



iHOWZ NEWSLETTER

SUMMER 2024 | EDITION 50 | £5 WHERE SOLD

WELCOME TO THE SUMMER EDITION OF THE NEWSLETTER

Yes it is summer, honest, at least today it has stopped raining and is warming up. Can we please just get the election out the way, what will be, will be, who ever gets in, it will no doubt just cost landlords more. But then rents are going up, page 1 of the economics book, supply and demand, growing population and insufficient house building.

Just a reminder that as members this is your association, we don't make a profit, we invest any money made, back into supporting members. If you have an article that would benefit the membership, or you would like us to cover any issues then please get in touch.

Being a Brighton landlord, I have received council letters like confetti telling me that from the 1st July 2024 I need yet again to register my small HMOs and pay them a large fee per property. Please be aware that the additional and selective licensing covers pretty much the entire city. If you are unsure if you are affected then please check with the council, don't risk a fine.

Personally I am about to start the "housing season" where my student tenants leave and new ones come in. You never quite know what state you are going to find the house in. Always hopeful that a parent arrives and helps with the cleaning. Good news is that I am full for the coming academic year. So time to put down the pen, get out the rubber gloves and the painting roller. I hope you all have a great summer and we will talk again in a few months when both the student and election dust has settled.

WHAT WILL BE THE FUTURE OF LANDLORDS?



You may have noticed that a General Election has been called, we considered waiting until after the result to publish this newsletter, but we are of the opinion that we probably won't have anything new to tell you for several months – but who knows?

As and when news comes out, we will be reporting in the weekly eNews, so make sure you are signed up for that.

One of the actions of an election, and therefore a new Government, is that any Bills being debated in Parliament will fail to become Acts, unless they are rushed through in a process known as 'washup'.

Some bills were passed, though, after an agreement reached between the main parties on which bills could be rushed through their final parliamentary stages before Parliament was dissolved. They were: Digital Markets, Competition and Consumers Bill; Leasehold and Freehold Bill; Finance Bill; Paternity Leave (Bereavement) Bill; British Nationality (Irish Citizens) Bill; Victims and Prisoners Bill; Post



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Office (Horizon System) Offences Bill; Pet Abduction Bill.

Ministers can still, in theory, exercise some powers to make secondary legislation while parliament is dissolved. This depends on whether the powers in question require a vote in parliament.

However, ministers will usually only exercise these powers if the matter is essential and time-sensitive, given the pre-election period guidance.

As can be seen, the Renters Reform Bill was not in the agreed 'washup list' and has therefore failed, but the Reforms to leasehold and freehold in England and Wales have become law – but without a promised cap on ground rents.

The new leasehold law aims to make it cheaper and easier for more people to extend their lease, buy their freehold and take over management of their building.

But plans to remove ground rent for existing leaseholders or cap it at £250 have been dropped.

EMPTY PROPERTY RELIEF (EPR)

HM Treasury has issued a consultation entitled 'Avoidance and Evasion'. It intends to extend the Empty Property Relief reset period from 6 weeks to 13 weeks. Whereas commercial landlords, to whom the relief refers, would have liked to have seen it set between 12 and 18 months. This would reflect accurately the time it takes for empty properties to be re-let.



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LEASEHOLD & FREEHOLD REFORM BILL

The Leasehold & Freehold Reform Bill was passed as part of the wash-up in Parliament. It was farcical that neither the Minister nor Shadow Minister attended, and the legislation was rushed through.

As a result, no amendments were put to a vote and the government did not come forward with promised amendments on ground rents, forfeiture or state management charges. Other aspects of the Bill that passed will still require significant further work to implement. For example, the setting of deferment and capitalisation rates.

DIGITALISATION OF POSSESSION PROCESS

The government have committed £11 million in this financial year, for the objective of reducing delays caused by court reform, and we trust whatever Government will maintain a commitment to digitalisation.

RENTERS REFORM BILL

Members will be well-aware of the changes envisaged under the Renters Reform Bill, including the abolition of Section 21; establishing a PRS Ombudsman setting up a landlord portal (register), rent setting and rules on more pet-friendly tenancies. Our

Board worked extremely hard in producing amendments to the Bill, which included a sponsoring of a room in Parliament to get MPs, Lords and others interested in change involved.

It is very sad to report that the Bill has failed the opportunity for amending it, and that ensuring court procedures are improved before the Section 21 is abolished, have not happened. The fear is that the next government may not honour the promises made by *this* government. More information on the dedicated work by members of the Board will be contained within the newsletter.

AWAAB'S LAW TO PRIVATE LANDLORDS

The Shadow Housing Secretary and Labour Deputy Leader Angela Rayner, has vowed to extend Awaab's Law to private landlords if her party wins in the next general election.

