

## **TLIC – response to the RRB - An example of 4 landlords exiting the market due to concerns around the Renters Reform Bill**

**A direct quote from Mrs B of Lettings & Developments:** 30 properties across Surrey. As landlords (aging too) & part of a Fund, we as a group, have more or less decided that it is time to look at getting out of the UK rental market. The main reason is the hostile business environment. Interest rates & increased taxation did not help either, plus the increasing legislation, increasing costs of all sorts of certificates required, improvements demanded (EPCs etc) & just the non-stop onerous bureaucracy is actually making it so marginal as a business activity that we have decided to wind up in an organised manner and sell as a property becomes available.

We have only ever tried to be the best we can & over 30 years have achieved something that is now being eaten away.

Tenants have also changed : they know full well that the boot is on their foot in terms of rights & they have really started to use this, often totally unjustifiably, in the full knowledge that there is little we can do . Everything including their own bad decisions & mistakes are the fault of the landlord & everything is for the landlords account! Dilapidations are a time consuming nightmare these days.

For the very first time in 30 years we went to arbitration last summer: we lost. We never should have lost, our case was entirely reasonable. Again, a time consuming waste of time & for what?

The government has indeed got much wrong of late. If they want a healthy thriving rental market with the availability of homes for rent at all levels for those that cannot, or choose not to own their own homes, then they need to listen. No decent landlord has any difficulty with providing safe homes to rent : bad landlords have to be stopped & held accountable but punishing the majority is not the way to go.

Not building more homes is also an issue for the government. Homes have to come from somewhere ( private & public sector) as population increases.

As more & more landlords leave the market either by choice or are forced to sell due to interest rates with rents not covering outgoings, there will be little choice available & at what price ??

To repossess a property is also cumbersome & with nowhere for tenants to go..... even more bottlenecks in courts, no rents being paid, landlords not being able to sell even if they wish to when they wish to ...

I am sure that you have heard all this over & over again but these are the facts & we are not alone.

We also know many who are selling due to UK inheritance tax too .

Generally speaking, the UK is not currently open for business any longer as people are driven out & go elsewhere.

**Mr M Roberts** is the biggest private landlord provider in Nottingham who accepts tenants on benefits and has done for 26 years. He houses hundreds of tenants. Over those 26 years he has served 9 S21 notices which were all for reasons of rent arrears and property damage. It took him 12 months to evict one tenant due to the court delays and the amount of paperwork involved even though the tenant was not fighting the possession case.

The changes in the RRB including abolishing s21's, the increase in legislation and costs has made Mr Roberts decide to sell half of his portfolio. He is no longer a housing provider to Nottingham Council

due to the issues with Universal Credit and the impending loss of s21. He says 'he has loyalty and compassion to his tenants and if he knew he could get his property back if they trash his property or cause big issues he would take a chance on any tenant, maybe they have a bad history or can't pass references for whatever reason, providing he knows he can gain possession but he can't so he won't.

Mr Roberts has 36 properties in licensing areas and in just under a 5 year period he has had zero inspections by the council. In April 2023 he had his first external inspection and on 15.6.20 one tenant received a letter from the council saying 'Notice of intended entry', the tenants are scared and up in arms about the wording and won't let the council in. If the letter had said they need to visit the property under the licensing rules it may not have been an issue. The wording must change. See below:

Dear Sir/Madam

**Housing Act 2004, Part 3 Selective Licensing - Notification of intended entry**  
**IMPORTANT INFORMATION ATTACHED – DO NOT IGNORE**

This email is in relation to the property known as:

15 Hazel Street, Nottingham, NG6 8EA

Please find attached notification that the above property will be inspected by an officer of this department at the time and date stated in the letter.

You are not required to attend the inspection however if you wish to attend the visit with us, you must give your tenants 24 hours' notice in writing. Please note the inspection might take 30 to 60 minutes.

If you require any further information please do not hesitate to contact the office directly.

Yours faithfully,

Mrs Karolina Pankowska ( She/Her)  
Licensing Support Officer

The tenants response:

15 Hazel street  
Bulwell  
Nottingham  
Ng6 8ea  
Jane Williams

I'm writing this to inform you I don't wish for any inspection to be carried out in my property , I'm rather happy with the way things are and not having regular checks I feel as if my property is being invaded for no apparent reason, I suffer with anxiety so the last thing I need is people walking around the place I call a home. I've lived here 7+ years and want to be left alone. I'm paying £200pm less than anyone else in 2 bed and you wish to put that at risk no thank you.

My landlord has spent £34,000 on a new kitchen extention for me in both of us

Hoping I can live here at least another 10 years and you selective licensing are putting that at risk.we can't get houses as it is.

