Where’s the rent?

focus on arrears

INSIDE: Getting the rent in - what you need to know - pets and tenancies - landlords and Council Tax - empty homes - how they cost you money - HMO regulations - cowboy housing companies after your properties - do you need a letting agent? . . . AND MORE
Editor’s view: Getting the rent in

Welcome to this edition of Sandwell Landlord Magazine (previously known as ‘The Bugle’) from Sandwell’s Housing Quality Team

This edition focuses on rent arrears. Too big a subject to cover in one place, instead, you’ll see that we touch on ways to minimise or prevent arrears in several of the articles.

Arrears aren’t just something to worry about when payments suddenly stop. Prevention starts before you first start looking for a tenant and links to many issues. For example, if you want to evict someone with arrears by serving a Section 21 notice, you can’t if you haven’t carried out all your obligations at the start of a tenancy. It might be that you haven’t shown someone a valid Electrical Performance Certificate (EPC) before they accepted the tenancy. (Just this is enough to make a Section 21 invalid), so if you want your property back, your only option is the more complex Section 8 route. This takes much longer, so the arrears will only go up while you are waiting to get the tenant out.

There’s a lot to think about. From adequate record keeping, (something lots of landlords fail over) to making sure tenants understand their obligations if they are claiming benefits.

Although arrears are the tenant’s responsibility; you can’t always be judgemental. Anyone can have financial difficulties. Arrears don’t mean you can’t be a good tenant if you get things back on track. I wouldn’t think badly of a tenant because they had money issues. They might need encouragement to find help, either through benefits, an advice agency or the council’s own excellent Welfare Rights Service www.sandwell.gov.uk/benefitsadvice

Landlords often get a bad press from people who don’t understand the job. Don’t let that put you off from protecting your rights. Remember that insisting a tenant carries out their responsibilities, sticks to their agreement and pays their rent is in their interests too: it keeps them in a home!

I hope you find this issue useful. You’ll also find most of the topics here covered on our landlord blog www.sandwelllandlords.wordpress.com

Stay on time with your Council Tax

Don’t forget - the easiest way to avoid penalty charges, or problems with your Council Tax is stay on time with your payments.

Don’t leave any Council Tax issue undealt with or it could cost you time and trouble.

For information and advice, go to www.sandwell.gov.uk/counciltax
Getting your property back. The end of Section 21 and ‘no fault’ evictions.

The government is expected to announce a consultation shortly on the abolition of Section 21, the rules that let a landlord get their property back after the initial term has ended, without having to give a reason. Any legislation that ended Section 21 would mean that landlords would only be able to regain their properties by using the Section 8 route. Meaning they will either have to show that a tenant is in breach of their agreement (such as through rent arrears) or they can prove that they need to sell the property, or wish to move back in. Landlord professional organisations are already campaigning against the proposal and are encouraging landlords to make their voices heard in any consultation. We will keep landlords up to date on this issue via our landlord blog.

www.sandwelllandlords.wordpress.com

White goods; who is responsible?

The term ‘white goods’ can cover any or all of these domestic electrical appliances: cooker, fridge, fridge-freezer, washing machine, tumble dryer and dishwasher. If they break down, the question of who is responsible to repair them can be contentious.

You can find different landlord websites giving different advice; the best thing a landlord can do is to set out very clearly in the tenancy agreement what he or she is accepting responsibility for.

Landlords should remember that they are always responsible for the general safety of their properties and of their tenants.
If you have an empty property, you might find it an expensive liability with costs from vandalism, extra insurance, Council Tax, weather damage, anti-social behaviour and general deterioration.

There are currently over 700,000 empty homes in England, with over 300,000 of those empty for over six months. They are a problem not just for owners but also for their neighbourhoods.

There is legislation which allows councils to deal with them through ‘Empty Dwelling Management Orders.’ (see [gov.uk/emptydwellings](http://gov.uk/emptydwellings)) Sandwell Council will consider action where houses have been vacant for longer than 6 months, (sometimes less). If an empty property is causing a nuisance or affecting its surrounding area, we will use our legal powers to deal with the situation and to encourage the owner to get it back into being a home for somebody as quickly as possible.

Empty properties can go to pieces very quickly becoming targets for vandalism and crime. It’s not uncommon for them to be stripped of all valuable or salvageable materials leaving a wrecked shell behind. Your asset, which should be earning you an income can lose a substantial part of its value very quickly and end up costing you heavily.

Owners of empty properties can be liable for substantially higher Council Tax bills as additional premiums are charged. In Sandwell, from the 1st April 2019, any property that has been empty for two or more years will be charged an additional 100% of the normal Council Tax bill. (Meaning you would need to pay a total of 200%) From 1st April 2020, any property that has been empty for five or more years will have 200% added to their charge (so you would need to pay 300%). And from 1st April 2021 any property that has been empty for ten or more years will have to pay an extra 300%. (So you would need to pay 400%).

