

Broxbourne Landlords Forum – Welcome!  
Richard Blanco – Chair & NRLA Representative

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# Tonight's Agenda 6-7.30pm

- **Simple Lets**
  - With Lauren Clark, Senior Simple Lets Officer
- **Regulatory Briefing & Housing Market Update**
  - With Richard Blanco, NRLA Representative
- **Property Abandonment & Death Of A Tenant**
  - Ibrahim Balta, Senior Litigation Solicitor, Broxbourne Borough Council
- **Discussion: How Are You Feeling About Being A Landlord?**
  - Nick Jennings, SAFS Head of Service



# Regulatory Briefing & Housing Market Update

Richard Blanco – NRLA Representative

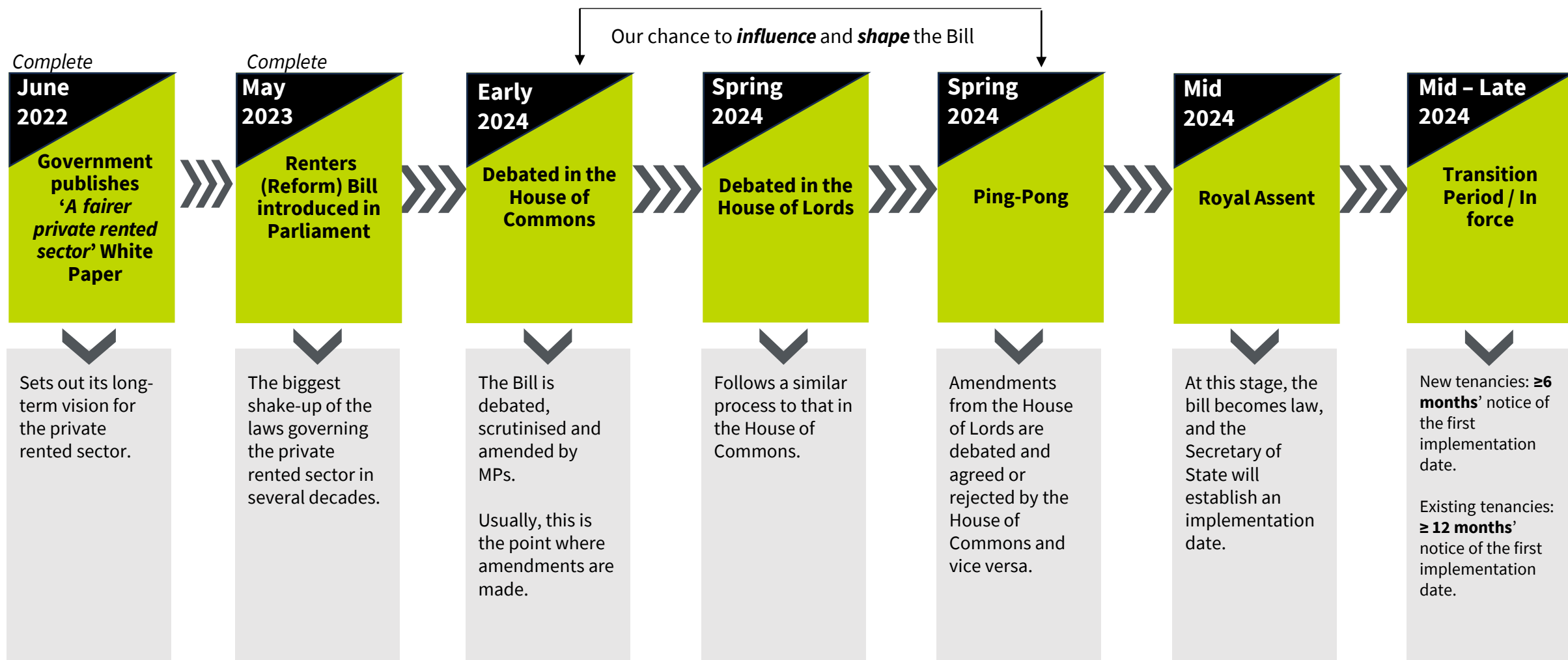
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# NRLA Successes on Renters Reform Bill

- Bill published with crucial amendment to anti-social behaviour ground.
- Ben gave evidence to the LUHC Select Committee (the only private rented sector representative to be invited).
- At second reading, Secretary of State the Rt Hon Michael Gove MP, opened with a thank you to the NRLA, which, he stated, had "supported me and the Department in framing this legislation.
- Ben gave evidence to the Bill Committee, outlining the vital need for confidence in the court system.
- Government tabled an amendment to introduce a student ground for possession following NRLA pressure.
- Working groups and regular meeting with DLUHC officials: student tenancies, ASB, court reform, GOV.UK guidance

