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Powys Bond Scheme Landlords' Newsletter

Welcome!

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Hello and welcome to the first edition of Powys Bond Scheme's annual newsletter. With many landlords from Powys and the surrounding areas on our books, we felt that it would be beneficial for landlords to be kept updated on what is happening within the scheme, in Powys Borough and on any new legislation that may be coming into force now or in the future.

We would like you to get involved in our future newsletters, so if you have any suggestions or ideas, we would be pleased to hear from you.

As we do not yet have a name for our newsletter, this is where we would like your help. If you can think of an appropriate name, please email us with your suggestion at—jane.hill@gwalia.com or alternatively ring us at the office. We will then ask our clients to chose the best name out of the suggestions that we receive and the winner will receive a £10.00 voucher, so please get those thinking caps on!

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Don't forget!

Don't forget that as from January of this year that our bonds are now time limited or 2 years. At the 18th month period or there about, we will be in contact with you to inform you that the bond cover will be coming to an end.

How to contact us

Powys Bond Scheme, 'Gwynfa', Lant Avenue, Llandrindod Wells, LD1 5LA, Telephone number 01597 825007.

Your Bond contact is Jane Hill. She can also be contacted at jane.hill@gwalia.com

Local Housing Allowance Payments direct to you!

The Government has recently brought in guidance to all Local Authority Housing Benefit Departments with regards to Local Housing Allowance (LHA) payments being paid direct to landlords.

Previously, the only way that landlords could get this benefit paid direct to them was if either the tenant was deemed as 'vulnerable' or if the tenant was more than 8 weeks in rent arrears. Once the arrears were reduced, the payments were once again paid to the tenant.

However, the Government has decided that should a landlord drop the rent to meet the Local Housing Allowance rate for that tenant or there about, then the Local Housing Allowance may be paid direct to the landlord. Some landlords may feel that this is the Governments way of getting landlords to reduce the rental amounts, therefore helping to reduce the benefit bill.

However, it is worth bearing in mind that if a landlord for example dropped the rent by £10 per week, the property would be more than likely be tenanted quicker and the LHA would go direct to the landlord. If the rent is higher, sometimes the property takes longer to rent and this results in voids where the landlord is receiving no rental payments. So by reducing the rent, you may be reducing your void time and have the LHA paid direct to you.

For more information contact the local Housing Benefit Department on 01874 614052

Retrospective tenancies

At the Bond Scheme, we have seen a marked increase in the number of tenants who have moved into properties and expect us to issue a bond certificate to a landlord even though the tenancy has already commenced some days or even weeks before.

The scheme does not issue bond certificates for retrospective tenancies. We need to assess an application, check incomings and outgoings and do a budget check before we can agree to anything.

If you have a tenant that is due to move into a property and they say that they are entitled to assistance with a bond certificate from us, please check with us first before allowing them to sign a tenancy agreement.

The last thing that we want to happen is that you have moved a tenant into one of your properties and then we cannot issue the bond!

Reduce your tax bill & save energy

Do you know that there are a number of simple, low cost energy saving measures that you can take to improve your property and save you and your tenants money? You can:

- Install energy saving light bulbs
- Check the thickness of your loft insulation

- Fit lagging to pipes and water tanks
- Install draught proofing
- Turn down the thermostat

What's more the cost of these improvements can often be reduced through grants or offset by the Landlord's Energy Savings Allowance.

The Landlord's Energy Saving Allowance, or LESA, is available to landlords who let residential property and pay income tax (except for those who rent out a room in their own home). LESA enables landlords to offset the cost of purchasing and installing certain energy saving measures against tax, including:

- loft insulation
- cavity wall insulation
- solid wall insulation
- hot water system insulation
- floor insulation
- draught proofing
-

Landlords are entitled to a maximum entitlement of £1,500 per unit. Use the HMRC Self Assessment form – SA105 UK Property.

These improvements may also help to improve your energy efficiency rating if carried out before commissioning a new Energy Performance Certificate.

Did you know that Powys Council have housing grants on offer? There are different grants available, including empty homes grants, landlord grants, minor works grants and home improvement grants.

All grants have different criteria attached to their acceptance and are limited. However, it may be worth your while checking out the different grants available.

For more information, please contact the switchboard at Powys County Council on 01597 826000 and ask for the 'Private Sector Housing Department'.

Failing tenancy? We may be able to help.

Powys Bond Scheme is based at Gwynfa in Lant Avenue in the heart of Llandrindod Wells town.

Gwynfa runs a 'Drop In' Service for clients and Landlords alike, or Landlords can contact us on 01597 825007.

Alternatively, Jane Hill the bond worker can be contacted via email at jane.hill@gwalia.

There are a number of tenancy support workers based at Gwynfa who can visit clients in their home and support them to maintain their tenancies.

They can assist clients with benefits, life skills, debts and can advocate on the clients behalf.

They can also support clients into training, volunteering and work amongst other things.

A support plan is set with clients where clients lead the way in how they would like to move forward and 'goals' are set and reviewed regularly.

If you feel that your client could benefit from support, please ask them to get in touch with us.

However, if a client is currently in arrears and not engaging with you, please let us know and we can send a letter or even visit the tenant to remind them of their tenancy obligations and warn them of the outcomes should the tenancy fail.

Don't forget we have a vested interest in the tenancy succeeding as the tenant is using our bond!!

Changes to Local Housing Allowance

As you are probably aware, the new Coalition Government is in the process of making some changes to the Welfare Benefit System and many of these will effect Local Housing Allowance.

From April 2011:

- In some cases where the rent is lower than the LHA rate, the tenant has been able to keep this amount up to £15.00 per month. This will stop on the anniversary of their claim
- The 5 bedroom rate of LHA will be removed. The maximum rate will then fall to a 4 bedroom rate
- The deductions that are made for non dependants will be increased. These will be staged over the next few years
- LHA Rates will be set at the 30th percentile of rents rather than the median level.

From January 2012:

- The shared room rate within Local Housing Allowance is currently set for single people aged below 25 years of age. The age limit will be increased to the age of 35.

From April 2012:

- Discretionary Housing Benefit (DHP) is due to rise from £20 million in 2011 to £30 million and increase to £60 million from 2012-2013. DHP is a payment for people who require further financial assistance with their rent.

From April 2013

- People claiming Job Seekers Allowance for more than a year will have their Local Housing Allowance cut by 10%. (However, feedback that we have received from outside agencies that are lobbying against this, feel that this is unlikely to make it through Parliament.)

From April 2013/2014

- Local Housing Allowance rates will be increased on the basis of the Consumer Price Index (CPI) rather than the basis of local rents

There have been many proposed changes by the Government, way too many for us to state them all. Further information can be found at -

www.dwp.gov.uk

www.direct.gov.uk

www.crisis.org.uk

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