

Thank you for
joining us



Grab yourself a cup of tea and join us
for tonight's meeting of the Cardiff
Landlord Forum, starting at 6pm.



Please remember to mute yourself.

Cardiff Landlord Forum
Tuesday 16th March 2021

Douglas Haig,
CLF Chairman & NRLA Director

@Douglas_Haig / @NRLAWales



CLF | **CARDIFF
LANDLORD
FORUM**

Agenda

- The Budget & how it affects the PRS
- Coronavirus
- Tenant Financial Support
- Possession update
- Renting Homes (Amendment) Bill
- Breathing Space
- Building Regulations
- AOB



Budget 2021

- No change to capital gains tax – a win for the NRLA – for the moment
- A number of coronavirus support measures extended until end of Sept including the £20 a week Universal Credit uplift, as called for by the NRLA
- There will be changes to corporation tax from 2023 for businesses with profits over £50k a year – with a sliding scale of rates from 19-25% for profits over £250k. However, the rate will stay at 19% for about 1.5 million smaller companies in the UK with profits of less than £50,000.
- Full details: nrla.org.uk/news/budget-what-it-means-for-landlords



Wales is at Alert Level 4. At alert level 4 you must:

- Stay Local as opposed to Stay at Home (5 miles)
- Follow social distancing rules with people you don't live with or who are not in your support bubble.
- Stay local and work from home if you can.
- Meet only the people you live with or your support bubble.
- Not travel without reasonable excuse.
- 4 people from 2 households can meet socially distanced.
- Indoor care home visits, outdoor sport, hairdressers!

What does Alert Level 4 mean for the PRS?

- Evictions cannot take place (exceptions inc. ASB)
- Home moves can occur if moving date delay until lifting of restrictions. Associated activities (e.g. removals processes, handover of keys, surveys and valuations) can take place in line with guidance on working in other people's homes.
- Home viewings can take place. Virtual viewings should be used wherever possible, but viewings of properties can take place but household mixing must be avoided during viewings.



Wales Covid Rules

Coronavirus: Top Tips

- Follow government guidance at all times – this is the priority and will help justify any action/inaction.
- If a problem arises or you want absolute, backed-up clarity, contact the local council and Rent Smart Wales directly
- Ensure to evidence the actions you have taken to assist tenants and/or fix property hazards.
- Ensure urgent works are carried out and done so safely.
- If finances are affected, seek funds from government support, whether this be for yourself or your tenant(s)
- Be flexible and understanding with your tenants



Extension of Evictions Ban

- UK Government announced current English restrictions in place until 31st May, including limits on enforcement of possession and six-month notice period for S21 and most S8 grounds
- As yet, Welsh Government has not made any similar announcement, with the extension due to end on 31st March 2021.
- Ministers have accepted NRLA calls and **from June:**
 - Limits on enforcement should be lifted
 - Notice periods will begin to taper
 - details to be announced closer to the time
- Suspension does not stop possession proceedings continuing through the courts, but it does prevent bailiff enforcement action.
- Exemptions to the suspension of repossession actions inc. ASB.
- Different exemptions in England and Wales.



Welsh eviction stay

- England allows eviction of tenants in severe rent arrears
- Wales does not
- In part this is because Wales has a loan scheme
- But this scheme is not available where rent arrears exceed 8 weeks and predate 1 March 2020
- English justice minister recently pointed out that statistics show that 6 months arrears is unlikely to be due to Covid



Possible solution

- The Welsh government is susceptible to judicial review
- It is arguable that the manner of the eviction stay in Wales is unreasonable
- Especially in regard to landlords whose tenants were unable to obtain loans due to their excessive arrears
- But few landlords wish to stick their heads above the parapet!
- An initial claim letter could be produced for less than £1500 + VAT- not too much if shared amongst several landlords

For more info, contact:

- david.smith@jmw.co.uk
- <https://www.jmw.co.uk/london/people/david-smith>
- @hmolawyer