# Expected Timings



## Sponsoring departments

<p>Department for Levelling Up, Housing and Communities &gt;</p>	<p>Department for Levelling Up, Housing and Communities &gt;</p>
<p> <a href="#">Michael Gove</a> Conservative, Surrey Heath</p>	<p> <a href="#">Baroness Swinburne</a></p>




## Current version of the Bill

HL Bill 74 (as brought from the Commons) Get File ▾

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1 May 2024  Lords

## Bill passage

 Bill started in the House of Commons	 Bill in the House of Lords	 Final stages
<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> 1st reading</li> <li><input checked="" type="checkbox"/> 2nd reading</li> <li><input checked="" type="checkbox"/> Committee stage</li> <li><input checked="" type="checkbox"/> Report stage</li> <li><input checked="" type="checkbox"/> 3rd reading</li> </ul>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> 1st reading</li> <li><input checked="" type="checkbox"/> <b>2nd reading</b></li> <li><input type="checkbox"/> Committee stage</li> <li><input type="checkbox"/> Report stage</li> <li><input type="checkbox"/> 3rd reading</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Consideration of amendments</li> <li><input type="checkbox"/> Royal Assent</li> </ul>
<p><b>Key</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Complete</li> <li><input checked="" type="checkbox"/> In progress</li> <li><input type="checkbox"/> Not applicable</li> <li><input type="checkbox"/> Not yet reached</li> </ul>		



# Latest Government Amendments

- Student Amendment
  - All properties where reasonably believe tenants are full time students
  - 2 months notice between June and September
- Moratorium on Notice in first 4 months – 6 month min tenancy
  - Exceptions are likely (death of tenant, DV, unsafe property)
- Review Of Selective Licensing
- Report On Court Reform After 18 months



# Implementation

- Royal Assent by 30 June?
- Commencement date 1 January 2025?
  - No new ASTS – all contracts will be periodic
  - ASTs that have gone periodic can still have s21 served
- Extended Commencement date
  - 18 months later subject to report on courts
  - Could be extended
  - No longer use s21
- General Election by 31 Jan 2025
  - Labour Party says it will abolish s21 within 100 days





# Support our campaign – Get involved!

- To bolster our campaigning effort, we are encouraging members to reach out to their local MP and share their concerns about the Renters (Reform) Bill.

## Engaging with your MP

- Your MP has an obligation to read what you send them and reply to all reasonable requests, so letting them know what you think is worthwhile.

## How to engage with your MP

- You can either write directly to your MP or attend a constituency surgery in person.

## What to write to your MP about

- You can write as a constituent to your MP about concerns you have with the Renters (Reform) Bill and any other issues affecting your business.

# THE RENTERS (REFORM) BILL

The biggest shake up for  
landlords in over 30 years

Everything you need to know, every step of the way

# Our campaigning resources

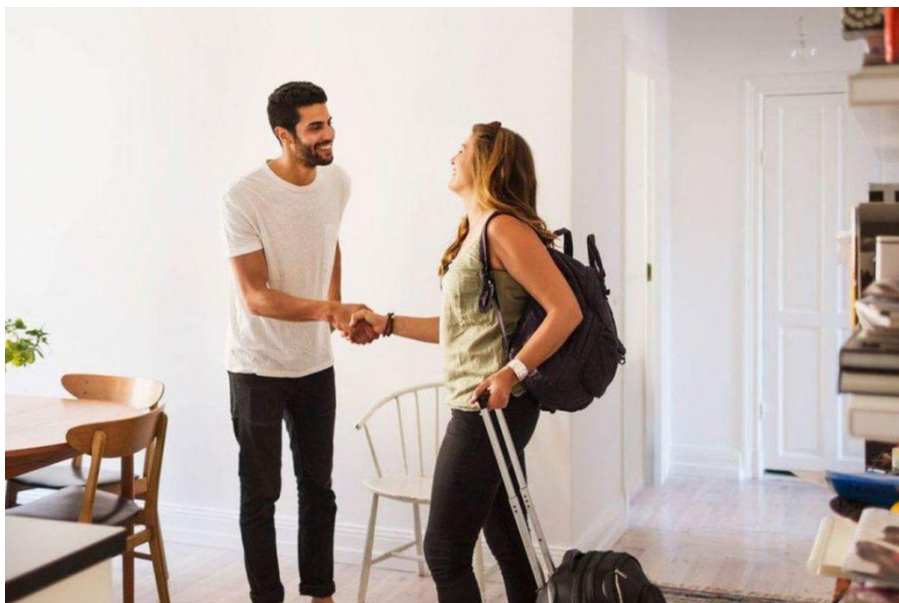
- We have made it easier for you to engage with your MP by creating template letters relevant to the rental reform campaign.
- These template letters cover the important aspects of the Bill that the NRLA has identified as needing improvement.
- You can access these by downloading the 'MP Template Letters' from our 'Write to your MP' webpage here: <https://www.nrla.org.uk/campaigns/write-to-my-mp>
- On the page you'll find our online tool that will automatically find your local MP and ensure your letter follows parliamentary protocol.
- Remember to forward any correspondence you receive from your MP to [policyenquiries@nrla.org.uk](mailto:policyenquiries@nrla.org.uk).