The objective is to clamp down on rogue social landlords; requiring them to address health and safety hazards within 14 days. Currently, Awaab's Law applies to social landlords, but it is intended to include private landlords as well. Included in the requirements are that damp and mould are investigated in 14 days, fixed within a further 7 days and emergency repairs to be completed within 24 hours. This is proposed so that landlords who fail to meet the deadlines could be taken to court and may be ordered to pay compensation to the tenants.

CHANGES TO PLANNING FEES (FROM DEC '23)

The government has confirmed through recently made regulations that the increases to planning fees applied from 6th December 2023.

This means there has been a +35% increase in planning application fees in major applications, and +25% increase for all other applications from early December 2023.

The regulations will also allow for fees to rise yearly with inflation (capped at 10%).

From April 2025, the removal of the 'Free Go' or repeat applications will be implemented.

Mike Stimpson Comments: One doesn't mind these increasing, providing the service performs more effectively for the costs that will occur.

SCOTTISH HOUSING BILL – PUBLISHED WITH NEW RENT CONTROL PROPOSALS

The Scottish government have published a bill which proposes longer term rent controls for designated areas and limiting rent increases to once every year. The Bill also addresses evictions, property modifications, pets, new homeless measures and the registration of letting agents.

LEASEHOLD AND FREEHOLD (REFORM) ACT 2024

The Leasehold and Freehold (Reform) Act 2024 introduces comprehensive changes to property ownership in England and Wales, focusing on reforming leasehold arrangements and improving protections for leaseholders. Here is a summary of its key points:

Key Provisions of the Act

1. GROUND RENT ABOLITION

- Extends the abolition of ground rents to existing leaseholders, not just new leases. This change means all leaseholders with existing leases will see their ground rent reduced to a nominal "peppercorn" rate.

2. LEASE EXTENSIONS

- Simplifies and standardizes the process for lease extensions.
- Extends the right to a 990-year lease extension at a peppercorn ground rent, significantly longer than previous statutory limits.
- Caps the cost of extending leases, making it more affordable for leaseholders.

3. RIGHT TO MANAGE AND ENFRANCHISEMENT

- Eases the process for leaseholders to collectively buy the freehold of their building (enfranchisement) or take over the management of their property (right to manage).
- Reduces the complexity and costs associated with enfranchisement claims and management takeovers.

4. TRANSPARENCY AND FAIRNESS IN SERVICE CHARGES

- Enhances transparency around service charges and other fees, ensuring they are justifiable and reasonable.
- Introduces stronger protections against unfair service charges and provides leaseholders with greater powers to challenge excessive fees.

5. RETIREMENT PROPERTIES

- Applies the same reforms to retirement properties, ensuring elderly leaseholders also benefit from the changes.
- Provides additional protections for residents in retirement homes, ensuring fair treatment and transparency.

6. COMMONHOLD

- Promotes the use of commonhold ownership as an alternative to leasehold, where property owners own their individual unit and share ownership of the common areas.
- Simplifies the legal framework and encourages the adoption of commonhold for new developments and conversions.

7. REGULATION AND ENFORCEMENT

- Strengthens regulatory oversight and enforcement mechanisms to ensure compliance with the new rules.
- Establishes a dedicated housing tribunal to handle disputes and ensure swift resolutions.

8. CONSUMER RIGHTS AND EDUCATION

- Improves access to information and support for leaseholders and prospective buyers.
- Launches public awareness campaigns to educate property owners about their rights and the changes brought by the Act.

IMPLICATIONS

- For Leaseholders - Substantial benefits through reduced costs, greater control over their homes, and enhanced protections against unfair practices.
- For Freeholders - Significant adjustments as the ability to collect ground rent is removed and the process for lease extensions and enfranchisement is streamlined.
- For the Property Market - Encourages a shift towards fairer and more transparent property ownership models, potentially increasing the popularity of commonhold.

CONCLUSION

The Leasehold and Freehold (Reform) Act 2024 represents a major overhaul of property ownership laws, aiming to provide fairer, more transparent, and more affordable housing arrangements. It addresses long-standing issues in the leasehold system and promotes alternative ownership models, offering better protections and more rights for property owners.

iHOWZ PUBLISHES THEIR MANIFESTO

iHowz has published their manifesto *The New Tenant-Landlord Partnership* which can be seen on the website.

In it we have included 14 main points:

1. **National Standard for All Rental Properties:** Implementing a national standard for residential rental properties, including private, social, and council housing.
2. **Register for All Rental Properties:** Establishing a register for all rental properties with a Redress Scheme to ensure accountability.
3. **Training for Landlords and Tenants:** Encouraging both landlords and tenants to undertake relevant training courses.
4. **Streamlined Eviction Processes:** Allowing landlords to evict unsuitable or non-rent paying tenants within a specified period without court involvement.

