November 2024



Newham Council Private Rented Sector E-Bulletin

Private Sector Housing Standards
Email: Propertylicensing@newham.gov.uk Phone: 020 3373 1950

WE ARE NEWHAM.



Message from Councillor Amar Virdee

Welcome Newham Landlords, Licence Holders and Agents.

Firstly, I would like to introduce myself as your new Lead Member for Housing Needs, Homelessness and Private Rented Sector and Community Safety and Crime. I am looking forward to working with many of you to help deal with the current housing crisis that we have in Newham.

I wanted to inform you that Darren Levy our Housing Director has left Newham Council and Councillor Mohammed has stepped down as our lead member. I would like to thank them both for their hard work and dedication over the last few years.

We are keen to hear more from Newham landlords and license holders to keep improving our services. That's why Newham Council and the National Residential Landlords Association (NRLA) are hosting a Landlord Forum on Tuesday 3 December 2024 at the Old Town Hall in Stratford. To register please do so via the Eventbrite link: https://www.eventbrite.co.uk/e/newham-private-landlords-forum-tickets-1064233694629.

I'm excited to announce that Newham's Private Sector Housing Standards have been shortlisted for another award, a UK Housing Award, which will be decided on 26 November.

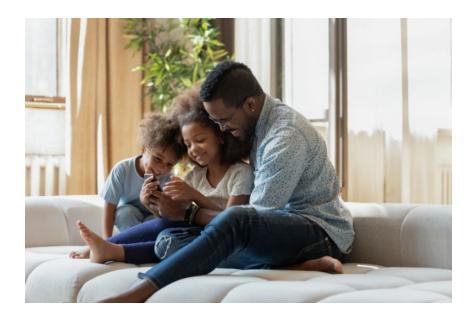
Property Licensing Update

Our property licensing schemes, for the private rented sector, are now in force throughout the borough except for Stratford Olympic Park and Royal Victoria wards. They are helping us continue to tackle poor property conditions, deprivation and anti-social behaviour. Please apply for a licence, if you haven't already done so, to avoid any enforcement action being taken against you, unless you have a valid exemption. For further details about the schemes and how to apply for a licence, please visit the property licensing web page.

Thank you to our landlords and managing agents who have and continue to submit licence applications for their required properties. Since the commencement of our new property licensing schemes we have received over 30,000 applications and we have validated and processed over 75% of these applications. You may have already received a draft or final licence from us. However, we are still validating and processing the many applications that we receive, so if you are yet to hear from us regarding your application submission, you do not need to take any further action until we contact you again.

It may be several weeks before we contact you further, however, please be assured, that whilst your application is at the first stage with us you are regarded as compliant with the property licensing scheme. The approval process for the property licence will be in two stages. You will initially receive a draft licence and have an opportunity to make any representations to Newham should you contest any of the terms, before we issue the final licence.

You should ensure that your tenants are aware that you have made an application, and they should be given a copy of the final licence once this has been issued to you.



Licensing Compliance Inspections

The Council are currently undertaking extensive compliance survey work to check that all Licence Holders are continuing to meet the obligations of their Property Licence.

During the term of your licence, you may be contacted in writing to inform you of an upcoming Licensing Compliance inspection.

We intend to visit your property to briefly inspect your accommodation and determine the following:

- Ensure that the information provided in the Property Licence application is correct;
- Ensure that the Property Licence conditions are being adhered to; and
- Help landlords maintain their property and identify any deficiencies that may exist.

The Compliance Officer intends to inspect all parts of the property. Occupants will need to ensure that the Council Officer(s) are able to access all parts of the property in accordance with the conditions of your property licence.

If we are not able to gain access to your property whilst we are in the area, we will leave contact details for the landlord/licence holders or tenants to contact us to arrange a suitable alternative appointment. There is no need to contact us prior to a contact card being left at the property.

The inspection results will be shared with the Licence Holder. Properties that have deficiencies or are in poor condition may be subject to re-inspection and/or further audit. Where deficiencies are highlighted to a Licence holder, we would ask that these are addressed swiftly to ensure that the conditions in the property do not deteriorate further and to prevent enforcement action being taken by the Council. All licensed properties require regular inspections to ensure that you remain familiar with the condition of the property and compliant with the conditions of the property licence.

The Council would like to thank you for your continued cooperation in this matter.

Performance Summary

Private Sector Housing Standards (PSHS) have been very busy carrying out enforcement work during our third licensing scheme.