## THE RENTERS (REFORM) BILL

— The biggest shake up for  
landlords in over 30 years —

Everything you need to know, every step of the way

# Changes To Short Term Lets



- 19 Feb Govt Announced Introduction of Mandatory National Registration Scheme
  - To give LAs data and insight
- Most properties can be let as SLs for 90 days
- Use Class C5 for short term lets not used as part of sole or main home
  - Automatic for existing short term lets
  - Permitted development C3 or C4 to C5
  - Unless removed by Article 4 Direction
- Budget change s24 taxation extended to Furnished Holiday Lets
- CGT lowered to 24% (from 28%) to encourage landlords to sell
  - But 0% threshold lowering to £3,000 from 5 April

# Updated How to Rent Guidance

## Reminder – October 2023 Edition

- The updated version **must** be served at the start of any new tenancy or on renewal, for tenancies in England.

## What's been added?

- Information on the new Housing Loss Prevention Advice Service, which offers tenants legal advice on housing and possessions.



# Minimum Energy Efficiency Standards

## The Government's Initial Proposals

- Raising the energy performance standard to Energy Performance Certificate (EPC) Band C
- A phased trajectory for achieving the improvements for new tenancies from 2025 and all tenancies from 2028
- Increasing the maximum investment amount, resulting in an average per-property spend of £4,700 under a £10,000 cap
- Introducing a 'fabric first' approach to energy performance improvements.

## Prime Minister Scrapped Proposals

- The Prime Minister, Rishi Sunak MP, announced the Government will no longer proceed with its requirement that all rental properties must reach a minimum Energy Performance Certificate rating of 'C' by 2028.

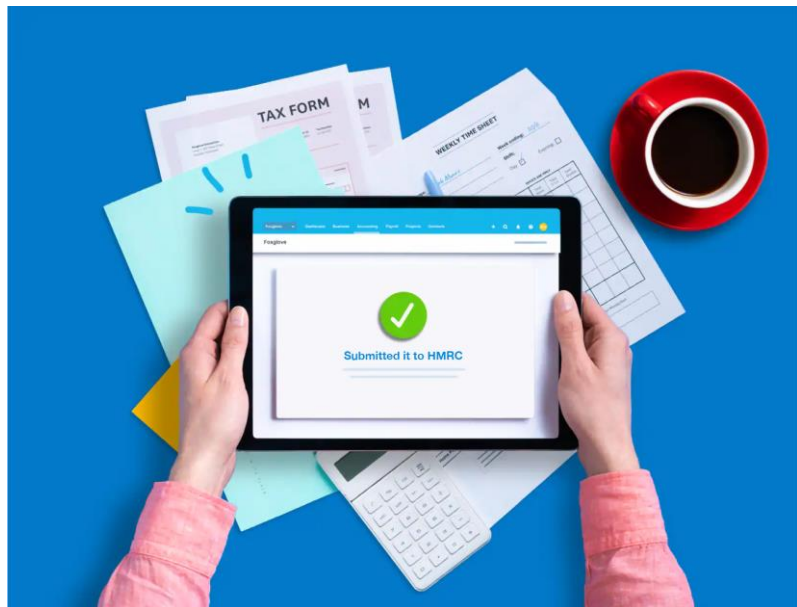


# Some stats on MEEES

- A third of properties in PRS are pre-1919 (10% H/O and 5% social)
  - 13 points between D and C – challenging for older properties to get to C
- 44.5% of PRS properties have EPC of C or higher
  - Was 18% ten years ago
- 27% of landlords say they would sell rather than carry out works
  - But 1 in 6 said they would carry out works with grants or their own savings
  - Motivated to reduce tenants bills and make home more comfortable
- 60% said would only buy property which is C or above
- 50% are thinking of selling properties that are D or below



# Making Tax Digital



- Quarterly digitised tax returns to HMRC
- Plan was for landlords with gross rental income over £10,000 to start in 2024 – NRLA requested change to timing and limits
- Changed to 2026 for landlords with gross rental income over £50,000
- 2027 for landlords with gross rental income over £30,000
- Below £30,000 exempt



# Changes To Council Tax For HMOs

- After Consultation govt announced end to Council Tax Disaggregation Autumn 2023
- Some HMOs were revalued for council tax purposes so each room became band A
- Huge increase in cost for tenant/landlord
- Legislation amended from 1 December – no new disaggregation permitted by VOA
  - HMOs to have single council tax bill
  - Shared house HMOs can still be billed to tenant
- Existing licensed HMOs should have been changed by now
- VOA must respond within 4 months to requests from unlicensed HMOs





# Local Housing Allowance

- The Government announced in its Autumn Statement that Local Housing Allowance (LHA) rates would be realigned to the 30<sup>th</sup> percentile of local market rents.
- The uplift was implemented in April 2024.
- Rates will be frozen again for 2024/25.