We have already had examples of landlords falsely claiming that empty properties actually have a tenant as a means of avoiding these increased charges. Anyone contemplating this should be aware that we are taking very active steps to investigate this sort of abuse and the consequences for anyone caught can be very serious financial penalties.

If you do have an empty property, act now to make full use of your asset, either through getting it ready for sale or for letting. Someone will want it. Don’t let it depreciate needlessly or cost you more than it should.

And just as importantly, don’t let something so valuable go to waste. Your property could give someone a home.
Before you pick up the phone

If you are a landlord and you want to contact Sandwell’s Revenues and Benefits Service about a tenant, please remember the rules we work under about protecting your tenant’s information.

We cannot normally share information with you about your tenant’s Housing Benefit or Council Tax Reduction claim or Council Tax account without their written permission. Please speak to your tenant for information about these issues before you consider contacting us.

If you still need to contact us, download our Data Protection Waiver form for your tenant to sign.

But please remember that your tenant is not obliged to give consent and is also free to withdraw it at any time.

If you are looking for information about the Housing Quality team (also known as Private Sector Housing) - what we do, our services or just more information, visit our updated website at

[link]

There are pages on a range of landlord information including some of your legal responsibilities and things to help you do your job and maybe even save money. It also has essential information on Houses in Multiple Occupation, including the application to apply for a licence.

You can also find most landlord information about Housing Benefit or Council Tax online including many of our forms which can save you time, money and hassle.

[link]

[link]

Sandwell Private Housing

@Sandwell_privatehousing

@Sandwell_privatehousing

**DUMMY TENANTS: IT’S FRAUD**

Sandwell’s Counter Fraud and Compliance officers are actively investigating cases where owners of empty properties are claiming their properties are occupied to avoid having to pay ‘Empty Homes’ Council Tax premiums.

People falsely tell us that they or a family member live in the property.

Deliberately making a false statement to avoid or reduce your Council Tax bill is FRAUD.

We know the vast majority of Sandwell property owners are honest and do the right thing, but for anyone considering misleading the council and cheating honest Council Tax payers who pay the right amount; be warned, there are severe consequences and with the resources and information we have - we will catch you.
Council Tax: Proving occupancy for tenants who have moved out

If a tenant moves in or out of your property, you should tell us as soon as possible so we can get the bills right. Use our online form at www.sandwell.gov.uk/tenancychanges

Sometimes a landlord will tell us that there was a tenant in their property in an earlier period, that the landlord has been charged for. Someone we didn’t previously know about. If the landlord wants us to adjust their bill and charge that former tenant we will need proof that the person was actually in occupation. Landlords should provide as much proof as possible.

Examples of proof are:

- The full tenancy agreement, signed and dated by both the landlord and tenant. (We cannot accept a tenancy agreement by itself. It does not prove that somebody has actually moved in, or that they remained in occupation for the whole period of the tenancy).
- Proof of rent paid: If you rent your property out, you are legally obliged to keep proper records for tax purposes. Proof of rent could be - copies of rent receipts or bank statements showing rent deposits for the relevant period. These must show the name of the person making the deposit or a suitable reference. If the statement simply says ‘Branch cash credit’ or similar, it will not be sufficient as it will not tell us who made the payment.
- Proof that rent has been declared to HMRC.
- Rent Book in the name of the tenant. This should include the dates and amounts of payments and signatures or initials from landlord & tenant.
- Proof you have taken a deposit and registered it with a government approved scheme. If you take a deposit, this is compulsory. For more information see www.gov.uk/tenancy-deposit-protection
- Address history: Previous address and forwarding address of the tenant
- Contact Information: Any contact information for the tenant including phone numbers, email addresses, etc
- Supporting documentation: Utility bills, insurance documents or any other paperwork showing the tenant's name, for the disputed period
- ID: Copies of any tenant ID such as driver’s license or university ID
- Signed & dated correspondence or emails from the tenant
- Guarantor details: Details of anyone who stood as a guarantor for the tenant during the disputed period and any signed paperwork to that effect

Other proof: Any other documentation that helps confirm that the property was tenanted during the disputed period and shows the tenant's identity.

Provision of information does not guarantee that a change to liability will be made. Each case will be investigated on its own merits and a decision made based on the quality and quantity of the evidence provided. Please remember that you can avoid these difficulties by telling us straight away when someone moves into your property.

www.sandwell.gov.uk/tenancychanges
We have been publicising the changes to housing regulations that affect Houses in Multiple Occupation for quite some time. In particular, how many more HMOs now need a licence than previously. There are penalties of up to £30,000 for landlords who don’t obtain a licence when needed. Prosecutions are now occurring on this and most weeks there are stories in the media about a landlord somewhere being given a substantial fine for breaking this law.