To view our Aims, Objectives and our Performance Summary then visit our <u>performance web page.</u>

Newham's Landlord Forum - Tuesday 3 December 2024

Newham Council are very interested to hear from landlords and licence holders to understand their views to continuously improve our services

James Gladwin from the National Residential Landlords Association (NRLA) and Newham Council will be hosting a Landlords' Forum in December.

Light refreshments will be provided.

When: Tuesday 3 December 2024

Time: 2pm to 4pm

Where: Old Town Hall, Stratford, 29 The Broadway, Stratford, London E15 4BQ

RSVP: by 26 November. To register please do so via the Eventbrite link:

https://www.eventbrite.co.uk/e/newham-private-landlords-forum-tickets-1064233694629

For more information please visit: Webinar Calendar | NRLA





Newham Council investigation leads to £60,000 fine for overcrowding managing agent

A successful investigation by Newham Council's Environmental Health Officers has resulted in a £60,000 fine for a managing agent who placed families in a dangerously overcrowded property.

Thames Magistrates Court has fined managing agent Mr. Ilyas Patel £60,000, with additional costs bringing the total to £63,977.19, after finding him guilty of failing to license a dangerously overcrowded property on Altmore Avenue, East Ham, E6.

In November 2023, Environmental Health Officers inspected the mid-terrace property and found five rooms occupied by at least four unrelated families, including two with small children. With all nine to 13 occupants sharing a single kitchen and bathroom, the conditions were cramped and unsuitable, with those tenants officers spoke to, paying between £600-£750 in rent a month to live there.

The inspection also revealed a severe mice infestation in the property, adding to the residents' hardships.

Newham, which has the longest running property licensing scheme in the country proactively pursues this sort of situation to bring rogue landlords to justice. Every couple of weeks it goes looking for hidden Houses of Mass Occupation (HMO)s rather than waiting for complaints from tenants terrified of retaliatory evictions or with nowhere else to go.

A Newham Council spokesperson said: "This verdict sends a strong message to landlords and managing agents that overcrowded, unsafe, and unlicensed properties will not be accepted in Newham.

"This prosecution highlights how seriously we take our responsibility to safeguard the well-being of all our residents, ensuring that housing conditions meet legal standards.

The Guardian wrote an article about this property when the EHOs originally visited in November 2023. See: <u>'There's no space': rogue landlords double income by ignoring overcrowding rules | UK news | The Guardian</u>



Image above shows the Ground floor front room was very cramped.

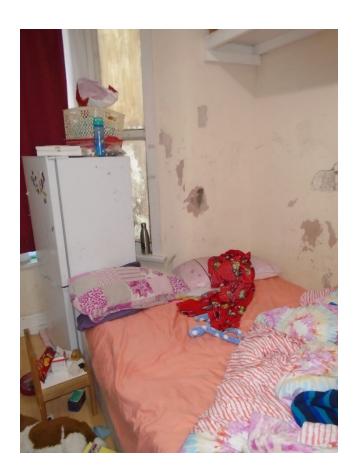


Image above shows a fridge in one of the bedrooms forcing the occupiers, a mother and small child, to live in very cramped conditions.

Letting your property to us

If you have a property to let, and you would like to rent it to Newham Council, then please contact us by **emailing <u>PRSsupply@newham.gov.uk</u>** or phone us on 020 3373 6463. We have local families who can move in immediately.

For further details please visit: www.newham.gov.uk/housing-homes-homelessness/letting-property-us/1

Renters' Rights Bill Update

The Renters' Rights Bill that is currently going through Parliament. The proposals will have a large impact on landlords and tenants, as well as for councils who will be tasked with enforcing new regulations alongside existing law.

Proposed changes include:

- Abolishing Assured Shorthold Tenancies and section 21 (no fault) eviction notices. Most tenancies will then be Assured Periodic Tenancies, and a landlord will need a specific and demonstrable reason to evict their tenant. This already exists in the section 8 eviction process where one of a number of Grounds for Eviction is required but several new Grounds are being added.
- Removing discrimination when granting tenancies by making no housing benefit, no children or no pet requirements illegal.
- When advertising a tenancy, the rent must be fixed and will not be allowed to increase from what was originally advertised, to prevent rental bidding.
- Introducing a landlord redress scheme, as well as a National Landlords database. A landlord won't be able to market their property and certain Grounds for eviction will not be available where a database entry has not been made.
- Strengthening Rent Repayment Orders (RRO) with an extension on the applicable claim raised to two years' worth of rent where a relevant offence has been committed. The relevant offences for an RRO are also to be widened.
- Introducing the Decent Homes Standard (DHS) as a legal requirement for private rented properties; the DHS is already a legal requirement for social housing.
- Financial Penalty Notices are to be extended for a range of existing and new offences, for the Council to use as an alternative to prosecution.