# Material Information

- National Trading Standards has published new guidance outlining what information must be included on a property listing.
- The guidance covers all material information parts (A, B & C) including information relating to rent, utilities, building safety and adaptations.
- Make sure you're including all relevant details in property listings to ensure prospective tenants can make informed decisions.

**NATIONAL  
TRADING  
STANDARDS**

Estate and Letting  
Agency Team

Protecting Consumers  
Safeguarding Businesses

# Smoke & Carbon Monoxide Regulations

- CO detector in every room with combustible fuel appliance (except gas cookers) required since 1 Oct 2022
- Smoke alarms requirement extended to Social Housing
  - One on each floor, different requirements for HMOs
- Test CO and smoke alarms at start of tenancy
- New requirement for landlord to repair alarms if informed by tenant – but tenant responsible for testing during AST
- LAs can issue improvement or hazard awareness notice: mains inter-connected smoke alarms under HHSRS
  - Can also serve remedial notice penalty of £5,000



# Fire Safety - Non-Qualifying Leaseholders

- To qualify for funds towards remedial work under Building Safety Act
  - Own a property in a relevant building higher than 11m (or 5 storeys) with at least 2 dwellings
  - Your lease existed before 14 Feb 2022
  - Your property was your primary residence or you owned no more than 3 properties in the UK
- Non Qualifying Leaseholders
  - Estimated 1.3m in blocks 11m or lower
  - 400,000 in taller blocks (many own more than 3 properties)
  - Includes share of freehold
  - Bought or extended the lease after 14 Feb 2022



# Leasehold Reform Bill

- Leasehold Reform Bill published in November.
- Aims to make it “cheaper and easier” for leaseholders to extend their lease and take over management of their property.
- The Bill will abolish ‘marriage value’, cap the value of ground rent included in calculating the lease premium, and prevent freeholders from recovering legal costs from leaseholders.
- The NRLA recently responded to the Government's consultation on ground rent in existing leases, recommending that it should be capped at a 'peppercorn' as is the case for new leases.
- You can view a summary of our response on the NRLA's website here:  
<https://www.nrla.org.uk/news/could-ground-rent-be-a-goner>

# Housing Loss Prevention Advice Service

- The Government launched the Housing Loss Prevention Advice Service, replacing the Housing Possession Court Duty Schemes (HCPDS).

## Aims

- Enhance support for at-risk tenants
- Provide comprehensive legal advice coverage
- Support early intervention for debt and arrears

## How Does It Differ to HPCDS?

- The scope of the new scheme has been widened to cover issues around debt and welfare payments.
- Tenants struggling with payments are signposted to support services which should mean that arrears are addressed at an earlier stage.

# Changes to Right to Rent Fines

## What has changed?

- From 13th February 2024, Right to Rent penalties will increase significantly:
  - First breach: Up to £5,000 per lodger and £10,000 per occupier.  
*Up from £80 per lodger and £1,000 per occupier*
  - Repeat breaches: Up to £10,000 per lodger and £20,000 per occupier.  
*Up from £500 per lodger and £3,000 per occupier*
- Landlords could face potential imprisonment for failure to check the occupier's right to rent status.

## Why is this change being made?

- The Government says it is introducing higher penalties for failing to comply with Right to Rent legislation to 'stop the boats' a key pledge of PM Rishi Sunak.



# Latest Government Consultations

- Department for Levelling Up, Housing and Communities
  - Changes to permitted development rights
- National Trading Standards
  - Rent-to-rent schemes
- House of Lords Industry and Regulators Committee
  - Regulation of property agents
  - In June 2019 RoPA called for Code of practice, Min training standards & Regulator