5. **Enhanced Tenant Protections:** Adopting enhanced tenant protections when landlords use No Reason Eviction.

6. **Digitization of the Court System:** Accelerating the digitization of the court system and setting up specialist Housing Courts.

7. **Business Status for Landlords:** Recognizing landlords who manage their own portfolios as businesses.

8. **Fair Taxation for Landlords:** Taxing landlords similarly to other investors and self-employed businesses.

9. **Tax Relief for Housing Homeless People:** Granting 12 months tax relief to landlords housing homeless individuals.

10. **Review of Local Housing Allowance:** Reinstating the link between Local Housing Allowance and CPIH, and reviewing the Universal Credit system.

11. **Building Affordable Housing:** Enabling the construction of genuinely affordable housing.

12. **Public Access to Rogue Landlord Registers:** Making Rogue Landlord and Agent Registers publicly accessible along with local authority investigations and enforcement outcomes.

13. **Tenant Exchange Register:** Setting up a Tenant Exchange Register similar to the Council House exchange register.

14. **Tenant Rent History for Credit Scoring:** Ensuring tenant rent history is considered for credit scoring.

Our principal proposal is a ‘root and branch’ review of the current system, rather than the ‘tinkering at the edges’ of this highly regulated sector, poorly served by an overstretched, legal system.

The new Bill could be called the ‘**Tenant Landlord Partnership Bill**’.

RENTERS REFORM BILL (RRB)

As mentioned, the RRB has now died a death. However, it is almost guaranteed that it will re-appear in some form or another in the new parliament.

We want to take this opportunity to reassure members that we will campaign with the (new) Government on their behalf for a better Private Rented Sector for landlords and tenants alike.

You can see a résumé of the work we carried out on the old RRB on the website (www.ihowz.uk/ihowz-influence-on-the-renters-reform-bill), hopefully this will bear fruit with any new Bill.

Until the Government starts to make it clearer on what we all need to do, you just need to keep running your business in the most professional way possible. Winston Churchill always said ‘KBO’ – ‘*Keep B*****ing On*’, and it is very true.

RENT INCREASES

I believe that it is reasonable to increase rents on no more than a once a year basis. Experience has told me that the longer you leave a rent increase, the more it will be challenged by your tenant as being ‘unreasonable’. It is better to make an increase either annually or at the most every 2 years, which is the way I believe landlords should act. In my opinion, it would be much better for the tenant,

instead of putting up rents every 5 years with a large increase. Members should make the most of charging a reasonable rent and not allowing tenants to live in very much under-rented property, as they will still want work carried out and it is important that landlords get the right return for their property.

May I wish you continued success, in this very challenging environment.

Mike Stimpson



Jeni Browne, MFB, and Peter Littlewood, iHowz Landlord Association, discuss what the PRS needs from the upcoming general election and what this will mean for your mortgage.

Whether you want the general election or not, it brings about a mix of nervous uncertainty and opportunity for change. In this article, we look at how the election could impact two significant issues that impact all landlords: legislation and mortgage interest rates.

Experts in their fields, Jeni Browne and Peter Littlewood, discuss:

- How legislation in the PRS has changed over the years
- What legislation the PRS needs from this election
- How the election cycle could impact mortgage interest rates
- What you can do to ensure you secure the best finance

What The Rental Market Needs From The Upcoming General Election

Peter Littlewood, Co-Founder of iHowz Landlord Association, has campaigned for fairer private rental sector (PRS) legislation for decades. Drawing on his experience, he explains what he and iHowz hope to see from the party manifestos in this year's election.

A general election can only mean one thing: a new Government and, almost certainly, a new Housing Minister. Each incoming Housing Minister is keen to leave their mark, but as a landlord association, we urge the following:

- 1. Continuity:** The role of Housing Minister should have stability, ideally remaining unchanged for the duration of the Parliament. Since 2010, there have been 16 Housing Ministers, a turnover rate that undermines the position's importance.
- 2. Housing Knowledge:** While expertise in housing for a new minister is beneficial, it is secondary to the need for continuity.
- 3. Pragmatic Changes:** Despite the last significant overhaul of the Private Rented Sector (PRS) occurring in 1988, with a notable Act in 2004, we implore that the new minister avoids unnecessary changes driven by personal ambition, or political rhetoric. Currently, landlords navigate over 170 pieces of legislation, and many Local Authorities lack the resources to enforce them adequately.

Historically, the balance of power in the PRS has swung dramatically. Before 1977, landlords held substantial power, leading to unfair practices. Between 1977 and 1985, tenant protections were so strong that the number of rental properties dwindled. The 1985/88 Housing Acts struck a balance that has allowed the PRS to thrive. Contrary to some claims, the current laws provide significant tenant protections.