In Sandwell we are currently looking at cases where our own enforcement action is likely. Consequences for the landlords involved will be extremely unpleasant financially. Don’t let this happen to you. If you might need a licence; act now It’s not necessarily too late to avoid the penalties but you must act immediately.

Landlords also need to be aware about the management regulations that affect all HMOs, including those that don’t need a licence. Below, is a summary of some of the key points (This is not intended as a full statement of the regulations).

- You can be fined up to £1000 for any breach of the regulations. If guilty of multiple breaches; the penalties can go up accordingly. If you own or manage a HMO, you must make sure you understand exactly what your responsibilities are.

- If you are the owner, but someone else manages the HMO for you, you might still be responsible to make sure the regulations are followed.

- You must display a notice in a prominent position in the property giving your full contact details, address and essential safety notices; and make sure each tenant is given these details in writing.

- Make sure that fire escape routes are safe and free of obstructions at all times. Unless there are only four or fewer occupants, there must be clearly displayed notices showing the fire exits.

- Any fire fighting equipment must be properly maintained and kept in good working order.

- The general condition of the property should be safe with no structural defects. You must take all reasonable steps to ensure tenant safety.

- The property must be safe against intruders.

- The water supply and drainage system must be clean and fully maintained at all times.

- You must have a valid gas safety certificate at all times. All electrical installations must be inspected and tested at least once every five years by a qualified electrician.

- The electricity supply must have no interruptions.

If you need a HMO licence; contact our licensing officers Saarika Chander and Maria Price immediately at landlord_licensing@sandwell.gov.uk

Fire escape routes must be signposted and free from obstruction at all times. Fire fighting equipment properly maintained.
• If the metered supply covers common areas and the landlord is responsible for supply, you must make sure the meter does not run out of credit.

• You must maintain the common parts of the HMO in good and clean decorative order, keeping them safe and clear from obstruction.

• All fixtures, fittings and appliances used in common by occupiers must be clean, safe and in good working order. Note: In non-HMO tenancies, if the tenant damages something the landlord may have little liability. However, in HMOs, even if damage is caused by the tenant, the landlord must ensure corrective action is taken. You may though charge the costs back to the tenant.

• All outside areas must be kept in good repair

• If any part of the property is not in use, you must make sure that areas directly giving access to it are kept clean and free from rubbish.

• Accommodation and furniture must be in a clean condition at the start of the tenancy and the internal structure and any fixtures, fittings or appliances are maintained in good repair. You need to provide suitable and sufficient rubbish bins and/or bags, and make sure they are put out at the right time for collection.

This article is a brief summary only. Full information is available on gov.uk. Landlords must fully understand their legal duties and to look after the safety and well being of tenants at all times.

Sandwell takes its responsibility to enforce housing standards seriously and will not hesitate to prosecute or impose penalties on landlords who breach these regulations.

Calling all landlords

I’m Abdul Khan; Accommodation Officer in Sandwell Council’s Housing Solutions team. I am currently working on an exciting new project to deliver an incentive scheme for local landlords and agents.

If you have a property available or any good ideas / thoughts you want to share with me on how we can work together and make this work – I want to hear from you!

Please drop me an email: abdulh_khan@sandwell.gov.uk
Sandwell’s Local Housing Allowance Rates

Housing Benefit (HB) for private tenants and the Housing Cost Element of Universal Credit (UCHCE) are based on a series of values for different sizes of accommodation known as Local Housing Allowance rates. These are set for different geographical areas as known as ‘Broad Rental Market Areas.’ Sandwell is covered by two BRMAs. ‘Black Country’ and ‘Birmingham.’

The amount of benefit you can receive takes account of the size of accommodation you need for your household and the area you live in. You can find out what size accommodation the rules allow for you by using the LHA room calculator at

lha-direct.voa.gov.uk/bedroomcalculator

You can check which BRMA a property (anywhere in the country) comes under at

lha-direct.voa.gov.uk

This website will also show all up to date LHA rates for any area.

