## Minutes

### Merton Private Sector Landlords Forum - Friday 11 June 2010

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<th>Item</th>
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<tr>
<td>1. Welcome and introductions</td>
<td>KL welcomed people to the forum and introduced the speakers.</td>
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| 2. Landlord Forum - appoint a chair - Kate Luckett | **2.1** Currently Housing Strategy arranges and chairs the forum, but the team are eager to appoint a landlord as a chair and to appoint a vice chair.  

**2.2** The role of chair would involve agreeing agenda items for future forums and keeping the meeting on track. Housing Strategy would continue to arrange speakers, pull together information, arrange refreshments and facilitate the group.  

**2.3** The role is mainly a figurehead role, very relaxed and informal position but if a landlord would like to develop or take forward the position that would also be possible.  

**2.4** The role of chair would be similar to the chair in the chair’s absence.  

**2.5** The positions would be reviewed as and when necessary - perhaps if the chair / vice-chair do not want to continue or someone else would like to take on the role. At the end of meetings the group would be asked if they were happy with the continuation of the arrangements or not, when the situation can be re-examined.  

**2.6** The group were asked to think about whether they would be interested in taking this role on, and during the comfort break there would be an opportunity to speak to KL about the role and what it involved.  

**2.7** After the break KL will ask for any nominees and if there are a vote will be held. |
| **Post comfort break** | |
| 2.8 | KL asked the group whether anyone would like to nominate him or herself as chair or vice chair. |
| 2.9 | There were no nominees therefore Housing Strategy will continue to chair the group. The group will need to change the name, KL proposed the Private Landlord Group. |
| 2.10 | Majority of landlords were in favour of the name change. |
| 2.11 | KL indicated to the group that if anyone felt that they would like to take on the chair |

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after this event to get in touch with KL.

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<th>3.</th>
<th>‘Coversure’ Insurance Services - Kate Luckett</th>
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<tr>
<td>3.1</td>
<td>Unfortunately Rajan Amin the Director of Coversure Insurance Services was called away and unable to make this evening’s meeting. RA was going to give a talk on the various insurance policies the company offers specifically for landlords; for example the Rent guarantee insurance policy and Landlords Contents Insurance. Two flyers are included in the pack of information and will be sent out with the minutes.</td>
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<td>3.2</td>
<td>The Rent guarantee insurance policy is three covers in one policy, rent guarantee insurance, legal expenses insurance and home emergency cover. The other product is Landlord Contents Insurance.</td>
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<td>3.3</td>
<td>For more information contact Mr. Amin either by telephone on 0800 093 9009 or email <a href="mailto:kennington@coversure.co.uk">kennington@coversure.co.uk</a>.</td>
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<tr>
<td>3.4</td>
<td>You can also check the website out and under the Landlords Property Insurance, accredited landlords get a 15% discount of the insurer premium - <a href="http://www.coversure.co.uk/branch/kennington">www.coversure.co.uk/branch/kennington</a></td>
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<th>4.</th>
<th>The London Landlord Accreditation Scheme update - Kate Luckett</th>
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<td>4.1</td>
<td>The LLAS was launched in July 2004 and seeks to enable members to operate a successful business, with safe and high quality accommodation and reduce the need for intervention from local authorities.</td>
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<td>4.2</td>
<td>The accreditation lasts for 5 years and the main elements of the scheme are:</td>
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<td>• Recognised Good Landlords &amp; Agents</td>
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<td>• Recognised across All of London and the UK</td>
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<td>• Knowledge based not property based</td>
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<td>• Landlords must be a ‘Fit &amp; Proper Person’ (not convicted of certain unspent offences (e.g. such as discrimination, harassment or been convicted of certain Housing legislation related offences)</td>
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<td>• Landlords have to follow a Code of Conduct (requiring landlords to comply with landlord tenancy and housing standard)</td>
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<td>• One day Development Course with Independent professional trainers and a validation exercise</td>
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<td>• Continuous Professional Development - need 60 CPD over 5 years, with a minimum of 12 CPD per year. Landlords can attend additional CPD courses by LLAS at discounted rates Points. Points for attending landlord forums, seminars, exhibits and Membership of Landlord Orgs.</td>
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<td>4.3</td>
<td>Accreditation is for:</td>
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<td>• Landlords</td>
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<td>• Prospective landlords</td>
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<td>• Agents</td>
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<td>4.4</td>
<td>Benefits - Other than Recognition &amp; Knowledge include:</td>
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<td>• Landlords Manual on CD</td>
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<td>4.5</td>
<td>Updates:</td>
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<tr>
<td>• Certificate</td>
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<td>• Quarterly Newsletter “London Landlord”</td>
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<td>• Discounted insurance, Energy performance Certificates, books &amp; other benefits</td>
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<td>• Recognised as good Landlord/Agent</td>
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<th>4.6</th>
<th>Contact:</th>
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<tr>
<td><a href="http://www.londonlandlords.org.uk">www.londonlandlords.org.uk</a></td>
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<tr>
<td>Email: <a href="mailto:LLAS@camden.gov.uk">LLAS@camden.gov.uk</a></td>
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<tr>
<td>Phone 020 7974 1970</td>
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<td>Fax 020 7974 6955</td>
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<th>5.</th>
<th>Policy Update - Elliot Brunton (Housing Options Manager)</th>
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<td>5.1</td>
<td>A new coalition government formed in May. Grant Shapps MP has been named the new Coalition Housing Minister; he served as shadow housing minister since 2007. Unlike his four immediate predecessors, Grant Shapps, will not hold a cabinet position in the new coalition government.</td>
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| 5.2 | Housing does not appear to be a priority under the new government; a number of policies proposed by the previous government are already being undone. Mr Shapps confirmed that the national landlord register proposed by the last government will be scrapped, including the regulation of lettings and managing agents, and compulsory written tenancy agreements. The rest of the Rugg review recommendations are being reconsidered - such as the Housing Hotline and the mumsnet (online word-of-mouth directory of landlords) for tenants. |