It is true that the market has changed substantially since 1985, and some legislative updates are necessary, particularly to address ambiguous language in older laws. But future legislation should rest on three principles:

1. PRS housing is the tenants' home.
2. PRS is a business for landlords, crucial for their livelihood.
3. Legislation must be fair, proportionate, and explicit.

Successive Governments have made the situation worse by not building enough houses in general, and specifically affordable/social/council housing; then complain when private landlords step up to fill the shortfall – at the private landlords' expense and risk.

iHowz proposes a comprehensive review of the PRS rather than superficial tweaks and has published their manifesto calling for a set of clear-cut amendments to create a fairer, more efficient PRS that benefits both landlords and tenants, fostering a stable and well-regulated housing market.

Their manifesto, *The New Tenant-Landlord Partnership* can be seen on their website at iHowz.uk/manifesto.

What The General Election Means For Your Mortgage

Since January, SWAP rates (the rates which influence mortgage interest pricing for many lenders) have moved up and down almost daily. Although less volatile than this time last year, knowledge of the upcoming general election, US inflation, and geopolitical events means that the market has not been as steady as we'd hoped.

As we get further into this election period, we've already seen a knock-on impact on SWAP rates. The announcement of a general election received a negative reaction from the money markets, with SWAP rates rising slightly over the last two weeks.

The current political landscape means the UK economy is in a period of instability. The money markets eagerly await each Party's manifestos to see what measures they could introduce and what inflationary impacts these could have. Until then, we don't

anticipate any significant SWAP rate rises, meaning mortgage interest rates should remain mostly stable. Of course, other factors mentioned above could still have some influence, but we don't expect a return to the volatility we saw this time last year.

We did expect a Bank of England Base Rate (BBR) decrease in June; however, it's the convention (although not the rule) to keep the BBR at its current level throughout a general election period. Experts still predict the first 0.25% drop this summer, but August may be more realistic than June, with mid-September another plausible option if the economy is still settling in the wake of the election.

How You Can Prepare

Mortgage lenders will continue to adjust pricing (up and down) during the election period, meaning many investors will continue to delay refinancing until there is a clearer decrease in pricing. While this is up to you, we strongly recommend taking stock of your property portfolio and discussing your plans and finances with us to ensure you're making fully informed decisions.

For those considering their next property investment purchase, it's worth noting that UK house prices rose 0.4% month-on-month in May, with annual growth rate up to 1.3% from 0.6% in April, according to Nationwide. With house prices starting to show signs of bouncing back, time is running out to take advantage of cheaper housing stock!

To keep up-to-date with how any new legislation changes will impact your property investment business and get access to experts and support, join the iHowz Landlord Association. As an MFB client, you can claim your first year's membership for FREE! **For more information about the benefits of joining, click here.**

To discuss your property finance plans with one of our expert brokers, call 0345 345 6788 or submit an enquiry here.

THE FUTURE

We are writing this before the election results have come out, and it is likely you are reading after. However, we are of the opinion that not much will change in the first few days of a new Government.

Many politicians seem to make a lot of the first 100 days: 100 days from July 4th is Saturday October 12th, so will we see a lot of activity, or will it be typical politician talk?

Here's a summary of the main political parties' stances on housing:

CONSERVATIVE PARTY

- **Building Targets:** Commit to building 300,000 homes annually by the mid-2020s.
- **Home Ownership:** Extend the Right to Buy scheme to housing association tenants.
- **Planning Reforms:** Simplify and accelerate the planning process.
- **Affordable Housing:** Increase the number of affordable homes in new developments.

LABOUR PARTY

- **House Building:** Pledge to construct 1.5 million new homes over the next decade.
- **Renters' Rights:** Introduce rent controls and enhance tenant protections.
- **Public Housing:** Significantly expand council housing.
- **Green Homes:** Retrofit existing homes for energy efficiency.

LIBERAL DEMOCRATS

- **Housing Supply:** Aim for 300,000 new homes per year, including 100,000 social homes.
- **First-Time Buyers:** Implement rent-to-own schemes.
- **Environmental Focus:** Ensure new homes are zero-carbon by 2025.
- **Empty Homes:** Bring vacant homes back into use.

GREEN PARTY

- **Sustainable Housing:** Prioritize building energy-efficient, zero-carbon homes.
- **Rent Control:** Implement rent controls for affordability.
- **Public Housing:** Expand social housing stock.
- **Community-Led Housing:** Support community-led housing initiatives.

SNP (SCOTTISH NATIONAL PARTY)

- **Affordable Housing:** Deliver 110,000 affordable homes by 2032.
- **Rent Controls:** Introduce a national rent control system.
- **Homelessness:** Enhance support services to reduce homelessness.
- **Energy Efficiency:** Focus on energy efficiency improvements for existing homes.