The LHA rate that applies to you is not necessarily the amount of benefit you will receive. It is the maximum amount payable for someone in your circumstances and the starting point in how your claim is calculated. If your rent is higher than your LHA rate, you might be able to claim extra help through an extra benefit called a Discretionary Housing Payment. (DHP). A DHP can top up the difference between the amount of HB or UCHCE you receive and the amount of rent you are charged. However, they are only awarded under exceptional circumstances. For more information, or to apply for a DHP go to.

www.sandwell.gov.uk/discretionaryhousingpayments
What a letting agent can do for you

Some landlords find lettings agents absolutely invaluable. Intimidated by the long list of tasks a landlord has to carry out, or lacking the time, they are happy to pay someone to do it all for them. Other landlords can manage very well on their own. Whether or not you decide to use an agent, make sure you are familiar with the tasks an agent might be expected to do for you.

Most are important and some are legal requirements. Many of them will also impact on your ability to fully collect your rent and to take action if for any reason there is a problem with your rent being paid.

If you wish, you can pay an agent simply to find a tenant, get them safely moved in and then you take over the tenancy management yourself. Or you can employ one who will manage everything till the very end. If you decide to employ an agent, make sure you understand what is specified in your agreement; what they will do for you and what they wont.

Agents must be completely upfront about their fees. It’s compulsory to display all fees they might charge a landlord in their office and also on their website if they have one. (Fees to tenants are now banned). If you visit an agent’s office and can’t see fees displayed, that’s a warning something is wrong.

If you ever have a problem with an agent; remember all agents must register with a redress scheme which can settle disputes. Details of which redress scheme they are in must be displayed in their office and on their website if they have one. If you need an agent, do your research and shop around for one who suits you. Sandwell is lucky to have some excellent agents, but we also have some who are less than ideal. Remember that the cheapest, are not always the best value.

Things an agent could do for you
- Advertising of property
- Property viewing
- Pre-tenancy referencing
- Credit check
- Inventory
- Setting up utilities
- Drawing up a tenancy agreement
- Gas safety certificate
- Check the general safety of the property in relation to HHSRS requirements.
- Right to rent immigration check
- Issuing how to let guidance (A legal requirement)
- EPC (ensuring its up to date and tenants have been shown correct information before starting a tenancy)
- Smoke detectors—installation and testing
- Taking and correctly securing a deposit
- Repairs and maintenance
- Rent collection and chasing arrears
- Rent accounting
- Landlord insurance
- Mid-term inspections
- Council tax notifications
- Dealing with complaints
- Serving of notices - such as a section 8 or 21 to end a tenancy
Keeping rent records

It seems just too obvious for us to have to give reminders on this subject, but we do. We still see landlords running into difficulties because they haven’t kept full up to date records of the rental income they receive - or haven’t made sure that any records they do keep are properly backed up. The consequences can be not far off disastrous.

You must keep a full statement of all rent payments you have received and any money still owing to you.

This is essential for tax purposes and is a legal obligation on you. If you fail to do this, not only could you find you have serious problems with the tax authorities, you will also struggle to take any action against your tenant if they fall into rent arrears. It can be impossible to evict a tenant, if you can’t adequately prove to a court that the tenant has arrears. If your tenant receives help through the benefits system and you want to ask for direct payments of either Housing Benefit or the Housing Cost Element of Universal Credit, you will need to provide a rent statement to show arrears.

You also need to think about how safely you are storing any rent information including information about benefit payments you might receive. Our benefits team were recently contacted by a landlord asking for copies of Housing Benefit payment schedules dating back nine years. He had received proper payment notifications from us, but had failed to keep them or record the information they contained properly. When he eventually came to try and sort out his records, he was completely stuck.

He was told he could be given duplicate payment schedules but a provisional estimate of the cost to him would be over £1000. (The benefits team are entitled to charge if they are asked to duplicate any information they have already given, and the cost represents the amount of work that would be involved in retrieving the information).

He withdrew his request and we never found out how he eventually sorted out his records. But we are certain that it was far from easy for him. It would have cost him a huge amount of time and effort. Don’t get caught out; don’t let a similar disaster happen to you.
We know most landlords don’t need our advice on office procedures. However, sometimes we get approached by landlords needing a little advice on some of the basics. Particularly by newer ones. That’s not surprising; if you aren’t a professional landlord, there’s an awful lot you need to learn.

Below, we’ve given an example of a rent statement. It shows a debit made every time the monthly rent becomes due and a credit every time a payment is made. These are offset against each other in the balance column. Just to make it a little easier to read—we have shown the balance in red when there is an amount outstanding.

You don’t have to use our format; it’s up to you to choose your own method, but you definitely have to keep adequate records and we strongly recommend you back up any records you make. If you keep them electronically, you might want to keep paper copies as well. You should also keep copies of all documents, paying-in slips, receipts and correspondence about the rent. But do bear in mind your responsibilities about data protection and GDPR. (if you search online for ‘landlords and GDPR,’ you can find useful advice on any of the professional landlord websites).

You should keep any financial records for at least six years.

