

Legislative update March 2021 Karen Gregory London South Rep





Topics covered

- Govt plan to lift restrictions on possession
- Join our call for financial support for tenants facing Covid-related arrears
- What the Budget means for landlords
- NRLA proposals for the Renters' Reform Bill
- Breathing Space Debt Respite Scheme in force from May
- Green Homes Grant
- Reminders: Right to Rent, new How to Rent Guide
- "The information on these slides was accurate at the time of writing but things change all the time."

Govt plan to lift restrictions on possession

- Current restrictions in place until 31 May, including limits on enforcement of possession and six month notice period for S21 and most S8 grounds
- 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
- Government plans lifting restrictions in line with its roadmap out of lockdown
- For full details see: <u>nrla.org.uk/news/beginning-of-the-end-for-</u> <u>emergency-measures</u>
- Our golden rules for dealing with rent disputes: <u>nrla.org.uk/resources/ending-your-tenancy/pre-action-plan-avoiding-possession-claims</u>



Funding for renters, justice for landlords

Successful lobbying for reopening of the courts by the NRLA and amending of definition of 'extreme arrears' for enforcement (was previously nine months' of pre-Covid arrears)

- **1. Interest free, government guaranteed hardship loans for tenants.** Providing tenants with a means to pay off COVID-related arrears will sustain tenancies and remove any risk of eviction as furlough is removed. These should be paid directly to landlords.
- 2. Tenant hardship grants through local authorities. Where the tenant is in receipt of benefits, we are calling for arrears to be covered through the Hardship Fund by councils.
- **3. Retain LHA at 30th percentile at the minimum** and ideally raise it to cover median market rents to help ensure tenancies can be sustained.
- **4. Suspend the Shared Accommodation Rate for under 35s.** Currently young single tenants can only claim the LHA rate for a room in a shared property. We are calling for a 12 month suspension to help sustain tenancies during this crisis.



Budget 2021

- No change to capital gains tax a win for the NRLA – for the moment
- Stamp duty holiday extended till end of June at £500k, then tapers to £250k till end of Sept. Will return to £125k from Oct
- A number of coronavirus support measures extended till end of Sept – including £20 a week UC 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
- Full details: <u>nrla.org.uk/news/budget-what-it-</u> <u>means-for-landlords</u>





NRLA's proposals for the Renters' Reform Bill

- 1. Clear and comprehensive grounds for possession
- 2. Court reform and conciliation
- 3. Lifetime deposits

Download the proposals and give your feedback at <u>nrla.org.uk/campaigns/renters-</u> <u>reform-bill</u>

Look out for content in our newsletters, website and magazine





Breathing Space introduced from May

- New scheme will be introduced from 4th May 2021
- Debtors who are seeking official debt advice through local authorities or FCAapproved debt advisors may be granted 60 days' 'Breathing Space' to enable them to find a debt solution
- Creditors including landlords, banks, utility companies will not be able to contact debtors in regard to the debt or require repayment for the duration of Breathing Space
- Landlords will not be able to seek possession using Section 8 arrears grounds (but can continue to use Section 21)
- Ongoing costs must still be paid ie continuing rent payments, or Breathing Space may be suspended
- Further scheme where there is a mental health crisis
- Landlords should consider use of guarantors and room only lets for HMOs
- Full guidance: <u>https://www.nrla.org.uk/resources/managing-your-tenancy/breathing-space-debt-moratoriums</u>



Green Homes Grant – now until 31 March 2022

- Find Trustmark reg installer for primary measure
- Apply for your voucher from gov.uk/apply-green-homes-grant
 - Voucher for two-thirds of the cost of energy efficiency measures, up to £5k per property.
 - Need to include a 'primary' measure (insulation or low carbon heating)
 - Find out more on our website at: <u>https://www.nrla.org.uk/resources/energy-</u> <u>efficiency/green-homes-grants-guide</u>



Right to Rent update



- NB No changes to checks for EU citizens until end June 2021. The Govt will be publishing new guidance ahead of the changes from July.
- New online system for checking Right to Rent status now available: <u>https://www.gov.uk/view-right-to-rent</u>
- Nationals of Australia, Canada, Japan, New Zealand, Singapore, South Korea and the USA will not have stamps in their passport but can evidence their RtR with either a visa or a passport plus evidence of their travel to the UK within the last six months (eg a boarding pass)
- Temporary coronavirus changes remain in place checks can done over video call, tenants can send scanned / photos of docs; landlords should use the Landlords' Checking Service if documents cannot be provided: <u>https://eforms.homeoffice.gov.uk/outreach/lcs-application.ofml</u>



New version of How to Rent

- UK Government updated the How to... guides on 10 December 2020
- How to Rent must be issued to tenants in England at the beginning of any new tenancy or on renewal.
- You do not need to reissue the new version for existing tenancies but you may choose to.
- The updates mean the guide now includes the tenant fees ban for existing tenancies and mandatory electrical safety checks.
- All the resources you need for creating a tenancy are available at: <u>https://www.nrla.org.uk/resources/creating-your-tenancy</u>





London Region Webinar: Thurs 25th March @7pm – 8pm

Rent arrears? How to help tenants pay

https://register.gotowebinar.com/register/87873382257876750



Member benefits

- Landlord advice online and telephone (6 days a week) including COVID-19 related support and advice.
- Regular <u>webinars</u> for our members sharing the latest advice, updates and answering your questions, plus our brand new <u>podcast</u>.
- **<u>Regional representatives</u>** in your area as well as local events.
- **Online forum** for member discussions.
- A vast library of <u>documents and guides</u> including tenancy agreements, template forms and notices.
- Up to date <u>research and campaigns</u> regarding the latest guidance on the property market.
- Access to read **<u>Property</u>** magazine online.



Discounted services

- Discounted services such as <u>property insurance</u>, Buy-to-Let <u>mortgages</u>, <u>credit checks</u> and <u>tenant referencing</u>.
- <u>Gain accreditation</u> through our specialist training courses with a member discounts, written and delivered by experts.
- FREE <u>Tax investigation insurance</u> (RRP £100/annum).
- NRLA members are eligible for a FREE <u>**B&Q TradePoint**</u> 10% discount card.



Joining options



Landlord membership

From £75 a year Share the benefits of an NRLA membership with 1 associate

Business membership

From £155 a year Share the benefits of an NRLA membership with 4 associates





Become a member today Use my discount code: **136**

Contact me: karen.gregory@nrla.org.uk

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