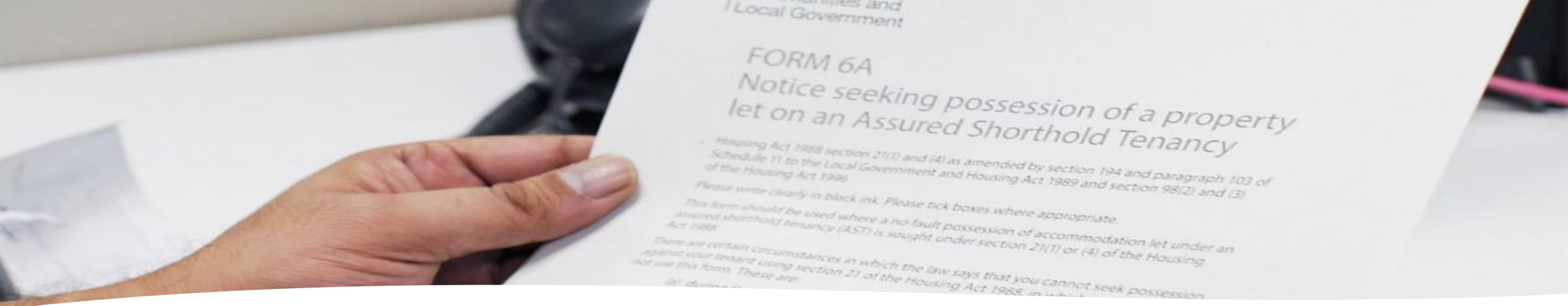
Changes to possession – Reminder

1. If application for possession made prior to 3 August 2020 and **landlord wishes to continue proceedings they must notify the court and defendant** in writing. Without this ‘reactivation notice’ cases started prior to or during lockdown will not resume.
2. **Landlord required to provide ahead of any hearing, or as part of the reactivation notice, any information relevant to the tenant’s circumstances regarding Covid-19** (i.e. household has been shielding).
3. If arrears is to be relied upon, **landlords should produce evidence of the full arrears history in advance** – not just at the hearing.

New measures will be in place until 28 March 2021; but this can be changed.

NRLA Call to Welsh Government

- **Reform of the eviction ban:** The current eviction ban in Wales came into effect on 11 December and is set to end on 31 March 2021. It includes exemptions for cases citing anti-social behaviour, trespass, and abandonment. Unlike in England, no such exemption exists for extreme rent arrears. Landlords must be allowed to end failed tenancies, especially where debt began to accrue before the first lockdown.
- **Widen access to Tenancy Saver Loans:** The Welsh Government launched a Tenancy Saver Loan scheme last autumn to help tenants cover their arrears giving five years to repay their credit union lender. However, it is not open to those unable to meet strict “creditworthiness” criteria, thereby excluding those most at need.
- Although supportive of the Scheme – NRLA is also called for the 1% interest on the loan to be scrapped, and Credit unions compensated through the fund.
- **Provide an exit strategy:** Publish a clear timetable for transitioning from emergency measures, including an exit from the extended notice periods that were introduced in Spring 2020.



Support for Tenants

- **Tenancy Saver Loans – loans to tenants to cover arrears – open until 31 March 21.**
- Payment goes straight to the landlord/agent; interest of 1% APR with up to five years to pay back; can be back-dated to 1 March 2020.
- Currently no cap on the amount that can be borrowed and no end date – but £8m pot.
- If tenant already on benefits, they should go to council and get DHP instead of loan
- Will not link this to landlord evicting their tenant, but hope/expect landlords to ensure tenant utilises loan to avoid this
- <https://gov.wales/scheme-help-tenants-affected-coronavirus-launches-wales>
- **PRS Helpline**
- For tenants struggling with rent, income, or housing benefits. Funded by the Welsh Government – run by Citizens Advice Cymru.
- A free, confidential, independent service that will advise tenants on ways in which they can maximise their income and manage debt – with a view to helping them pay their rent if they can and hold on to their tenancies.
- **The number is 0300 3302177 – open Monday-Friday from 9:00-17:00.**

Guidance on managing rent arrears



- NRLA together with sector partners has released guidance to support landlords and tenants to manage rent arrears during coronavirus outbreak
- Includes advice on early communication, and how to agree rent deferrals, reductions and suspensions
- Provides support for tenants on applying for benefits and signposts to resources to help budget planning
- Available for free from:
nrla.org.uk/resources/managing-your-tenancy/managing-arrears-effectively



Claim What's Yours

- Your tenants may also be entitled to additional support
- Thousands of low income individuals/families are losing out of benefits they are entitled to.
- Signpost to:

Advice Link Cymru – help to check if you are entitled.