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<th>Amount received</th>
<th>Payment method</th>
<th>balance</th>
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<td>£550</td>
<td>Bank transfer</td>
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<tr>
<td>04/03/19</td>
<td>£575.20</td>
<td>Housing Ben.</td>
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<td>£25.20 in credit</td>
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<td>- £524.80</td>
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<td>Housing Ben.</td>
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<td>£200</td>
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<td>01/06/19</td>
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Beware cowboy operators

Landlords need to show caution with companies who offer to take on their properties for a much higher return than normal or greatly reduced management costs. The cowboys are out there.

Landlords should be cautious when approached by property services with attractive offers. Someone might want to manage your property for you or lease the building from you and then put in their own tenants. There isn’t necessarily anything wrong with either arrangement. They could be good business sense for a landlord who lacks the time of experience to run things for themselves.

There are reputable organisations offering these services and they can be good value. Some are commercial, some are charitable or not-for-profit; but be warned, there are also cowboys out there.

Your property might get filled with ‘vulnerable people’ needing extra support. Perhaps drug or alcohol problems. If that support isn’t provided properly (and we’ve seen cases where it isn’t) there can be all kinds of consequences for the landlord, not just for the management company. For example, whatever contract they might have signed, the property owner might still find they are in breach of HMO management regulations and face penalties of thousands of pounds.

Landlords might be tempted in because they have been told that through special arrangements with local benefit services, levels of rent can be obtained that are much higher than normal. Or landlords might be offered normal rent but be told that the company working with them can, through contacts with various council services, almost guarantee against a landlord having void periods in his properties; which is obviously a major benefit. This might be linked to a comprehensive management package which takes all the stress away for the landlord, at a very competitive price. There can be all sorts of variations on these basic themes, but if you are approached by an agency looking for ‘special’ accommodation, please be cautious.

They might show you evidence they have been able to get very high rent returns by working with local authorities in other areas, but this does not mean that they will be able to make similar arrangements with a different authority. Or even that an authority they already work with will allow them to make the same arrangements on an additional scheme.

All local authorities work differently according to local needs. What’s appropriate in one area won’t necessarily be appropriate in another and Sandwell has refused to grant any special status or arrangements to many companies who have obtained them from other councils.

These organisations can also sometimes be very poorly run. We have seen examples where they have gone bust with no warning, owing substantial amounts to their landlords who might have had no idea that there was anything wrong.

So if you do get an approach from anyone offering to manage your property or to take it off our hands, do please be very careful. Yes - some property companies offering different arrangements to landlords are excellent and might prove to be a good deal for you, but just watch out for the cowboys.

Liz Mooney
We know that many landlords operate a ‘no pets policy,’ worried by the potential damage to their property that a pet can sometimes cause. They might have previously had all sorts of problems caused by pets; from scratched woodwork to torn soft furnishings or carpets. It’s true that pets can sometimes be a headache.

It’s entirely up to a landlord whether or not they want to operate a ‘no pets’ policy but they might sometimes be acting against their own best interests if they do so, by limiting the pool of potential tenants.

Would you really turn away a good tenant because of a pet? If someone applied to live in your property who had perfect references, was good for the rent, clean and house-proud and looking for a long-term home, would you really refuse them and take a risk on someone else because of a cat or a dog?

Rather than having a blanket ban, you might be better off approaching the issue on a case by case basis, where you consider both the prospective tenant and their pet. Perhaps, you could even ask to meet it.

Obviously, you need to be clear with the tenant about risks and their responsibilities. You might consider asking them to pay a small premium on top of the rent to cover extra insurance, or you could ask for a slightly increased deposit, (although bear in mind that the maximum allowable deposit is now capped at the value of five week’s rent).

National charity, ‘The Dogs trust,’ has its own website named ‘letswithpets’ dedicated to helping landlords and agents deal with pet issues. If you’re interested, it has some useful advice and free guidance packs you can download.

They have worked with a number of leading letting agents, including some nationally known franchises and there are case studies detailing this work on their website.

So whatever your current views on dogs, cats, guinea pigs, goldfish or even something more exotic, do have a look at the site.

letswithpets.org.uk
Tenant fee ban

From 1st June 2019, it is illegal to charge tenants or prospective tenants fees for finding or allowing them to move into a home.

- Fee for finding a property **BANNED**
- Fee for credit check **BANNED**
- Fee for references **BANNED**
- Fee to sign tenancy agreement **BANNED**
- Fee for inventory **BANNED**
- Fee for property viewing **BANNED**
- Fee for clever ideas to get round the ban **BANNED**

AND the amount that can be taken as a deposit has been capped at the value of five week’s rent. Landlords or agents who breach the rules can face severe penalties. The ban also applies to the renewal of existing tenancies. For more information, see

www.sandwell.gov.uk/tenantfees

Before you pick up the phone

If you are a landlord and you want to contact Sandwell’s Revenues and Benefits Service about a tenant, please remember the rules we work under about protecting your tenant’s information.

