

Welcome

From the Chair, to issue 10 of Private Renting Matters. Seasons Greetings to all from the Private Rented Forum

Council Tax Liability on Abandonment



Russell James, a barrister from Devon chambers attended the meeting.

He had agreed to give a view on liability for council tax on abandonment of tenancy where proper notice had not been given.

In brief, he felt that PCC were wrong in their interpretation of liability and that the continuation of a fixed term tenancy by a periodic tenancy was sufficient 'material interest' for the tenant to retain liability for council tax until the lawful termination of the tenancy. However he states that he may not have all the material facts and would be happy to give the matter further consideration in the light of additional information.

The Forum is very grateful to Russell for taking the trouble to do this and to Phil Oke for arranging it. This view will be passed back to PCC Legal Practice for comment and brought back to the February meeting.

Local Housing Allowance - Problems Anticipated

Anne Mason ran through the upcoming changes to LHA, additional information was given by Caroline Camm and Kate Medhurst on how this may impact and what steps were being taken to make sure everyone knew about changes and to try to minimise impact.

- **April 2011** – there will be a cap for each level.
  - £250 max for 1 bed allowance
  - £290 max for 2 bed allowance
  - £340 max for 3 bed allowance
  - £400 max for 4 bed or larger allowance.
- Anyone on job seeker's allowance for more than 12 months will have their benefit cut by 10%.
- £15.00 'profit for tenants' on rent to be scrapped.
- Allowance will be introduced for non-resident carer to have a bedroom included in claim.
- **October 2011** – setting of allowance changing from median rent to 30%. Rents may fluctuate more because of this – illustrations of the impact can be seen on the VOA website.
- Single room allowance to be extended to all those under 35.
- **2013/2014** - LHA levels will be set and only

Students and Anti Social Behaviour

Linda advised she had attended a meeting with residents, police, and university about problems of noise etc from students in Mutley / Greenbank area. It was effective in bringing groups together and letting residents know who to contact for the problems they experienced. A scheme called 'Studentwatch' is being launched – aim for students to talk to peers about problems they may be causing.

More information on this will be given at the next meeting.

Green Deal

It is likely that the forthcoming Energy Security and Green Economy Bill will include powers for tenants to ask for reasonable energy efficiency improvements to be made and for councils to require landlords to improve the worst homes.

Councils already have this power under the Housing Act but it is understood that this will be a simpler process to use. Likely to come into force in 2015

Decision in tenancy deposit cases

Fortunately, this was a case our guest Russell James knew all about! He was able to confirm that the High Court had held that a landlord had until the day of the hearing to protect a deposit (Tiensia v Vision Enterprises Limited).

This is considered a bad verdict for tenants and possibly for the intent of the legislation. However by protecting the deposit at the last moment a landlord may not have to pay the compensation but would still be liable for costs which are likely to be significant. Therefore, landlords are advised to protect the deposit within 14 days to prevent actions being taken against them.

Research by Department of Work and Pensions (DWP) on LHA

vary in line with the consumer price index.

- In addition the 'non-dependent' deduction is going to be increased. Likely (but not confirmed) figures are from £7.40 to £11.20, then to £15.00 then to £18.90 on an annual basis.

Claimants will stay on their current rate until the annual review of the claim or until there is a change of circumstances. Some households will be hit by more than one aspect of the changes and could see a significant fall in income – it is difficult to map exactly what may happen. Some consequences are:

- Single under 35s may not be able to afford to stay in one bed flats
- Families may not be able to afford to allow their non- dependent children to stay at home.
- Families in larger properties could see an £80 a week drop in benefit and be unable to pay their rent.

PATH have been mapping their clients with Deposit Guarantee so that they can look at options in advance and have assistance in place. They are also working with Jane Cookson at Housing Advice to set up 6 briefing sessions/focus groups to work with landlords/agents to explore the challenges and how they can be met.

There is concern that changes to shared room rate will lead to the creation of more HMOs – already some concern being expressed that there are too many HMOs in Plymouth and there is an acknowledgement that this is not a satisfactory form of housing – lots of difficulties in management etc.

It is important that Plymouth gets adequate levels of funding for Discretionary Housing Payments to help those who lose benefit. It is recommended that interested parties lobby their MPs on this issue.

Produced for the Private Rented Forum by  
[Westcountry Landlords Association](#)

DWP on how LHA is working. Main points are:

#### **Good**

- Transparency
- Removal of pre-tenancy determinations
- Quicker claims processing
- Publication of LHA rates
- Improving communications with local councils

#### **Bad**

- Payment of benefit directly to tenants
- HB payment cycles
- Management issues
- The eight week rent arrears provision
- The new safeguards.

#### **Good practice**

- Enabling tenants to indicate on the claim form that they were concerned about their ability to pay their rent if the HB was paid directly to them. Following assessment by a council officer, the HB could be paid directly to the landlord under one of the safeguards.
- Prioritising accredited landlords and agents e.g. fast tracking system for accredited landlords with HB tenants in arrears under the eight week rent arrears provision.

#### **Suggestions from respondents**

- Reducing to 4 weeks the time before a claim could be suspended and payment redirected to landlords.
- The first HB payment being made directly to the landlord or agent rather than the tenant.
- The last HB payment being made directly to the landlord or agent
- Where claimants do not have a bank account, enabling direct payments to the landlord or agent.