PLAID CYMRU

- **Welsh Housing:** Ensure 50,000 new social and affordable homes in Wales.
- **First-Time Buyers:** Provide grants and support for first-time buyers.
- **Sustainable Homes:** Emphasize environmentally friendly construction.
- **Renting Sector:** Strengthen tenant rights and introduce rent controls.

DUP (DEMOCRATIC UNIONIST PARTY)

- **House Building:** Increase social and affordable housing in Northern Ireland.
- **Home Ownership:** Promote first-time buyer assistance schemes.
- **Planning System:** Reform planning to encourage development.
- **Energy Efficiency:** Support retrofitting homes for energy efficiency.

REFORM PARTY

- **Planning System Review:** Fast-track planning and tax incentives for brownfield site development. Implement 'loose fit planning' for large residential projects with pre-approved guidelines.

- **Social Housing Law Reform:** Prioritize housing for local residents and those who have contributed to the system, placing foreign nationals lower on the priority list.
- **Scrap Section 24 for Landlords:** Repeal the restriction on landlords deducting finance costs and mortgage interest from tax on rental income to encourage small landlords.
- **Abolish Renters' (Reform) Bill:** Enhance monitoring and enforcement instead of existing legislation, focusing on addressing bad practices among landlords.
- **Leaseholder Protection:** Ensure transparency and consent for charges, enforce Section 106 agreements, and make it easier and cheaper to extend leases and buy freeholds.
- **Incentivize New Construction Technology:** Promote modular construction, digital technology, and efficient building practices to speed up housing development and reduce waste.

Each party's housing policies reflect their broader political philosophies, from market-driven solutions and homeownership incentives to social housing expansion and tenant protections. The Reform Party emphasizes quick fixes and systemic changes to accelerate housing development and address landlord concerns. The only party that seems to have a genuine interest in housing is the Reform Party who (amongst other matters) are calling for a scrapping of Section 24, and abandonment of the Renters Reform Bill.

Whilst they are unlikely to form the next Government, they might be able to have a strong voice and influence on the new Government.

The main thing is not to panic, and to continue running your portfolio in the most professional way you can. It might be that you do decide to no longer be a landlord, but don't feel forced into that decision.

iHowz remain committed to representing your views, helping you and supplying you with up-to-date information.

We lobbied long and hard on the Renters Reform Bill and will do so for any future legislation.

STUDY REVEALS TRENDS IN LONDONERS MOVING TO MORE AFFORDABLE AREAS



As property prices and living costs in London remain high, many Londoners are relocating to areas with more affordable housing. A recent study by Compare My Move highlights the significant increase in Londoners seeking homes in regions with lower house prices.

KEY FINDINGS:

- **London's High Property Prices:** The average house price in London is £701,280, making it the most expensive place to buy a house in the UK.
- **Rising Cost of Living:** Coupled with the high property prices, the rising cost of living is pushing Londoners to seek more affordable areas.
- **Significant Increase in Moves to Scotland:** There has been a 22.4% increase in Londoners moving to Scotland, where the average house price is over £500,000 cheaper than in London.
- **Preference for Affordable Areas:** Areas with average house prices below £235,545.50 have seen a surge in popularity among London movers.

COMMENTS FROM INDUSTRY EXPERTS:
Dave Sayce, founder and managing director of Compare My Move, noted: *"This trend indicates that Londoners are increasingly looking at more affordable areas in the UK due to the consistent rise in mortgage base rates and inflation throughout last year. Despite a slight drop in inflation and steadiness in the base rate, the demand for more affordable housing continues."*

POPULAR DESTINATIONS FOR LONDON MOVERS:

- **Brighton:** Emerged as the top destination for Londoners in 2024. With an average house price exceeding £500,000, it remains nearly £200,000 cheaper than London.
- **Reading:** Secured the second spot due to its affordability and proximity to London, with house prices £275,000 lower and a direct 43-minute train journey to the capital.
- **Other Popular Destinations:** Croydon, Bromley, and Wembley also made the top five list of preferred destinations.

TRENDS IN RELOCATION:

- **Shift to Commuter Towns:** Londoners are increasingly drawn to commuter towns that offer a balance between affordability and accessibility. These towns have an average house price £124,590 lower than London's, while still maintaining a relatively short commute to the capital.
- **Regional Trends:** Regions like the East of England and the South West, with average house prices exceeding £400,000, have seen a drop in London movers, indicating a preference for more affordable regions.

CONCLUSION

The trend of Londoners moving to more affordable areas reflects the ongoing challenges posed by high property prices and living costs in the capital. As mortgage rates and inflation have impacted affordability, many are seeking better value in other parts of the UK. Regions like Scotland and towns like Brighton and Reading are becoming increasingly popular for their relative affordability and accessibility to London.