Fee Helpline: 0808 250 5700

llyw.cymru/hawliadyarian | gov.wales/claimwhatsyours

Rent Arrears case studies

The NRLA is looking for landlords who have been affected by rent arrears and/or Eviction restrictions Due to the Covid 19 restrictions.

If you would be happy to share you experience with us, Please get in touch

- Can be made anonymous if you want to.
- Please send case studies to calum.davies@nrla.org.uk or gillian.owens@nrla.org.uk



Debt Management and Relief SI

- Standard Breathing Space
 - Insufficient Funds
 - It would benefit the debtor
 - Might be eligible to enter into a more formal debt solution
 - Time required to consult with a debt management expert
- Lasts for up to 60 days with a mid-term review



- Mental Health Moratorium
 - Unable or unlikely to pay debt
 - A moratorium would be appropriate.
 - Mental health prof provided evidence they are receiving treatment.
 - Treatment period plus 30 days
- Creditor Notification
 - Must check debt is on the list
 - Must inform LL or agent and vice-versa
- Complete moratorium during time inc interest
- Midway Review
 - Plan in place
 - Engage with debt advisor
- Must continue to pay their current rent
- <https://www.nrla.org.uk/resources/managing-your-tenancy/breathing-space-debt-moratoriums>
- 4th May



Breathing Space

- Debtors seeking official debt advice through LA or FCA approved adviser
- Eligible for up to 60 day 'breathing space' to find a debt solution
- Creditors inc Landlords, banks etc. must NOT contact tenant to discuss this debt or repayment, during that time.
- Landlords cannot seek possession under Section 8 Arrears grounds during this time
- On going costs e.g. rent payments must still be paid or BS suspended.

<https://www.nrla.org.uk/resources/managing-your-tenancy/breathing-space-debt-moratoriums>



4th May 2021

Mental Health Moratorium

- Unable or unlikely to pay debt
 - A moratorium would be appropriate.
 - Mental health professional provides evidence the tenant is receiving treatment.
 - Treatment period plus 30 days
-
- Creditor Notification
 - Must check debt is on the list
 - Must inform LL or agent and vice-versa
 - Complete moratorium during time inc. interest
 - Midway Review
 - Plan in place
 - Engage with debt advisor
 - Must continue to pay their current rent
 - <https://www.nrla.org.uk/resources/managing-your-tenancy/breathing-space-debt-moratoriums>



Renting Homes (Amendment) Bill

- Legislation passed on the 23rd February 2021.
- Welsh Labour & Conservatives voted for the Bill. Plaid Cymru against as not tenant focussed enough. Minor parties against – too anti - landlord
- Not yet received Royal Assent.
- Expected to be in effect by Spring of 2022.

The main changes provided for in the Bill are:

- Tenants will be entitled to a minimum contract period of 12 months
- Landlords will be required to give six months' notice instead of two to terminate the tenancy on "no fault" grounds and will only be able to serve this notice after the tenant has moved in.
- In addition, rental contracts will be simplified and standardised and model forms of contract will be made available.
- The six month notice period will not apply where the tenant is in breach of his obligations and in those circumstances the landlord will still be entitled to seek repossession.

Safer Buildings in Wales

4 Years since the Grenfell Tower tragedy

WG's White Paper sets out proposals for comprehensive reform of legislation that contributes to building safety in Wales.

It focuses on legislative change across the lifecycle of buildings as well as setting out aspirations for culture change in the way buildings are designed, constructed and managed.

The scope of the **Building Safety Regime** covers all multi-occupied residential buildings i.e.

- - any building where there are two or more dwellings, regardless of whether there is a shared front door to the building.
- -This captures a house converted into two flats, a licensed HMO through to high-rise apartment blocks.