We cannot normally share information with you about your tenant’s Housing Benefit or Council Tax Reduction claim or Council Tax account without their written permission. Please speak to your tenant for information about these issues before you consider contacting us.

If you still need to contact us, download our Data Protection Waiver form for your tenant to sign.

But please remember that your tenant is not obliged to give consent and is also free to withdraw it at any time.

www.sandwell.gov.uk/dataprotectionwaiver
According to the professional landlord blog site, 'landlord today.co.uk' a crackdown by Her Majesties Revenues and Customs (HMRC) has resulted in a huge jump of 145% in landlords who have been found not to have declared their rental income for tax; rising from 6,600 in 2017/18 to 16,110 in 2018/19.

The consequences for these landlords can be serious. Not only do they have to pay any amounts of normal tax, backdated in full, they will usually also face penalty charges and interest and may be unable to offset any tax-deductible amounts. They can also have considerable difficulties and expense in assembling the information that HMRC need to make an accurate assessment. For example, if HMRC believe you have been letting out a property for five years, but in the middle of that period, you genuinely had a void but no longer have the documents to prove it—you may find yourself being taxed on a notional income for the period your property was untenanted.

The message from HMRC to landlords is a really simple one: if you haven’t done so already - register for tax now. Not only is it the right thing to do, ultimately it will probably save you money and let you sleep more soundly at night.

To reduce your tax costs (legally) you might be considering setting yourself up as a company. Many landlords are doing this. The number of private homes let through companies, rather than by private individuals has increased by an estimated 25 percent since 2015.

Tax rules for companies rather than private individuals are very different. It might be an effective solution in minimising the amount of tax you have to pay. (There are various online tax calculation tools). However, if you are considering this option, we strongly recommend you get professional advice. It’s a complex area and you can’t automatically assume it will be right for you. It will also affect the number of buy-to-let mortgages and other financial services that might be available to you.

So please be cautious before taking any steps in this direction.
If you suspect a tenant is receiving Housing Benefit, (HB) but not paying their rent, tell us via our online form. If your tenant is abusing payments, we will suspend their case while we investigate by writing to the tenant and asking what’s happened. If they claim that they have paid the rent; we ask for evidence. If they can’t provide this, we can start making future payments direct to the landlord.

When reporting this issue to us, landlords should provide proof of arrears, usually a rent statement. (See article on page 12). Although we can start paying ongoing benefit direct to the landlord, we can’t help with arrears that have already accrued.

While we investigate, we can’t share information with landlord’s about what is happening, unless we make a decision to pay the landlord. Even then, all we can tell the landlord is the amounts and dates of any payments they are due. We cannot share any other information about the tenant’s benefit claim.

If we decide that we can’t pay benefit to the landlord, we will not be able to make any comment or even confirm or deny whether we have a claim or whether the tenant is actually known to us. You should also be aware that although your tenant might have received HB recently, they could have had a change in their circumstances or their claim has been stopped for any of a variety of reasons. We would not be able to make any comment to you in these circumstances.

We will keep paying the tenant if for any reason we think it is in their best interests or the evidence provided by the landlord is insufficient.

Landlords can see information about payments we make to them on our landlord portal, which is available on a 24/7 basis. To register to use the portal, you can download a form with some supporting information at

[www.sandwell.gov.uk/landlord_portal](http://www.sandwell.gov.uk/landlord_portal)

If you do not receive direct HB payments for a tenant, you cannot register for the portal. Arrears problems for tenants on Universal Credit should be reported to the Department for Work and Pensions using their online form.

directpayment.universal-credit.service.gov.uk/

You can also request that they make additional deductions to cover pre-existing arrears to be added to any direct payments of ongoing rent they make to you. (Something we are unable to do under Housing Benefit regulations).

Please remember that whatever the circumstances, unpaid rent is always tenant’s responsibility, whether or not they have made a claim for benefit.

You can find our form to report arrears, with some further information at

[www.sandwell.gov.uk/reportrentarrears](http://www.sandwell.gov.uk/reportrentarrears)

The easy way to pay council tax

[www.sandwell.gov.uk/paycounciltax](http://www.sandwell.gov.uk/paycounciltax)
Landlords and the Housing Health and Safety Ratings System

As a landlord, you are responsible for the safety of your tenant in their home. To help you understand your responsibilities, there is a government code; the Housing Health and Safety Rating System, which you need to be fully aware of. Remember; you can face serious consequences and penalties if you put your tenants at risk. Here are some of the issues to be aware of; they are also the main criteria used by our Housing Quality team when inspecting properties in the borough.