| 5.3 | It seems no further regulation of the private rental sector is to be expected, and what already exists is sufficient. |

| 5.4 | Before the election, part of the Conservative’s manifesto was a commitment to review the Local Housing Allowance (LHA) and how it is paid directly to tenants - watch this space to see what happens. The government want to look at the wider issues around the LHA and whether the LHA rates are distorting the markets. |

| 5.5 | On 1 October 2010 the Assured Shorthold Tenancy (AST) threshold will be raised from £25,000 per year to £100,000 per year. |

| 5.6 | Under current legislation, any tenancy where the rental value is over £25,000 per year is not classed as an Assured Shorthold Tenancy. Instead it is a Common Law Tenancy and exempt from legislation affecting Assured Shorthold Tenancies like Tenancy Deposit legislation and Section 21 notices. |

| 5.7 | The new measure, raising the threshold to £100,000, is expected to come into force on 1st October 2010 but it will apply retrospectively. This means that any tenancy where the rental value is over £25,000 per year will automatically become |
an Assured Shorthold Tenancy on this date and be subject to all legislation that applies to such tenancies.

5.8 This means that any tenancy deposit will have to be protected and the tenancy will only end by way of Section 8 and Section 21 routes. This change in legislation will have the biggest impact on shared houses (where all Tenants are listed on the one tenancy agreement), luxury lets and large family homes.

5.9 There are press releases on a daily basis about future housing policy.

Post meeting updates

5.10 Queen’s Speech 25 May 2010 - impact on Landlords
On Tuesday 25 May the Queen’s speech indicated a ‘mixed-bag’ for landlords.

A total of 22 Bills were announced, there was no specific ‘Housing Bill’ but the most relevant to Housing and local government was the Decentralisation and Localism Bill.

The proposals set out by the Coalition Government through the Queen’s Speech are all in line with the “Building the Big Society” paper published on 18 May, pledging to transfer power from central to local government, and to put more power and opportunity into people’s hands.

Decentralisation and Localism Bill seeks “to devolve greater powers to councils and neighbourhoods and give local communities control over housing and planning decisions”

The main elements of the Bill for housing are:
• Explore a range of measures to bring empty homes into use
• Promote shared ownership schemes and help social tenants and others to own or part-own their home
• Promote ‘Home on the Farm’ schemes that encourage farmers to convert existing buildings into affordable housing
• More protection against aggressive bailiffs and unreasonable charging orders, and ensure that courts have the power to insist that repossession is always a last resort
• Review Housing Revenue Account and phase out ring-fencing of grants to local government
• Outright abolition of Home Improvement Packs, but Energy Performance Certificates (EPCS) will remain and landlords need to ensure they have valid EPCs for their properties
• Require continuous improvements to the energy efficiency of new housing
• Provide incentives for local authorities to deliver sustainable development, including new homes and businesses
• Review the effectiveness of the raising of stamp duty threshold for first-time buyers

6. Local Housing Allowance update - David Keppler (Revenues and Benefits Manager)

6.1 24-26,000 claims - 12/13,000 Housing Benefit claims in payment
• 500 new claims received per month
• Since Dec 2008 been steady increase of claims

6.2 Merton paid out £85 million in Council Tax and Housing Benefit last year, of which £14 million was for Housing Benefit.