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# Housing Market Briefing

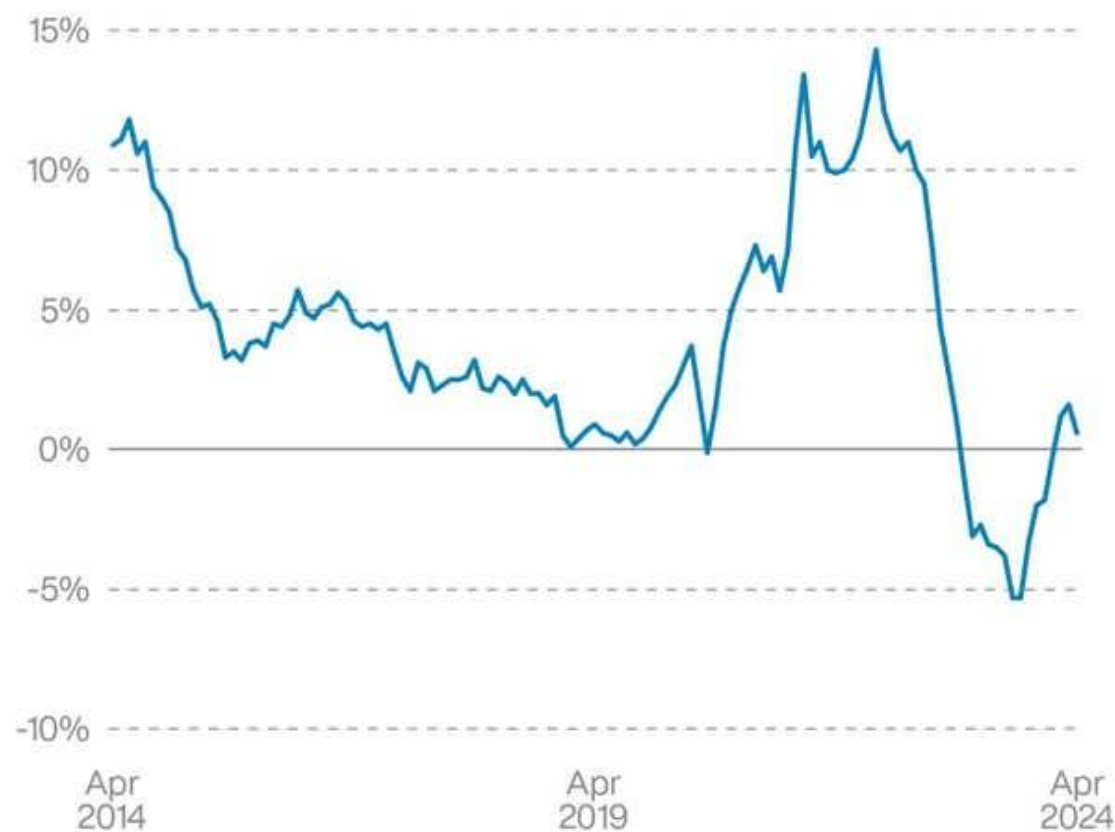
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# Sales market

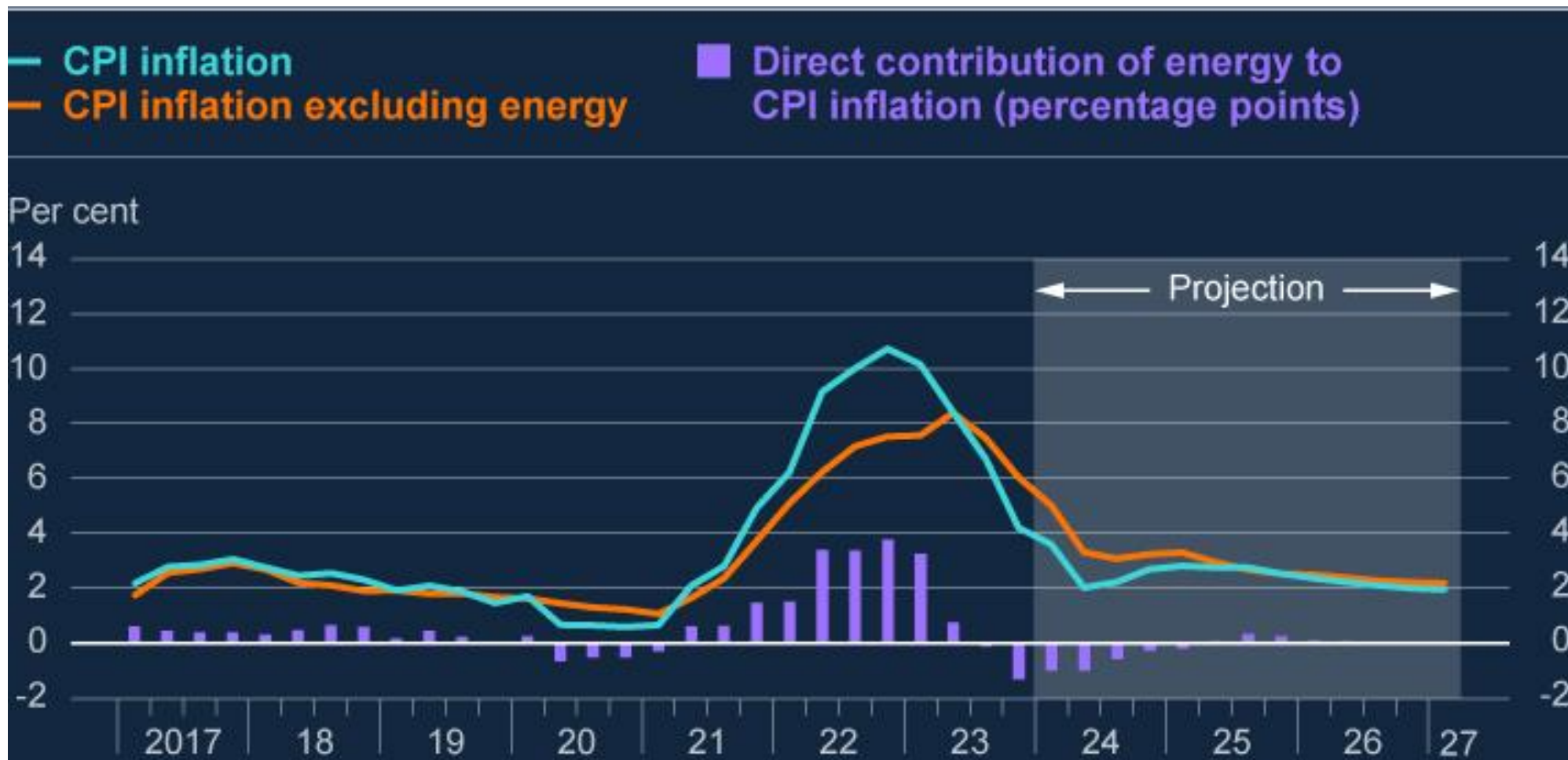
- Where are we in the cycle?
  - Nationwide 0.6% up 12 months to April
  - 2% down from peak of August 2022
  - Expected falls of 2-5% in 2024, depends on area/market?
- Influencing factors
  - Economic uncertainty
  - Geopolitics
  - Elections
  - Pent up demand?