- Damp and mould
- Excess cold
- Excess heat
- Asbestos and MMF
- Biocides
- Carbon monoxide and fuel combustion products
- Lead
- Radiation
- Uncombusted fuel gas
- Volatile organic compounds
- Crowding / lack of space
- Entry by intruders
- Lighting
- Noise
- Hygiene—pests and refuse
- Food safety
- Water supply
- Falls in bathrooms
- Falls on the level
- Falls on stairs or steps
- Falls between levels
- Electrical
- Fire
- Hot surfaces and materials
- Collision and entrapment
- Explosions
- Ergonomics
- Structural collapse

For full guidance, download this government publication

gov.uk/HHSRS

Or see our own easy to use guide at

www.sandwell.gov.uk/housinghazards

KEEP YOUR TENANT SAFE

PROTECT YOUR PROPERTY

STAY INSIDE THE LAW
If your tenant needs to claim help with their rent from benefits, should they be claiming Housing Benefit or Universal Credit?

If you have a new tenant moving into your property and they need benefit help with their rent or you have an existing tenant who is not claiming benefit but needs to start doing so, they will probably have to claim the new benefit, Universal Credit (UC) rather than Housing Benefit. (HB)

There are some exceptions, for example if someone is already receiving Housing Benefit at one address in Sandwell and moves to another address in Sandwell without a pause, they will still be able to claim Housing Benefit. However, if someone receives HB in an address outside Sandwell, but moves into our borough, they would then normally have to claim UC. Pensioners are normally still able to claim Housing Benefit, although if their partner is under pension age, they will not count as a pensioner couple and their claim will be linked to their partner’s circumstances meaning they might need to claim UC.

The Housing Cost element of UC is normally paid directly to the tenant, not the landlord. If there are any problems with payment of the housing element of UC, Sandwell’s HB department cannot help. Landlords need to talk to their tenant or if necessary report the problem directly to the Department for Work and Pensions who administer UC and request what’s called an ‘Alternative payment Arrangement.’ You can do this online at directpayment.universal-credit.service.gov.uk/

Any tenant wishing to claim UC should make their application as soon as they can as it is not normally backdated. They must also make sure they comply with all requests for information the DWP make. It is essential that they provide proof of their rent (such as their tenancy agreement) if they wish to claim the housing element. For more information, go to gov.uk/universalcredit

COUNCIL TAX

New tenants moved in? Don’t forget to tell us on our online form

www.sandwell.gov.uk/tenancychanges
Government report calls for further regulation in the lettings sector

The Ministry for Housing Communities and Local Government has just released a report from its ‘Regulation of Property Agents Working Group’. This is made up of various professional landlord organisations and leading industry experts.

The working group was set up last year at the instigation of the then housing minister James Brokenshire MP, so it clearly carries some official weight.

Among the report’s recommendations is a call for a ‘regulatory framework, to cover all estate agents in the UK and letting and managing agents in England (But not the UK as a whole)

The report has other recommendations including:

- All agents and their staff to be licensed - this means licences not just for the organisations but for the individual staff member.
- All ‘customer facing’ staff (ie, any staff who come into contact with the public or tenants) must have a professional qualification of at least ‘Level 3’ (equivalent to ‘A’ level).
- A national code of practice (though we don’t yet know what this is likely to include).
- A fit and proper test for all agents.

At the moment these are recommendations only but they do appear to have strong government interest.

They will clearly mean some quite significant changes if implemented. Particularly in training costs and also the cost for agents of vetting all staff.

It does seem likely that the regulations on the industry as a whole will only get tighter.

The full report is available on gov.uk at www.gov.uk/government/publications/regulation-of-property-agents-working-group-report

We will of course keep landlords and agents updated via our landlord blog.

Don’t just sit there wondering where your rent is.

If you suspect your tenant is receiving Housing Benefit but is not paying their rent, report it to us on our online form. If we establish that benefit is being misused, we will redirect payments to the landlord. Please note that data protection rules mean that depending on exact circumstances, we might not be able to share any information with you or confirm whether or not your tenant has applied for benefit.

However, all reports are investigated and we will take action where we can.

www.sandwell.gov.uk/reportrentarrears
In January, the government announced it intends to bring in compulsory checks on all electrical equipment and fittings in privately rented accommodation. We don’t have any date on when this will be introduced; it will require parliamentary approval, first, but the government has been clear that it is keen to see this come into effect.

The intention is for all new tenancies to comply with the regulation first, then once the change has bedded in, (probably after one year) - all existing tenancies will then have to be covered as well.

