

# Private Landlords Update

## Newsletter of South Lanarkshire Landlord Forum



## Welcome

The Council is committed to working with landlords and recognises the important role the forum plays in engaging with private landlords and agents to support good practice and promote the sector. In this issue we look at previous forum discussions and provide updates on the introduction of additional council tax charge on long term empty homes, Universal Credit and late penalty fees for registration renewals.

## Previous forum

The last forum was held on Thursday 13 September 2018. It was well attended and very successful. A special thank you to landlords, letting agents and speakers for all the contributions that you made. It was great that you took the opportunity to attend and for those that were unable to make it, we hope you will be able to come along to the next forum or sometime in the future. We had the following speakers:

### **Andrew Weir, Customer Service Leader for South Lanarkshire – DWP**

Andrew spoke about what private landlords need to know if a tenant is claiming Universal Credit (UC). To be eligible for housing costs, the tenant needs to supply a tenancy agreement to support their claim otherwise the tenant would not get the housing element of UC. Landlords should therefore provide a tenancy agreement as quickly as possible to help avoid delays in getting rent. If a rent penalty is in place, the DWP does not pay the housing cost.

Andrew advised that an alternative or managed payment can be requested either by a tenant or a landlord. Once granted, rent would be paid directly to the landlord. An alternative payment arrangement is designed for tenants that are not able to manage their money or are in two month's rent arrears. Universal Credit can go up or down depending on the tenant's circumstances and the housing element might not cover the full rent.

Landlords can contact the DWP to discuss their tenant's case but they will need to obtain explicit consent outlining why and what information will be discussed with the DWP. The consent is only valid for one enquiry and each time a landlord wishes to make an enquiry, they have to obtain a new consent. Once an alternative or managed payment is in place, the DWP can provide details of payments but if rejected, refusal reasons are not discussed with the landlord.

### **Karen Morrison, Director at Campbell Dallas – Accountants and Business Advisors**

Karen, who is also a private landlord, shared her experience of taxation changes on individual private landlords by outlining rental profits taxation rules and providing solutions that could help mitigate the impact in general terms.

Karen advised that the tax environment has become increasingly challenging for individual private landlords through measures such as restricting relief for

finance costs, removal of the 10% wear and tear allowance, the introduction of the additional 3% land and buildings transaction tax etc. Mitigation options for such measures may include joint ownership, understanding business expenses or by registering the business as a company – incorporation etc.

Keeping an accurate record of all business expenses such as registration fees, advertising costs, motor costs, replacement of domestic items etc would also help, as these are deductible from rental profits before tax is applied. In addition, finance cost restriction rules do not apply to companies and attract a better tax rate of 19% compared to income tax which is charged up to 45% and capital gains tax at 28%.

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## Previous forum

However, Karen highlighted that landlords would need to weigh up short-term costs and long-term benefits to establish if incorporation would be the best course of action before making the decision to transfer the business into a company.

### **John Blackwood, Chief Executive – Scottish Association of Landlords**

John outlined the background to the introduction of the First-tier Tribunal (Housing and Property Chamber), providing a summary of their remit and noted the following key issues. The First-tier Tribunal:

- took over functions from Private Rented Housing Panel (PRHP) and Home Owners Housing Panel (HOHP) (since 1 December 2016)
- hears cases transferred from the Sheriff Court (since 1 December 2017)
- deals with the Repairing Standard and factoring disputes and can issue a Repairing Standard Enforcement Order (RSEO) and ultimately a Rent Relief Order (RRO)
- has powers to evict tenants and can assist landlords in exercising “right of entry” if unable to gain access to their property

### **For access to free First-tier Tribunal services please contact:**

Glasgow Tribunals Centre  
20 York Street  
Glasgow  
G2 8GT

Phone: 0141 302 5900

Email: [hpcadmin@scotcourtribunals.gov.uk](mailto:hpcadmin@scotcourtribunals.gov.uk)

# Additional council tax charge on long term empty homes

The Scottish Government introduced regulations in 2013 which enhanced the Council's discretionary powers that allow them to vary discounts on empty homes. The enhanced powers enable Councils to levy an additional charge of up to a maximum of 100% on homes that have been empty for more than one year – long term empty homes.

On 21 November 2018, the Council's Executive Committee approved the proposal to levy the additional charge. Under the scheme, South Lanarkshire Council will apply the 100% additional charge on long term empty homes from 1 April 2019. There were 495 long term empty homes out of the 151,000 homes within South Lanarkshire as at November 2018.

Letters were sent out to all affected owners on 14 January 2019 with information and advice on how to bring empty homes back into use including options for renting, selling and for dealing with serious disrepair from the Council's Home Improve Service.