**Nationwide house price index:**  
year-on-year change in average UK house price



PA graphic. Source: Nationwide

# Inflation Projection (Bank of England)



# Interest Rates – Market Implied Path



## HOW MORTGAGE RATES HAVE CHANGED



Data provided by Moneyfacts, for first day of each month

**Now**

2yr fix 5.41%

5yr fix 5.02%

(Rightmove)



# UK Mortgage Approvals (BoE)

UK mortgage approvals rose in January

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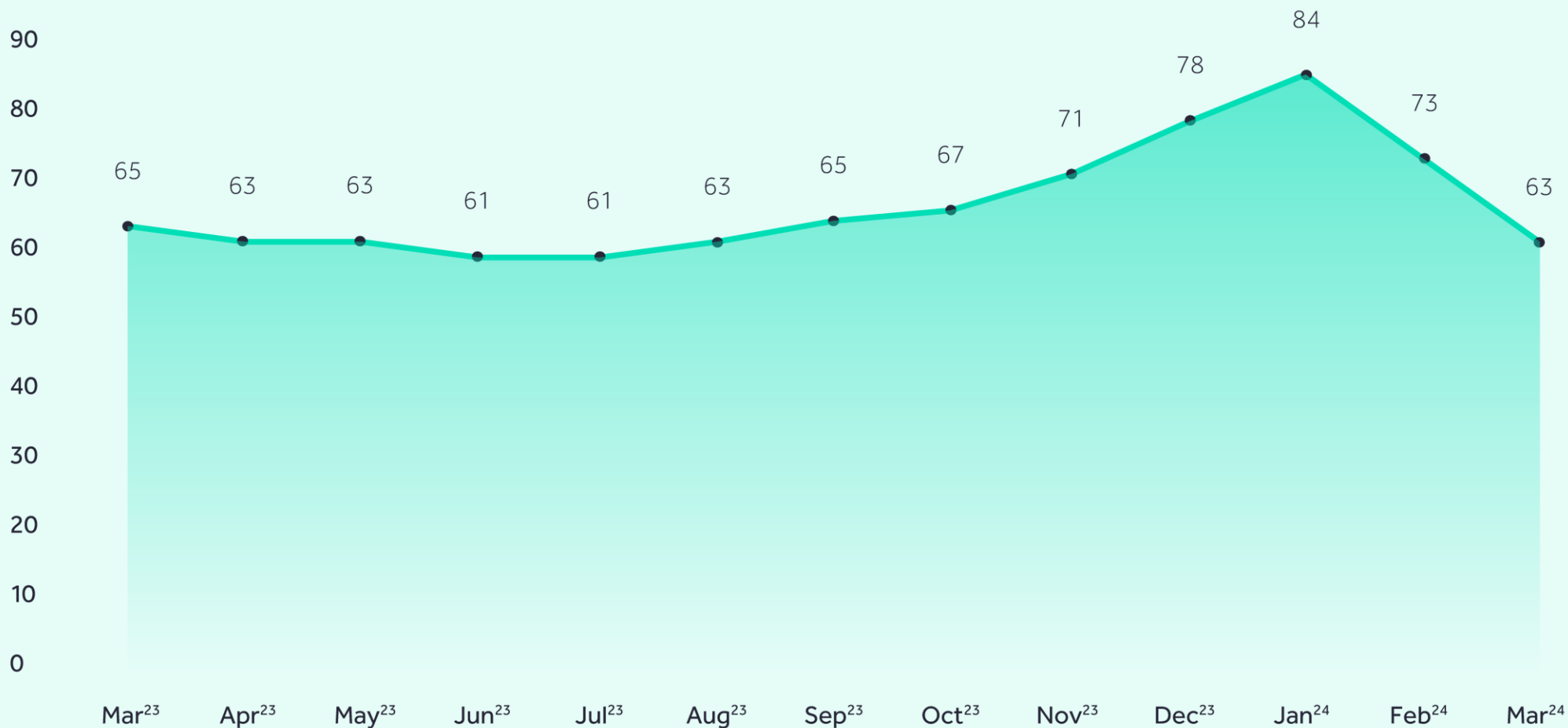