OBITUARY – FRANK FIELD, MP & PEER

Members may not have heard of Frank Field, who was an MP for Birkenhead for very many years, died on April 23rd 2024.

As the Chairman of the National Federation of Residential Landlords, I had a number of communications with Frank Field over the years.

He was of course a Labour MP, but also had a close friendship with Margaret Thatcher when she was Prime Minister.

In 1997, Tony Blair appointed Frank Field as Minister of State for Welfare Reform, but sacked him 15 months later after Frank repeatedly clashed with him, Social Security Secretary Harriet Harman, and former Chancellor Lord Brown.

Frank Field believed that the poor were best helped through work rather than welfare. Many of the policies he put forward would be supported by our members. It is during that time that our Association had correspondence with him. Parliament and the Lords have lost a very dedicated and sincere politician, who worked for a better world.

LEASING TO LOCAL AUTHORITIES

I have a small portfolio of about 8 houses worth about £2.5 million, leased to Brighton & Hove City Council. They, together with other Housing Associations, have rented them from me for a good number of years.

In August 2023, Brighton & Hove City Council asked if I would extend the leases, which were due to expire in November 2023, for a further two years which I did. In due course, leases were produced and signed by both myself and the council.

Just before Christmas 2023, a Council Officer asked to see my Property Manager on site, and pointed out that there was a water leak from the heating system in one of the properties and that had caused some discolouration of the decorations. My staff attended the property within 5 days, only to find that there was no electricity and that there was no card/key meter left so that it could be turned on. Nevertheless, in those circumstances, we managed to deal with the redecorations and the leak, yet the local authority failed to turn on the electricity and it still remains the case.

They have now implied that it wasn't their responsibility to put on the power, and that as far as it is concerned, the lease was terminated and the rent paid was reclaimed from me.

At the same time, I had a further two 3-bedroom houses, both of which had been severely damaged by the tenants provided by Brighton & Hove City Council. I was asked to carry out repairs, which were extensive within the property. I asked that before I do so, Brighton & Hove City Council will pay for the damage caused by their tenants. They did not reply but kept asking when the repairs would be completed. I again requested confirmation that the council would be responsible for the cost, and was later informed that as far as they were concerned, it was 'fair wear and tear' and they had no intention of paying for the repairs.

I would like to say that nobody visiting those properties would be other than astounded by the damage caused to the doors, walls, kitchen units, by the local authority's tenants and for which the local authority claims are my responsibility.

As soon as the leases expire on the other five properties, Brighton & Hove Council can be rest assured that I will reclaim all of them and will never, ever consider letting my properties to a local authority that acts in the manner that it has.

In summary, it seems that my only option now is to sue the local authority and expose them for what they are doing. May I say this is a warning to other members who have properties let to the council; to ensure that the council does not simply try to avoid

its responsibilities by attempting to hand properties back, saying that the work is the responsibility of the landlord.

STAMP DUTY OF AGREEMENTS

Members may well remember when a tenancy agreement required payment of Stamp Duty, and our Association took steps to ensure that landlords were made aware of the steps they needed to take to avoid having to pay Stamp Duty on a tenancy agreement.

It has been noticed that a paragraph has been added by the courts on the issue of a Possession Claim, as follows:

'Some tenancy agreements attract the payment of Stamp Duty. If the agreement you wish to use has evidence in this claim as one of these, you must produce at the Hearing the evidence, to show that the Stamp Duty has been paid. If you do not produce this evidence, your claim may be adjourned or dismissed.'

It appears from this statement, that the Judges are being instructed to ensure that Stamp Duty has been paid on certain tenancy agreements.

As an association we are currently establishing which tenancy agreements it applies to and if is guidance to only some courts, we will keep you posted.

CRAIG MACKINLAY

As mentioned, we have been campaigning the Government on the Renters Reform Bill, which included hosting a meeting Parliament for MP's and Lords.

To be able to do this, we required a sponsor MP, and the MP for South Thanet, Craig Mackinlay, agreed to be our sponsor.

Unfortunately, he became seriously ill, and we were fortunate enough to be able to get Sir Christopher Chope to stand in for Craig, for which we thank him.

We can now reveal the severity of Craig's illness. He developed Sepsis and nearly died,

only surviving after having both hands and feet amputated. Although deciding to step down at the General Election, Craig very bravely made an appearance in the Commons where he was greeted by applause from the whole House.

In his speech to the House, he described himself as the first bionic MP, apologising for not wearing a jacket, or proper shoes, and for breaking all the rules by making them clap – a very emotional return to the House.

iHowz add the applause, and wish him the very best of luck, and thank him for the support he gave us to involve MP's and Lords in our campaign.