6.3 The Local Housing Allowance (LHA) was introduced in 2008 and any Housing Benefit claims for tenants renting accommodation from a private landlord made after 7 April 2008 are subject to LHA rules.

6.4 Under the LHA rules Housing Benefit (HB) is paid to the claimant. There is no longer the choice for HB to be paid to a landlord or their agent, even if the claimant would like to.

6.5 The implementation of the LHA was to introduce choice, drive down rental rates (particularly at the top of the market) and encourage ownership. Generally under the LHA Housing Benefit is paid to the claimant directly, although there is an element of safeguarding protection for landlords whose tenants have eight weeks (non-consecutive) rental arrears. Landlords can contact Housing Benefit and ask for the claim to be paid directly to them if there is evidence of the tenant not paying their rent for eight weeks.

6.6 Under the LHA Housing Benefit claims are more generous, for example - under the old system, what was £750 per month per rent now translates to £848 in the same area under LHA.

6.7 Rent Officer does paper exercise

6.8 The new government have been talking about scraping paying claimant Housing Benefit and allow the local authority to pay the landlord directly.

6.9 The most Merton has paid out in Housing Benefit is for a 5/6 bed property at £600 per week.

6.10 LHA rate based on size criteria for a property – e.g. 2 bed property would be for a couple and child or single mother and child – we would not pay a two bedroom rate for a single person or married couple.

6.11 Questions

Q. What happens if a tenant falls upon hard times, lose their job, and stop paying the rent? As a landlord outgoings continue is there anyway the council can help?

A. Housing Benefit might consider using Discretionary Payment Rate (DPR). Under the circumstances described, a landlord can apply for DPR and request additional payment. This is not indefinite but last for a 13-week period to allow tenants to move elsewhere or improve their situation.

Q. How does Housing Benefit work out the rent or the market value?

A. A government agency calculates this not the local authority. There are three Broad Rental Market Areas in Merton:
• Inner South West London
• Outer South West London (Wimbledon)
• Outer South London (Mitcham)

Q. There is a lack of communication from the Housing Benefit department about tenant circumstances and it can be very difficult to get in touch with anyone. Can this be improved?
A. Tenants can give permission to share certain information but unless the tenant indicates this we cannot share any financial information about the tenant with the landlord. If the tenant’s circumstances change then they should let us know, but the Department of Work and Pensions will inform the local authority to stop payments.

Q. Can we request the four week LHA schedules be sent out to us directly via fax or email as they are often delayed through the post when asked for?
A. Housing Benefit does not have the resources to be able to do this but landlords do have access to the online system, which gives the details before the money has been paid. Landlords can also access retrospective claims. Landlords can view all their tenants’ schedules together if they registered under one landlord.

7. Grant Information - Steve Nottage (Environmental Health (Housing) Manager)

7.1 Warm Zones
• Free or discounted loft and cavity wall insulation
• Free for everyone 65+
• Heavily discounted for everyone else
• Contact 0800 389 7286 for an appointment

25% of heat is lost through the roof and 33% through walls, insulation means using less energy, which means spending less money.

Scheme is for private homes, owner-occupiers or private landlords, subject to a survey.

Any cost to a landlord (where the tenant is not in receipt of benefits) can be offset against tax. The Landlord’s Energy Saving Allowance allows landlords to claim up to £1,500 against tax every year for buying and installing certain energy saving products.

The standard loft insulation is now 270 mm, properties built after the 1990s will have some insulation of around 102mm but this can be topped up. The loft space will need to be cleared of clutter; sometimes surveyors will agree space for a small amount of storage but not always.