Source: Bank of England  
© FT

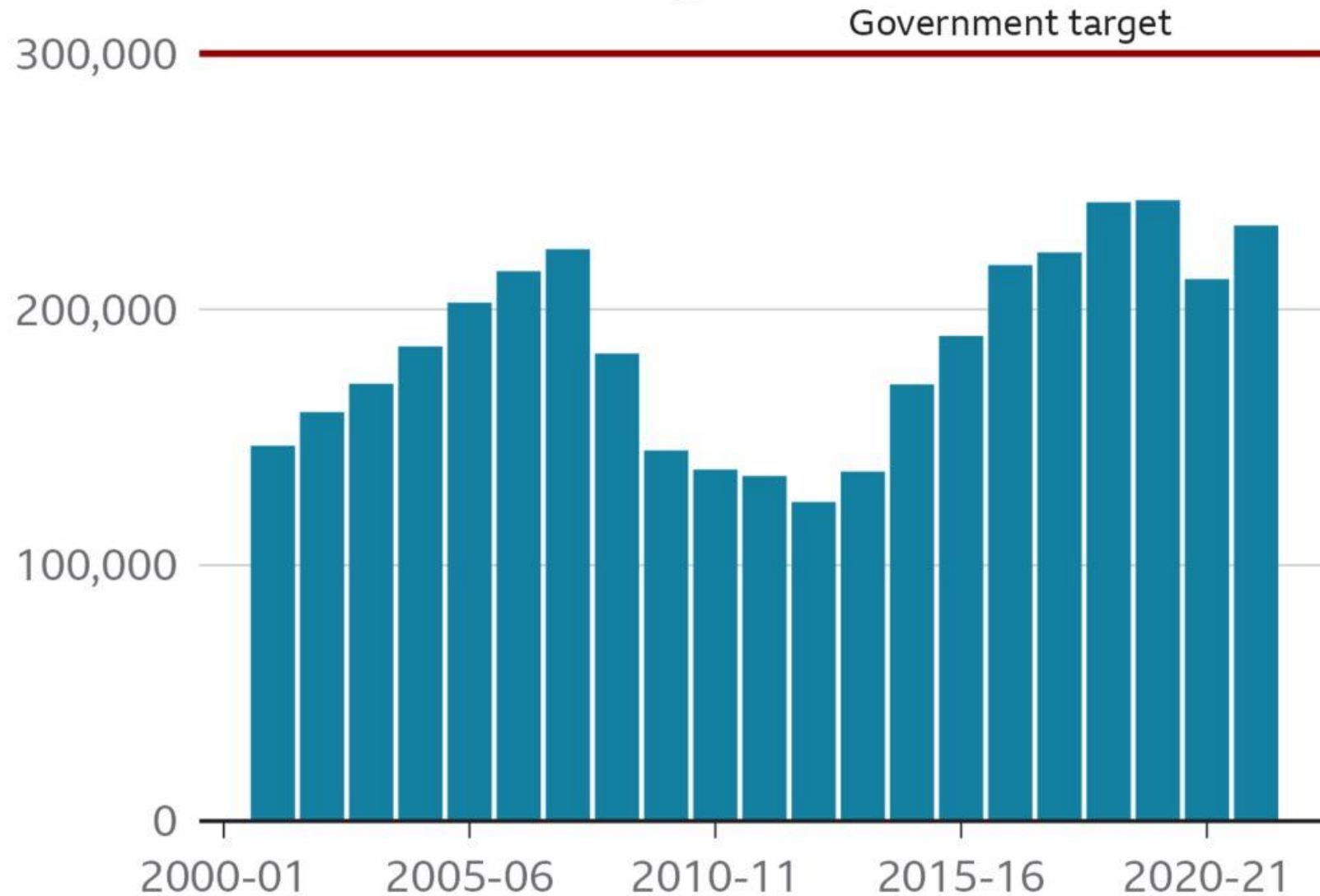


## Average time to secure a buyer (no. days) London

rightmove 



# Net additional dwellings



Source: Department for Levelling Up, Housing and Communities





# Are Landlords Selling Up?

- NRLA research
  - 28% landlords plan to sell in next 12 months, 8% are buying
  - 12% actually sold in Q3 2023, 5% actually purchased
  - Capital Economics says 400,000 PRS properties have been lost since 2016
- Other Data
  - Tenants citing landlord sale or re-let as reason for tenancy ending has grown 6000 (2018) to 9,500 (2023) per quarter (homelessness statistics)
  - Possession claims back to 2016 levels, but 236% increase in Wales
  - Bank of England 'moderate decline in size of PRS
  - UK Finance says landlord purchases reduced by 13% in year to 2023
  - English Housing Survey says broadly static: 20% (2016/17) to 19% (2022/23) but grew slightly after pandemic
- Perfect storm for landlords
  - Renters Reform Bill plus Licensing & Article 4 Directions (and MEES)
  - Rising interest Rates
  - Punitive taxation continues (s24, SDLT, CGT)
  - 1990s Generation of Landlords retiring



# Is The Supply Crisis Easing?

- Rents up 9.2% UK excluding London (Rightmove)
  - Contacts to agents down 13%
  - Properties to market up 7%
  - 23% had prices lowered
  - 11 tenants for each property marketed
- Rents up 9.2% UK (ONS), 11.2% London (ONS) 12 mths to March



# Join The NRLA

## Landlord membership

From £99 a year

Share the benefits of an NRLA membership  
with 1 associate

## Business membership

From £199 a year

Share the benefits of an NRLA membership  
with 4 associates

1 MAIN ACCOUNT  
1 ASSOCIATE



**Discount  
Code 59**

1 MAIN ACCOUNT  
4 ASSOCIATES



# Member Benefits

- ✓ FREE landlord advice - online & telephone support
- ✓ FREE webinars, podcasts, & networking events
- ✓ FREE unlimited resources, including documents, guides, tenancy agreements, & templates
- ✓ FREE comprehensive licensing support