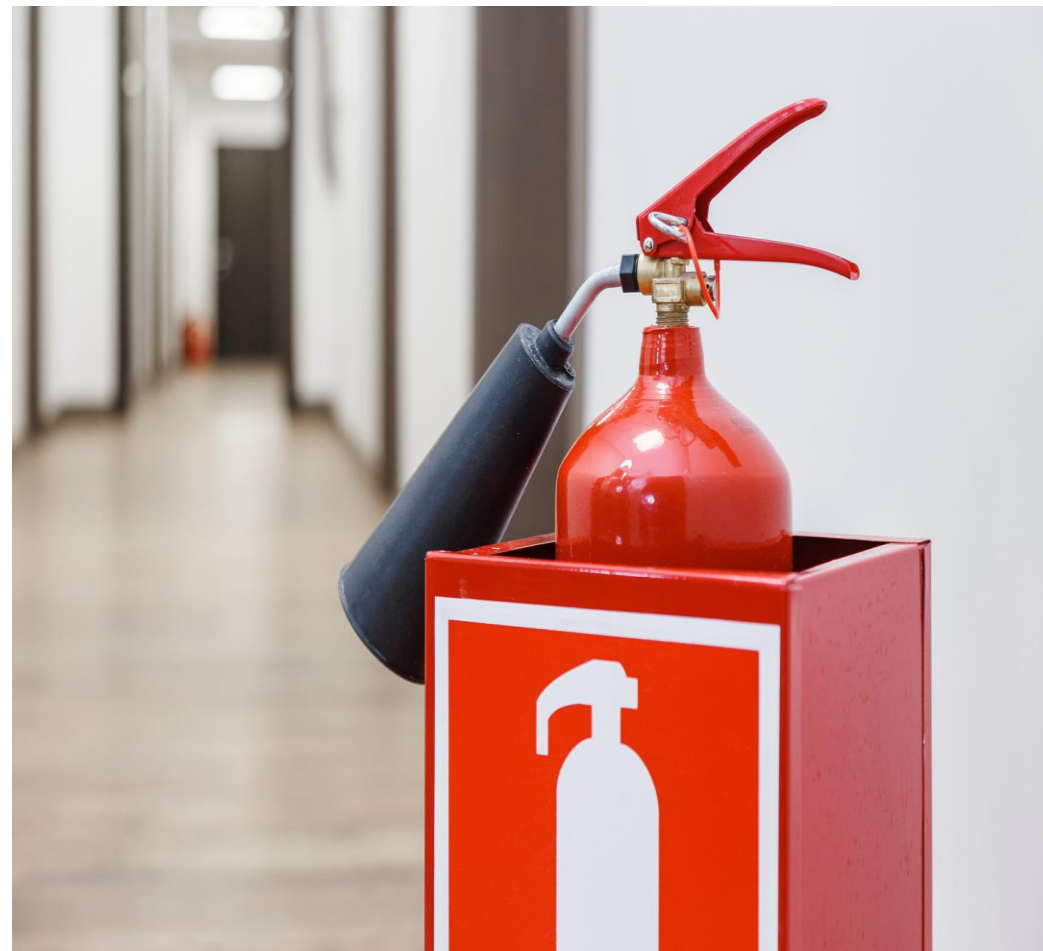
Consultation ends 12th April 2021.

<https://gov.wales/safer-buildings-wales>

email: BuildingSafety@gov.wales

Safer Buildings in Wales - proposals

- ✓ Two categories of building:
 - Category 1 - above 6 storeys high
 - Category 2 - below 6 storeys high
- ✓ During Design/ Build process
 - Make those responsible for developments accountable
 - Stronger and clearer Regulation and Competence
- ✓ During Occupation stage
 - Nominate an Accountable Person – Responsible for Fire Risk assessments
 - duties will vary depending on complexity of building
- ✓ Building Safety Manager – more day to day responsibility
 - can be same as AP or a managing agent etc
- ✓ Mandatory annual recorded Fire Risk Assessment by suitably qualified person
- ✓ Compartmentation – ensure where fire, originates it does not spread easily
- ✓ Golden Thread – communication between all parties including residents.
- ✓ Residents to have clear safety responsibilities
- ✓ Regulatory Objectives – Oversight/Collaboration/Compliance





Welsh Elections

- 6th May
- New web-site coming
- Be prepared to write to your MS, hustings being organised.
- <https://www.nrla.org.uk/nrla-wales-manifesto-2021>

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Clockwork

FOR YOUR HOME FOR YOUR BUSINESS

RELIABLE PEOPLE TRADES, BUILDING & MAINTENANCE



NRLA

NATIONAL RESIDENTIAL
LANDLORDS ASSOCIATION

Thank You

Any Questions?



Contact Details

Email: gillian.owens@nrla.org.uk

Twitter: [@NRLAWales](https://twitter.com/NRLAWales)

Tel: +44 (0) 2920 027593

Website: nrla.org.uk