The Bill is now at Committee stage and is expected to return to the House of Commons in December. There may of course be several changes made before it becomes law.

Landlords will need to become familiar with these new rules when they come into effect, possibly by summer 2025. The council will provide more briefings and updates as further changes are announced as well as working to hold regular Landlords Fora.

You are also encouraged to find out more about these forthcoming changes that will directly affect you and your landlord business. The following Government Guidance is a useful place to start: Guide to the Renters' Rights Bill - GOV.UK



Private Tenant Forum – Tuesday 26 November 2024

Newham would like to listen to the views of tenants living in privately rented accommodation in the borough.

Are any of your tenants interested in attending our Private Tenant Forum? If they live in privately rented accommodation in the borough, then please pass the below information on to them.

When: Tuesday 26 November 2024

Time: 2pm to 4pm

Where: Old Town Hall, Stratford, 29 The Broadway, Stratford E15 4BQ

Light refreshments will be available.

For more information and to register to attend, please visit: <u>Private Tenant Forums – Newham Council</u>



Advice for Landlords choosing a managing agent

Both Trading Standards and Private Sector Housing Teams are seeing increasing complaints from private landlords regarding the managing agents they are using.

When choosing an agent, always ensure:

Your agent is registered with a redress scheme.

The two redress schemes are the Property Redress Scheme and The Property Ombudsman scheme.

Your agent is registered with a client money protection scheme.

A Client Money Protection Scheme is an insurance backed scheme and there are currently six government approved schemes.

Propertymark (previously the Association of Residential Letting Agents (ARLA)), Safeagent (previously the National Approved Letting Scheme (NALS)) The Royal Institute of Chartered Surveyors (RICS), The UK Association of Letting Agents (UKALA), CM Protect and Money Shield (which is administered by Propertymark). It is advisable that landlords check with the schemes themselves, using the online member search tools, to ensure that agents are members.

Landlords can also check the National Trading Standards Estate and Letting Agents Team's 'Property Agent Checker' https://www.nationaltradingstandards.uk/property-agent-checker/.

- Check that your agent complies with the legislation, especially that they are displaying their landlord fees and permitted tenant fees, they are displaying details of their redress scheme and client money protection scheme on their website and in their office and that they have published their client money protection certificate on their website. Landlords are also legally entitled to request a copy of an agent's client money protection certificate.
- If your agent is **protecting your tenants' deposits,** landlords should also ensure that this has been done within 30 days of a tenancy starting, as landlords are ultimately liable if a deposit is not protected. If a deposit is not protected and the tenant has not been given the prescribed information, then a tenant can claim their deposit back and up to three times the amount in compensation.

Guaranteed Rent or Rent to Rent:

Companies offering a 'Guaranteed Rent' agreement, sometimes referred to as Rent to Rent, is **not** always the best option. These types of agreements mean that landlords give their property to a managing agent, usually for 3 years and the agent promises to pay the rent whether the property is occupied or not. This often does not happen, as landlords are often not paid when a property remains empty, plus, they lose all control of their property during that period and often longer. Sometimes landlords have to pursue the agent and any tenants through the courts, in order to get their properties back. Also, we have received numerous complaints from landlords where their properties have had thousands and thousands of pounds' worth of damage, with little recourse against the agent or ultimate tenants. Often the properties have been used for illegal activity. If what an agent is offering seems too good to be true, then it probably is too good to be true.

Companies who offer Guaranteed Rental Agreements / Rent to Rent, are often not members of a redress scheme or a client money protection scheme, as they do not come within the legal definition of an 'letting agent' or 'managing agent' due to the fact that the agent becomes the tenant of the superior landlord (homeowner/leaseholder) and then sublets to the ultimate tenant, so the agent becomes 'the landlord'. Currently, there is no legislation requiring landlords to join a redress scheme or a CMP scheme, even if they are commercial landlords, however this is looking like it will change with the introduction of the Renters Rights Bill. Therefore, using a company like this gives landlords little or no recourse when they lose money or try to gain possession of their properties.

Private Sector Housing Standards have a Trading Standards Officer working within the team who carries out thorough investigations into non-compliant letting agents. If you have a concern about an agent based in Newham, then please report it via email to: privatehousing@newham.gov.uk.

For more information, please see: <u>Letting Agent Information – Newham Council</u>



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