- ✓ FREE award-winning property magazine
- ✓ Network of regional representatives
- ✓ Active lobbying and representation
- ✓ Discounted training & accreditation

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# The NRLA In Numbers



Over

**108,000**

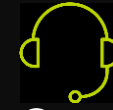
members



Average score

**4.8/5**

3,199 Trustpilot reviews



Over

**110,000**

advice line calls



Over

**38,000**

attended online meetings



Over

**3,000**

e-learning courses  
completed



Over

**500,000**

Downloads on  
documents and guides



# Exclusive Member Discounts

- ✓ FREE Tax Investigation Insurance worth over £100!!
- ✓ 15% off at Carpetright
- ✓ 10% B&Q TradePoint discount card
- ✓ 10% discount at LOFT Interiors
- ✓ 5% discount on compliance checks
- ✓ 1 month FREE boiler & home emergency cover
- ✓ Exclusive discounts on mortgages, tenant referencing, and more

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carpetright



**TRADE  
POINT** 



# Podcast, Webinars



## Listen to NRLA Podcast & Watch Webinars

- Google 'Listen Up Landlords' for latest podcasts
- Google 'Inside Property' for legacy NLA editions
- Webinar recordings at [www.nrla.org.uk](http://www.nrla.org.uk)



# Future Meetings & Webinars

## [www.nrla.org.uk/events](http://www.nrla.org.uk/events)

Check NRLA events webpage for up to date information

- Tower Hamlets Landlords Forum (Webinar)
  - 7-9pm on Thu 9 May 2024
- NRLA & Newham Landlords Forum
  - 2-4pm at Old Stratford Town Hall on Tue 14 May 2024
- NRLA On Tour
  - 1.30-5pm at City Gates, Ilford on Wed 22 May 2024
- NRLA & Barking & Dagenham Landlords Forum (Webinar)
  - 7-9pm on Tue 4 June 2024





NRLA Advice Line 0300 131 6400

## Your NRLA London Reps are changing

Richard Blanco

NRLA London Representative (East & North East)

Yvonne Baisden

NRLA London Representative (West & North West)

Karen Gregory

NRLA London Representative (South London)

***From Autumn replaced by full time Regional Engagement Officer***