WHAT'S MY STRATEGY?

by Gary Waller

I have 4 years and 9 months to go on a mortgage with a large UK bank, I asked the bank if I could extend the mortgage so that I could get a five year deal rather than just a two year deal. The current mortgage is 26% of the property value. After at least 8 hours of providing bank statements, details of each house, 5 phone calls, with both myself and my wife they turned us down. They want their money back in 4 years 9 months. The bank was unhappy that some overseas tenants had paid in advance and that on the HMO houses the tenants paid individually rather than as one payment. The mortgage advisor did say that the bank did not want to be in the business anymore, which is a pity he did not say that from the beginning. After I had finally calmed down after getting annoyed about wasting so much time, it got me thinking.

What is my strategy, I am mid sixties now and still working pretty much full time. I don't work as hard as I did when I commuted to London every day, but pretty much every day there is a tenant request, breakage, phone calls or paperwork to be done. Do I want to continue working this hard? Why do I struggle to find the time to fit in a holiday.

I have paid off the mortgages on half the portfolio but realistically the remaining mortgages I am not going to pay them all off. There is a crunch point with the other mortgages at 2029 when they all want the capital back.

Banks in principle are prepared to lend to age 80, but actually getting a new mortgage seems to be almost impossible, certainly at the moment. Now I know things change but being a full time landlord is not looked upon favourably, lenders ask why you are not working and earning at least £20K a year, I say that I have multiple tenants all paying me individually it is certainly more reliable than working for someone else. The lenders then say well the tenants could stop paying, yes I reply they could, but they will not all stop paying, and being a landlord is certainly more reliable than working for large American Multinationals. I think that all the lenders have the same script.

What is the best strategy, pay down the lowest mortgage with the hope of finishing it, or carry on paying the most expensive mortgage. I have been a landlord for almost 40 years and over that time the mortgage lenders have regularly changed their strategy, so next week they will probably be lending again. I remember that in 2010 the banks could not lend me enough money, they were phoning up and asking if I wanted to borrow more.

Obviously we are now back with inflation, which reduces the effect of high mortgages with inflationary rent increases each year. If you have large mortgages and high loan to value than inflation can be your friend.

Need to help the kids get on the property ladder, do I sell a house and give them the money, or try and take additional borrowings to give them the money.

So benefit of selling at least a house or two, taking the tax hit and investing the balance, making use of ISA allowances etc. Decisions, decisions, decisions.

HOUSING THE HOMELESS

As a landlord who has always allocated some properties to be housed by people in real need in Brighton & Hove, I am now, especially in view of what is likely to happen in the near future, not prepared to accept tenants who are unable to provide some evidence that they are reliable, and have a record of good behaviour and for paying their rents. Brighton & Hove

has a crisis – it does nothing, in my opinion, to ensure that the people being housed, who are homeless, have a connection with Brighton. As far as I can see, they are sending applications to me from people who have absolutely no connection with Brighton, thinking that I will house them. They have a very different idea of the future so far as I am concerned.

RACHEL AND ANGELA, IF YOU WANT MORE HOMES, HUG A LANDLORD

by Rodney Townson

Back in 2015, the UK had sufficiently recovered from the Great Financial Crisis to let the Tories act like grown-ups, and elected them to govern without their Lib Dem oversight partners. Now, as we approach a new general election, Labour is forecast for a landslide, the Tories for a drubbing, and Reform for more MPs than the Greens. Let's explore what PRS landlords need to help solve the UK's housing crisis.

WHERE DID IT START TO GO WRONG?

The Retaliatory and Deregulation Act 2015 marked the beginning of long and complicated Acts that failed to realize their potential. The Act included the 90-day rule for London short lets and protections against wrongful eviction. Unfortunately, revenge evictions and other illegal evictions were deemed civil matters by the police, while councils advised tenants to stay put even with valid S21 notices due to a lack of social and emergency housing. The Act also required providing tenants safety certifications and other compliance documents at tenancy commencement, with more regulations added over time.

WHAT ABOUT GEORGE OSBORNE?

In the Spring 2014 budget, Chancellor George Osborne introduced a pension shake-up, making pensions inheritable. The new rules allowed anyone with an investment-based pension pot to bequeath it tax-free if they died before 75. However, Osborne's Finance Act 2015 hit landlords hard with a 3% Stamp Duty and Land Tax surcharge on additional

properties and restricted landlords' ability to deduct finance costs. Subsequent budgets further eroded benefits for landlords, contrasting sharply with tax reliefs for pension investors.

OTHER CHALLENGES

Landlords have also faced increased responsibilities with the introduction of Right to Rent, significant penalties for non-compliance, and restrictions on tenant fees, including deposits. The Grenfell Tower disaster led to stricter fire safety regulations, particularly for HMOs, impacting refinancing and property transactions.