Cavity walls - a mineral fibre is used rather than polystyrene balls to fill the cavity. The majority of cavity wall properties were built since the 1950s; many of the properties in Merton predate this and therefore need solid wall insulation. This is more expensive and problematic but can be both inside the property and out. Government recognises the difficulties of solid wall insulation and hopefully there will be some sort of insulation programmes in the future.
### 7.2 Coldbusters
- Grants up to £6,000 for heating and insulation
- New central heating systems and boilers, upgraded heating controls
- Includes minor electrical or window repairs or water saving measures if energy-saving measures are installed
- For those on Income Support, Council Tax Benefit, Guarantee Pension Credit, Housing Benefit, Income-based Job Seekers Allowance
- Written landlord consent needed
- Call 0800 358 6668 for details

Coldbusters funding comes from the Greater London Authority (GLA). If landlord portfolios extend across other boroughs, the scheme operates in the same way across the rest of the South West London sub-region (Sutton, Kingston, Wandsworth, Richmond, Croydon, Lambeth and Merton).

Creative Environmental Networks (CEN) administers the scheme, and has a set of standards and quality assurance. The work is carried out against a schedule of rates agreed by the sub-region.

Under Coldbusters, Merton has replaced a handful of windows, primarily heating systems but the scheme will consider other areas of work.

If properties already have some loft insulation, Coldbusters would provide a top up to the 270mm standard.

In Conservation areas you need to check with the planning department what changes can be made. Often you cannot replace timber window frames but it is worth pursuing this with the planning department. Secondary glazing is another option.

The timescales for Coldbusters is measured in weeks rather than months, from the time of the call, currently it is not busy due to the summer period and lack of demand, but this is an ideal time to insulate ready for the winter period.

### 7.3 Warm Front
- Government-funded national scheme
- Maximum grant of £3,500 for heating
- Working Tax Credit, Child Tax Credit, Attendance Allowance, Disability Living Allowance, Income Support, Housing Benefit, Council Tax Benefit, War Disablement Pension, Industrial Injuries Disablement Benefit and Pension Credit
- Written landlord consent required
- Call 0800 316 2814

Eaga Ltd operates the scheme. So far no landlord has refused to give consent to have works completed within their property, if they do, Environmental Health will inspect the tenanted property, and if heating is needed, serve an improvement notice.

### 7.4 Disabled Facilities Grants (DFGs)
- Safe access to the property, bathroom facilities, bedroom, living room and garden, heating
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<th>Section</th>
<th>Description</th>
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| 7.5     | **Empty Property Grants**  
|         | • Max £22k for 1 or 2 bed, £27k for 3 bed+  
|         | • Property must be empty for 6 months or more at the time of grant approval  
|         | • Grant available to repair or convert property SPP  
|         | • 3 year Nomination Agreement with LBM  
|         | • Contact Derek Corby, Empty Property Officer, 020 8545 3887  
|         | There is a big push to occupy empty properties across London and the scheme operates the same way across the South West London sub region (Sutton, Kingston, Wandsworth, Richmond, Croydon, Lambeth and Merton).  
|         | Subject to planning permission, an owner can sub-divide the property into two 1 or 2 beds properties and therefore may be entitled to two grants.  
|         | The local authority does require the landlord let the property to someone on the housing waiting list for three years. A landlord can remove the tenants (in a legal manner) but the local authority requires the landlord to re-let it to someone on the register again if within that three-year period. If not then the local authority requires the landlord to pay back the grant money in full.  
|         | The Empty Property grant is the ‘Carrot’ to improve the local housing stock but the local authority will use Compulsory Purchase Orders and enforced sales procedures to enforce improvement of properties that have been empty for a long period of time.  
| 7.6     | **Small Repairs Grant**  
|         | • Targeted at landlords with smaller portfolios  
|         | • Grants up to £3,000 for;  
|         | • Fire Safety works in HMOs, or  
|         | • Category One Hazards with regulated tenants  
|         | • Call Environmental Health Admin on 020 8545 3025  
|         | This grant is targeted at fire safety measures for Houses in Multiple Occupation (HMOs) and landlords with small portfolios, and is used to help remove category 1 hazards identified within the Housing Health and Safety Rating System.  
| 7.7     | **For all your Energy Queries call**  
|         | 0800 512 012  

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• All private and Housing Association properties  
• Occupational Therapists assesses needs  
• Maximum grant of £30,000, means-tested (unless via a Landlord’s Application)  
• DFG agencies can help with applications  
• Call 020 8545 4477 for an OT assessment

DFGs are mandatory grants and all local authorities have to offer them. They are means tested for owner-occupiers and private tenants but not if the Landlord makes the application on behalf of their tenant. An Occupational Therapist will complete an assessment and the agencies can obtain two estimates for the works and collate the application. There are three agencies to assist and the agency fee is covered within the grant.
8. **Rent Deposit Scheme Consultation - Marion Collier (Private Sector and Home Sales Co-ordinator)**

8.1 The Rent Deposit Scheme was set up in 2003 in Merton to help prevent homelessness by offering assistance to secure accommodation in the private rented sector.

