

Islington Landlords Forum Minutes – 20 January 2010

1. Councillor Barbara Smith, Executive Member for Housing and Community Safety, introduced the forum and welcomed guests.
2. Rex Mhach – Pebble – Landlord and tenancy protection

Rex explained that Pebble offer tools to be able to protect letting and went on to advise landlords on important aspects of tenancy agreements:

- Important to complete preliminary checklist which would include tenancy details, payments etc. This means things are clear and transparent with the tenant and there is written proof of what is agreed.
- The taking of a holding deposit is advisable. As a guideline this can be between £200 and £500. If references are acceptable the deposit would be taken off any rent, however, if references are not acceptable then proportion of the deposit can be retained. It is important to provide details at the outset of how much of the deposit can be retained.
- Comprehensive references should be taken. Basic information regarding income and banking should be taken and this can then be used if a judgement is needed in court. Landlords should not rely on the tenant and go to their Human Resources department for references. References should also be taken for guarantors if they are required.
- Robust contracts needed. Landlords should not download draft contracts as they cannot be sure when they were last updated or what sort of property they are tailored to. They should ensure they have valid Section 48 notices. 70% of possession orders are refused as they do not have the correct Notice.
- Serve Notices correctly. If you don't know how involve a solicitor.
- Reminded landlords of the requirement to have a valid gas safety certificate for any gas appliances and advised landlords to have current electrical safety certificates.
- All deposits have to be protected – examples of two schemes are Tenancy Deposit Scheme and Mydeposits.co.uk.
- Rental Guarantees. Providers will also provide legal services and can lead possession proceedings for landlord. Lenders may ask landlords how they would ensure income on property and this is a way of providing assurances.

Contact details info@pebbleonline.net

3. Councillor Barbara Smith advised that the planned next speaker, Stephen Donald from SDA Architects was unable to attend.
4. Jill Ellenby – Service Manager for Residential Environmental Health – Council Grants

Jill provided an overview of the grants offered by Residential Environmental Health and explained that any grant would be subject to conditions and

reasonable costs. It was also made clear how sustainability was encouraged through all parts of the grants process.

As well as outlining current grants, Jill outlined upcoming changes for the next financial year:

- Solid wall insulation grants up to £2,000.
- Interim payments to be removed. Grant will be paid on completion.
- Home repairs and renovation grants to be combined.
- Considering adding green roofs to eco grant.

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5. Your View - Open forum

- Kieran Gillen, Tenancy Relations Officer for Islington Council, raised some points on holding deposits. He advised that this was not law and The Office of Fair Trading advise that they should be a fraction of the rent. They could take issue with those amounts that it was suggested could be retained.

Kieran also took issue with the points on fraudulent tenants and the retention of the full amount of a holding deposit. Fraudulent tenants may mean the property is off the market for a short time but for the deposit to be completely retained would be unfair. Any amount retained must be proportional to any rent lost.

Response from Rex Mhach. Landlords are fully justified in retaining costs. Holding deposit receipts would contain sliding scale of what would be retained. If refs fraudulent the landlord and ourselves would reserve right to retain full amount. The amounts in the presentation are guidelines and not set in stone and the tenants unlikely to respond anyway. Tenants provided with all information and would sign to agree.

- More detail requested regarding grants.

Jill Ellenby responded by describing the grants for landlord's again and saying a leaflet would be sent round.

- Views from a representative of Safeguarding Properties Ltd – Only three companies recognised by the government for deposit schemes. Regarding fraudulent tenants there is case law from the court of appeal that landlord can only retain amounts from the tenant that are reasonable.
- Why would it be in the landlord's interest not to let properties and to keep them empty?

John Frost – Anti social behaviour is linked to empty properties as they give the wrong impression of area and fewer residents are available to report problems that occur in the area.

Rex Mhach – most landlords would not leave a property empty for insurance reasons (squatters etc.). Rex could not see any benefit unless there were outside factors including building work adjacent to the property (e.g. party wall issues), and planned refurbishments.

Councillor Barbara Smith – Council wants to ease pressure on housing and bring empty properties back into use.

6. Inspector John Frost – Property let criminality

John described how a typical property could hide criminal activity inside. And that any property that was involved in such activity would see a reduction in property value as it would be completely stripped out and require large amounts of money to refurbish. Behind any such activity may be potentially violent organised crime. If it is shown that any property owner turned a blind eye then law will also focus on them.

It would be typical for those renting a property for criminal purposes to not wish to provide info about themselves, e.g. bank details. They may also try to keep landlords away from the property by paying rent elsewhere. They will be very interested in when anyone will visit the property.

Points to be aware of:

- 600w lighting may be installed to speed up production.
- May increase electricity usage but there is also a possibility it could fall through illegal supply to the property.
- Higher security may be installed by tenants.
- Waste material of production such as plant roots may be discarded outside properties.
- Strong urine / ammonia smells can come from production so air fresheners can be used in large amounts.
- Vents to outside air visible.
- Car registration numbers can provide links to original owners and those behind criminal activity.

John went on to describe how there had been 13 different intelligence reports relating to cannabis production. One of these brought to police attention through a fire at the property.

Certain processes may also lead to toxic contamination. Crystal meth lab was found in Finsbury park. This led to the evacuation of side streets, which were subsequently closed for three days. Officers in protective suits had to enter site. Premises still not habitable and cannot be used until professionally cleaned by specialist company.

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7. Date of next meeting – July 2010