Please do not knock on my door or I will be reporting you

**Click here to see letter from the Council:**

[https://www.thelettingsindustrycouncil.co.uk/files/ugd/231fc4\\_082a89a7e649442ebb7ae185391bab5e.pdf](https://www.thelettingsindustrycouncil.co.uk/files/ugd/231fc4_082a89a7e649442ebb7ae185391bab5e.pdf)

**Another tenant wrote the following:**

I write this email in regards to the email my landlord has just sent me. He informs me that I have to have an inspection which could take up to one hour.

This means taking time out of work and being self employed means there is a cost to me from this. Who is going to cover this one hour i have lost? This is a major inconvenience to myself, I find this very annoying due to the fact that I've spent a lot of my own money on getting my home to how I want it. And you wish to inspect? So this landlord tax has already cost me in time and money when my rent went up to cover landlords costs of this unfair tax. I have been with this landlord for 10yrs and never had a single problem with the landlord. ALL repairs are carried out with great care and speed the house is in great condition and does not need a tax nor your inspections, which will increase the rent even More. I am a single dad with three kids and chose to live private rent due to the ease of getting a house and being left alone i value my privacy. With rising rents its getting harder for people to get a house and putting pressure on councils and housing aid.

I can see reasons why the council feel the need to look more closely at private landlords but slapping a tax on them all is not the way forward with it, majority of landlords are honest and do there bit. There must be a better way to check on these landlords to make sure there houses are up to standard which will not amount to people's 'rents going up.

Also, who do you think you are? Intended Entry you say? You sound like you are the Police and I've committed a criminal offence.

Don't you think you should be asking and NOT TELLING?

I never signed up to Selective Licensing.

Please start me a complaint about the way you word these letters. I'm at work on that day and you have made my 3 kids ill with worry. They think we've done something wrong and you are now forcing entry.

Do you not think you should be wording your letters like:

Do you mind if we come to inspect your house if you are having any problems with your Landlord?

You say

Please find attached notification that the above property will be inspected by an officer of this department at the time and date stated in the letter.

Oh no it won't, you aren't coming in my house. How dare you treat us tenants like that. You wouldn't do that with a private home owner.

And stop sending me letters too. I don't want anything to do with you.

Mr Roberts is happy to speak to anyone who wants to hear more about his concerns and his reasons for selling and can be contacted through TLIC.

**Mr A Altman** – approximately 35 properties across South Yorkshire and Derbyshire – he has already sold some of their portfolio. In 53 years they only evicted two tenants using s21 notice because it is the only cost effective option for landlords. Both times the tenants had committed several breaches of their tenancy. They saw the writing on the wall some time ago so decided to start selling and start buying in Europe which has a less toxic environment. It's not something they did lightly due to the costs involved however, they saw there was no real future in the British PRS. Everything they have seen over the past couple of years including the content for the Renters Reform Bill has led them to believe it's going to be far worse than even they'd imagined. He goes on to say, 'once section 21 goes I believe it will be virtually impossible for landlords to gain possession for any reason and the court process under section 8 will take years leading to bankruptcy for many landlords. For that reason alone I would dispose of all UK residential property even without all the other catastrophes in the Renters Reform Bill. Can you imagine oil companies, supermarkets or energy companies continuing to supply if they did not have the right to cease the supply if they were not getting paid'.

Some of their tenants have been with them for 30 years. They had no intention of ever getting rid of anything in their portfolio except if for some reason it was no longer suitable. Now they are planning to get rid of everything as it doesn't make sense to be a landlord. They think it's going to get far worse and Government need to be aware what they are doing to tenants – how are they going to find homes?

He went on to say that 'the government's own data office of national statistics and the English Housing Survey know that actual no fault evictions are less than 3% of the total'.

Having not increased their rents for many years they are now increasing them to cover the additional costs they are incurring. They like to be transparent so are telling their tenants how much goes in licencing fees, regulation, taxes to the government etc, which shocks tenants when they hear it. They believe we can expect a political kick back from tenants in the future when they understand why landlords are having to put up their rents or are leaving the market.

Licensing schemes are expensive and in 11 years only 8% of their properties were inspected. This shows licensing schemes are not delivering, they are just money making.

Mr Altman was also a developer, building and selling off plan, 20 - 25% were to buy to let investors who have now left the market. Building is no longer viable because you can't find the funding at a competitive rate to build. Before you had signatures on contracts bringing a bit of income in before the project was finished, that's all gone. We are not just losing landlords, we are losing developers building to rent and selling to other landlords. It is no longer a viable business anymore so a lot of developers who would have otherwise built and had their buy to let sales subsidise and help their normal sales have left the market as it doesn't stack up anymore.

**Mr C** – 29 properties spread around the South East - 7 in the Brixton/Streatham area, 2 in Beckenham, 10 in Sevenoaks, the rest are in the Medway towns. He is marketing all properties for sale and is exiting the market due to the increase in regulations and stamp duty fear.