AT LEAST THE RENTERS' REFORM BILL IS DEAD?

No. Key concerns remain about the loss of S21 and fixed terms. iHowz proposed a replacement for S21, compensating tenants when S21 notices were used. Although the Bill reached the Second Reading in the Lords, it highlighted the lack of new social housing and planning constraints. The Leasehold and Freehold Reform Bill passed but requires revision, and new fire safety regulations introduced duties for building owners.

WHAT HAVE LABOUR PROMISED?

Labour's housing plans include:

- Reforming planning and increasing planning officers.
- Developing new towns.
- A housebuilding program, including social housing.
- Improving energy efficiency.
- Establishing a decent homes standard.
- Reducing barriers for tenants with pets.
- Ending fixed-term tenancies.
- Enforcing strict deadlines to investigate and address hazards.

TELL ME WHAT YOU WANT, TELL ME WHAT YOU REALLY WANT

Here are key suggestions for the new Chancellor, Rachel Reeves, and the new Housing Secretary, Angela Rayner:

Better Use of Existing Stock

- Incentivize bringing empty homes back into use.
- Reduce SDLT rates for owner-occupiers downsizing.
- Allow flexible use classes to prevent loss of Article 4 HMO.
- Retrofit older housing stock for climate resilience and green compliance.

Incentives to Encourage PRS Landlords

- Offset SDLT surcharge against rental income.
- Establish a universal rental standard supported by Safe Rental Certification.
- Reduce barriers to reinvestment with CGT roll-over relief and extended payment periods.
- Provide retirement support for landlords with business asset CGT relief or pension tax relief.

Improved Compliance

- Implement basic online training for all rental property owners and specific accreditation for property managers.
- Establish a register of landlords, following Scotland and Wales' models.
- Use Property Portal data to certify properties for advertising, insurance, and lending.
- Conduct risk-based compliance checks on uncertified properties/landlords.
- Make the rogue landlord and agent registers publicly available.

FUTURE PROOFING PRS STOCK

The proposed increase in EPC levels is on hold, leaving landlords uncertain about new standards and timelines. To avoid leaving landlords with stranded assets:

- BRE should produce standard retrofit templates for each property type.
- Relax conservation and listing requirements with reduced application fees for recommended works.
- Invest in skilling and certifying the workforce for retrofits.
- Clarify the use of hydrogen blend gas for extending gas boiler usage.

- Invest in the electricity grid and local energy generation.

CONCLUSION

A clear policy that takes a holistic approach to the PRS and addresses the housing crisis is crucial. It must involve all stakeholders, build on PRS reforms since the Housing Act 1988, and ensure ministers are in place long enough to develop and implement these plans. Further delays won't fix the housing crisis.

AND FINALLY:

Back in 2015, the UK had sufficiently recovered I'm a landlord. Most of the houses I rent out are student housing. One group of students was particularly vexing to me.

They were four young men living together. They played video games a lot, and whenever the game went poorly, one of them (and they'd never tell me which one) would punch a massive hole in their dining/living room wall.

I got fed up with it, so one day when I was over there repairing the wall, I made a point of grabbing a wooden board and hammering some spikes through it in front of them. I then put it into the wall while they watched before I patched over it. They looked at me flabbergasted.

Students:

"Uh, is that normal?"

Me:

"Yeah. It's how I repair all the holes in the walls."

They never punched another hole in the wall.

Once they graduated and moved out, I opened that wall up again and removed the spiky board before renting it to the next set of kids... just to be safe.



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Don't forget that if you want additional cards for your partners, handy people etc please simply add them to your request and we will send them out to you.

MEETINGS/EVENTS SCHEDULE FOR 2024

JULY

- July 3rd: National Landlord Investment Show – London Old Billingsgate
- July 11th: LLAS/Atlas BBQ/Networking
- July 25th: Next Steps for Housing Supply and Development in England – Conference

SEPTEMBER

- July 3rd: National Landlord Investment Show – Bristol

OCTOBER

- October 7th: Quarterly Workshop
Agenda to be announced nearer the time
- October 8th: National Landlord Investment Show – Manchester

OCTOBER CONT.

- **October 14th: iHowz Landlords Brighton & Hove Day Landlords Meeting**
- **October 21st: iHowz Landlords Southampton Evening Meeting**
- October 30th: National Landlord Investment Show – London Old Billingsgate

NOVEMBER

- November 16-17th: Homebuilding and Renovating Show – Somerset

DECEMBER

- December 2nd: Facilities Show
- December 6th: LLAS/ATLAS Celebrate 20 Years

See the meetings section on the web for the latest information.

We welcome members suggestions for topics and host presenters, so if there's something you want us to cover let us know.

Note that attendance at these meetings counts towards CPD.



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