 per month, name, contact details

For further details or discuss profiling your properties and/or company with ChoiceHomes Uk please contact -

Ronjon Bagchi Marketing and Media Production Manager

020 3373 7794

07791 138 452

Fraud Team Leader Gary Perrin and Matthew Lean

Reference was given to the "Fighting Benefit Fraud" guide for landlords, copies of which were available at the forum and had been distributed.

It was advised that housing benefit and council tax benefit is a major concern for all local authorities and in particular for Newham Borough Council, because of its high level of tenant occupiers.

Landlords were reminded of Housing Benefit regulation that requires them to notify any suspicion of fraud that may be occurring in respect of their property, committed by their tenant. It was stipulated that as long as they submit such notification in writing to the Newham Benefits Service, Counter Fraud Team, or the Housing Options Centre, they cannot be held liable for any overpayment.

A few brief examples of suspicious behaviour that could constitute fraudulent activity were raised, such as the tenant being away from the house all day (could be employed), the tenant cannot be contacted (may have vacated the property), the tenant has recently purchased a "flash" new car (has some form of undeclared income/capital).

Landlords were reminded that Counter Fraud are willing to work with Landlords to reduce levels of fraud and error.

The methods of reporting fraud was raised, either by way of;

Telephone - 0800 052 2420

In writing/person - 455, Barking Road, East Ham, E6 2LN

Email - fraud@newham.gov.uk

Online <http://www.newham.gov.uk/YourCouncil/FraudInvestigation/ReportFraudOnline.htm>

A landlord enquired to Gary Perrin as to what would occur in circumstances when a fraud has been discovered

L/L was advised that in such case the benefit payments would be suspended however the landlord would not be responsible for any overpayment accrued as long it is clear that the landlord did not participate in the commission of the fraud.

Luke Cadman | Planning Enforcement

- Introduction to the Local Development Framework
- What the Core Strategy does - sets development goals and objectives and plans for the development of the Borough up until 2027. Overarching plan for pattern of development.
- How it was compiled - rigorous public consultation and consultation with private sector developers and landlords and any other interested parties. Currently has been submitted to the Secretary of State for approval/comments.
- Policy H4 of the Core Strategy - this policy deals with the conversion of properties into smaller units, be this HMOs or flats. This policy resists the conversion of family dwelling into smaller units, be this HMOs or flats. This is of particular importance for landlords planning on converting houses into smaller units and for agents who may be advertising the units for rental purposes.

Shannon Forte - Housing Benefit Team Leader

Shannon apologised for the delay in benefit payment which were due to staff shortage, changes to new system in January and February which created backlog.

Shannon explained that this is now being addressed as we now have additional resources such as overtime,

Nine benefit officers and team leaders are based at the contact centre to deal with phone enquires.

Our aim is to deal with claims within 5 working days.

Shannon explained new changes that came into effect from April 2011 existing tenants have protection up to 9 months on their anniversary date, £15 top up will stop when there is a change of circumstance. If a tenant is able to negotiate reasonable rent with landlord, the HB can be paid direct to the landlord

Non-dependant income of £387 per week and above attracted deduction of £47.75 has now changed and is now £60.60 per week

- **Extra bedroom for overnight carers**
 - Allow extra bedroom when calculating the LHA rate if someone needs extra room for an overnight care
 - The claimant or their partner must:
 - be on Attendance Allowance, or
 - be getting higher/middle care component of DLA, or
 - satisfy LA that they need overnight care
 - Luke Cadman | Planning Enforcement
 - *Regeneration, Planning and Property*
- Applies to new and existing claimants
 - No restriction on applying extra bedroom from 1/4/11 if there's a delay in identifying an existing claimant's need for an extra bedroom
- **New rule on payment direct to landlord**
 - LA has discretion to pay direct if this will "*assist the claimant in securing or retaining a tenancy*"
 - The new rule can only apply where the claimant would be able to afford the rent
 - It's meant to help us negotiate a lower rent for tenants affected by the forthcoming reductions in the LHA
 - The Government's assumption is that landlords will accept a lower rent if we're able to pay it directly to them
- **Non-dependent deductions increase 1/4/11**
 - Rates have been frozen at the April 2001-02 level
 - Rates will increase by 27%
- **A8 Nationals and Worker Registration Certificates**
 - Need for WRS for A8 nationals will cease from 1st May 2011
 - A8 nationals will be treated the same as other European nationals (EEA 18)
 - Requirement for A2 nationals to be in "authorised work" remains
- **Single room rate for under 35**
 - Comes into effect in January 2012

Stella Okeke – Initiatives and Landlord Officer

It came to our notice that some Bond Scheme tenants went to LSC requesting for Housing Benefit payment to be revert back to them. Advised landlord to be aware as keep eye on their bank statements to ascertain when payment had stopped.

All Bond Scheme housing benefit form should be submitted to Housing Options Centre (HOC) and not LSC. Landlords were also advised to contact the Initiative Team if they find out that they no longer receive direct payment as agreed.

Next Forum will be at the end of June 2011