8.2 All local authorities are encouraged to set up such schemes and it enables us to provide a wider housing choice to local people in need of housing.

8.3 We have an increasing number of households who are seeking to rent affordable, good quality properties.

8.4 In return for letting your property through us you will be able to take advantage of the services we provide:
   - Access to a pool of tenants, allowing greater choice without costly advertising
   - The opportunity to meet with the prospective tenant and decide on their suitability to occupy the property, accompanied by a member of staff
   - Tenancy agreements
   - Fast-track Housing Benefit service
   - Referrals to a floating support service (Hestia)
   - Dispute mediation between landlord and tenants
   - Choice of 1, 2, 3 or 5 year tenancy agreement
   - Small landlord incentives
   - A deposit guarantee allowing you to make a claim from the Council at the end of the tenancy should the need arise

8.5 **The Rent**

This is set by the Local Housing Allowance dependant on the postcode and how many bedrooms it has. Housing Benefit is paid to the tenant 4 weekly in arrears.

8.6 **Landlord Responsibilities:**

- Gas Safe Register Certificate
- NICEIC Electricity Safety Certificate
- Energy Performance Certificate
- Proof of ownership

Maintain the central heating and hot water systems
Payment of service charges (if leasehold)

8.7 **Charges:**

One off admin fee of £100 which is deducted from the deposit but there are no commission charges

8.8 **Properties we are looking for:**

- Properties must be self-contained units.
- We can accept furnished or unfurnished properties but they must have a cooker.
- Since the election we are still being offered 3 bed-roomed properties but seem to have had a shortage of 1 & 2 bedroom properties. We are especially in need of good quality 2 bedroom properties. It seems that other local authorities are having
8.9 **Open Discussion with landlords:**

1) Why do you think there is a slow down of properties being offered?
   - Stamp Duty
   - Capital Gains Tax
   - ‘Type’ of tenants
   - Local Housing Allowance (LHA) rate is low

2) What do you think are the problems with the Rent Deposit Scheme and how could we improve the scheme?
   - Get rid of the LHA
   - Demand - know the market
   - Email/newsletter updates for landlords
   - Tenants giving their voice - different perspective
   - Liaison - internal landlord liaison officer
   - Dedicated officer - via the Rent Deposit Scheme Housing Benefit claims are fast tracked.

It is important to recognise the limitations due to the Local Housing Allowance rules.

9. **Question Time**

9.1 Q. If a landlord has a three-bed property for example and a growing family renting are DFG grants available?
   A. DFG grants are only available for people who are disabled and need access to bathrooms, bedrooms etc. So unless the family has a disabled child in need of access then no grant will be available.

9.2 Q. Can Housing Benefit forms be fast tracked as it takes along time for the application to be processed?
   A. Housing Benefit forms are complicated to fill out. There is a lot of information required from the tenant. Only 18% of forms returned are correct first time, therefore almost 80% have to go back for more information. Currently the turn-around is 30 days and looking to improve this.

9.3 Q. Is there any help with condensation on windows?
   A. Contact Environmental Health administration on 020 8545 3025.

9.4 Q. Are there any grants available for noise insulation measures?
   A. Unfortunately there are no grants available.

9.5 Q. Is there any help with damp problems?
   A. Contact Environmental Health administration on 020 8545 3025.

9.6 Q. Is pest control - specifically treatment of bedbugs - free from the council?
   A. The council do have a service but it is not free.

9.7 Q. Under the Empty Property Grants, does Housing Benefit still go directly to the tenant?
| A. The tenancy agreement is still between the tenant and the landlord and the Local Housing Allowance rules still apply. If the first tenant moves out the landlord is required to let the property to someone else on the housing waiting list during the three-year period. If the landlord wants to rent the property on the open market they must repay the grant. |