If you have a property that already has a valid Electrical Installation Condition Report (EICR) it will still be valid for it’s existing five year period.

Inspection work will need to be carried out by a suitably qualified and fully competent person. Arrangements on who can carry out inspections will possibly be modelled on the existing registration scheme for Gas Safe engineers. Landlords or agents who fail to ensure their properties come up to the right standards will probably be dealt with by severe financial penalties.

There may be a shortage of qualified inspectors when the new rules start so increased demands for their services may push up their prices. Landlords might want to think about getting their properties properly checked ahead of any rush to save themselves some money; especially if corrective work is needed.

You should be aware that even before any changes come in, landlords are already legally obliged to make sure that any rented property is electrically safe at all times. You should also make sure that your Energy Performance Certificate for your property (EPC) is up to date.

We will keep you updated on this story via our landlord blog at www.sandwellandlords.wordpress.com.

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We will keep you updated on this story via our landlord blog at www.sandwellandlords.wordpress.com.
MLAS is an accreditation scheme recognised by most councils in the wider midland area.

To become a member you will attend a full days training telling you EVERYTHING you need to know about being a landlord. Legislation in the private rented sector has changed considerably in the last few years and what you thought you knew about being a landlord may no longer be the case and you could actually be breaking the law. By learning the correct way to conduct your business could save you a lot of trouble which could possibly lead to prosecutions and fines, not to mention the inability to use a s21 if you need your property back.

MLAS also offers on-going training to help you keep up to date.

Our code of conduct encourages good tenants to choose you over other landlords.

Most councils, Sandwell included offer a range of incentives for MLAS member. In Sandwell’s case we discount HMO licence fees by £150 (the cost of the MLAS training course)

Sign up now and be assured you are doing everything right!

mlas.org.uk

Got a property you need to fill?
Advertise it completely free of charge with us.

See our website for more information

Rentwellinsandwell.co.uk
Checking your tenant before the tenancy starts and why mid-term tenancy inspections are essential

When you give someone the keys to your property at the start of their tenancy, you are handing over what is almost certainly your most valuable asset, worth tens or even hundreds of thousands of pounds to someone who is not far off from being a complete stranger to you.

Of course most tenants are fine but not always. We know the horror stories. A bad tenant can trash your property causing far more damage than the value of their deposit, create anti-social and nuisance problems for the neighbours, ruining your reputation or can simply stop paying the rent, costing you thousands and perhaps struggling to meet your own mortgage obligations.

And that’s before you think about some of the other things people might use your property for, rather than just occupying it as their home. In Sandwell, we have seen privately rented homes turned into cannabis farms, headquarters for criminal gangs, brothels and even places where modern day slaves have been kept.

Then there is the less criminal, but still very serious problem of 'rent-to-rent' where somebody rents the property from you and without your knowledge sublets it to a string of other people, often cramming them in and creating squalid conditions or a House in Multiple occupation which then requires licensing. And when things finally come to boiling point and it’s time for you get them out; they won’t go. Meaning you have the stress, wasted time and considerable expense of going through the courts to get your property back.

So before you let someone move in, it’s essential to make some basic checks. There are various companies who will do tenant referencing for you; for a fee. Just google ‘tenant reference’ and you will find them. If you decide that this is what you want to do, check exactly services you are paying for. The cheapest isn’t necessarily the best option. If you don’t want to get someone to do it for you, there are various steps you can take yourself. First; you can get a credit check. You will have to pay a fee but they are quite cheap. Ask the potential tenant to provide a reference from their last landlord and make sure you check it out with a quick phone call.

You could also ask for an employer’s reference. You might also think about getting a guarantor. This should be someone with a close relationship to the tenant (often a parent) and who has a stable address.

It’s also essential to make it a condition in your agreement tenancy that you have the right to carry out mid-term inspections. These are your chance to check that the property is not being misused and everything is ok. You should include this as a clause in the tenancy agreement. Some landlords insist on inspections every three months. Remember that in general terms, you don’t have any rights of access to the property unless they are clearly set out in the tenancy agreement. If someone is unwilling to accept what is a very normal tenancy condition, that might be quite a strong alarm signal that something is wrong. They are probably not the tenant for you.

You don’t need to make a full police type investigation of a possible tenant; it’s just a question of a few sensible business like precautions. The consequences of take taking a little trouble.

If you don’t, the consequences for you could be horrible and end up wiping out any hope you had of making a profit from your investment.
Every year, children suffer serious accidents, sometimes fatal, falling from windows. You can prevent a tragedy by fitting a window restrictor. They are cheap, easy to fit, widely available and are normally a LEGAL REQUIREMENT in most rented accommodation.

For more information go to www.rospa.com