### **For additional information please contact:**

South Lanarkshire Council  
Benefits and Revenue  
PO Box 3591  
Glasgow  
G73 9ED

Phone: 0303 123 1014

Email: [counciltax@southlanarkshire.gov.uk](mailto:counciltax@southlanarkshire.gov.uk)



# DWP Universal Credit Communication Campaign

The DWP launched a campaign to raise Universal Credit awareness. A number of products have been developed to help private landlords understand Universal Credit and includes guides, videos and a specific web pages dedicated to landlords which can be accessed at

[www.understandinguniversalcredit.gov.uk/landlords](http://www.understandinguniversalcredit.gov.uk/landlords)

There are a number of videos featuring real life cases and an overview of what landlords need to know about Universal Credit to help them offer support and advice to tenants. This is supplemented by a handy tips and facts leaflet to support

conversations with tenants and can be accessed at:

[www.understandinguniversalcredit.gov.uk/wp-content/uploads/2018/11/Landlord-top-tips.pdf](http://www.understandinguniversalcredit.gov.uk/wp-content/uploads/2018/11/Landlord-top-tips.pdf).

If you need additional information on the communications campaign, the wider toolkit including a social media schedule and digital material to use online, please contact:

**Amanda Straw**

**DWP Universal Credit**

**Email:** [amanda.straw@dwp.gsi.gov.uk](mailto:amanda.straw@dwp.gsi.gov.uk)

## Late application penalty fees – landlord registration renewals



**South Lanarkshire Council acknowledges the contribution that private landlords make in helping provide safe, secure and affordable homes. Landlords will be aware that they are required to renew their registration every 3 years and that the Scottish Government is responsible for issuing two reminders when registration is due to expire.**

Renewal reminders are sent via email alerting landlords who are already registered at 90 and 30 days prior to the expiry date. The Scottish Government's email also includes details of the late penalty fees should a landlord fail to renew their registration on or before the expiry date. This is currently set by the Scottish Government at £110 for each registered landlord.

Where registration is not renewed by its due date, a late penalty fee is incurred and a letter confirming this is sent to affected landlords by South Lanarkshire Council's Landlord Registration Team.

Each registered landlord is responsible for ensuring that their registration is valid and up to date. It is therefore important that landlords know when their registration expires to avoid the risk of incurring a late penalty charge. The Scottish Government does not send out letters through the post concerning landlord registration or any other information about changes in legislation which may affect private landlord business. All correspondence is sent via email.

Landlords must ensure that their email address is correct, up to date, in use and that their email provider settings allow emails to be received from the Scottish Government and not sent to their 'junk' or 'spam' folder.

**To update your email details please contact:**

Landlord Registration Team  
Housing and Technical Resources  
6th Floor, Council Headquarters  
Almada Street  
Hamilton  
ML3 0AA

**Phone:** 0141 584 2544

**Email:** [landlordregistration@southlanarkshire.gov.uk](mailto:landlordregistration@southlanarkshire.gov.uk)



## Other useful websites

The Scottish Government  
[www.gov.scot](http://www.gov.scot)

Renting Scotland (Practical Guides)  
[www.rentingscotland.org](http://www.rentingscotland.org)

First Tier Tribunal (Property Chambers)  
[www.gov.uk/courts-tribunals/first-tier-tribunal-property-chamber](http://www.gov.uk/courts-tribunals/first-tier-tribunal-property-chamber)

The Energy Saving Trust (Energy Saving Measures and Grants)  
[www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)

Health and Safety Executive (Gas Safety)  
[www.hse.gov.uk](http://www.hse.gov.uk)

Domestic Abuse  
[www.scotland.police.uk/keep-safe/advice-for-victims-of-crime/domestic-abuse/](http://www.scotland.police.uk/keep-safe/advice-for-victims-of-crime/domestic-abuse/)

## Useful phone numbers

Private Landlord Registration Team  
0141 584 2544

Anti Social Behaviour Hotline  
0800 389 1105

Environmental Services  
0303 123 1015

Landlord Accreditation Scheme  
0131 553 2211

Rent Deposit Guarantee Service  
01698 891551

If you need this information in another language or format, please contact us to discuss how we can best meet your needs.

Phone: 0303 123 1015

Email: [equalities@southlanarkshire.gov.uk](mailto:equalities@southlanarkshire.gov.uk)

[www.southlanarkshire.gov.uk](http://www.southlanarkshire.gov.uk)

## Date for your diary

Landlord Forum – 19 September 2019

The next landlord forum will take place on Thursday 19 September 2019 from 6pm to 8pm in the Banqueting Hall, Council Offices, Almada Street, Hamilton ML3 0AA. If you are interested in attending please email Development and Private Sector Team at [housing.strategy@southlanarkshire.gov.uk](mailto:housing.strategy@southlanarkshire.gov.uk) or phone 01698 454346.

## Email communications and press release

Please note invitations to attend the forum are sent through email by our Landlord Registration Team to all registered landlords. Please ensure we have your correct email address. Update your details at [www.landlordregistrationscotland.gov.uk](http://www.landlordregistrationscotland.gov.uk) or by contacting [landlordregistrationteam@southlanarkshire.gov.uk](mailto:landlordregistrationteam@southlanarkshire.gov.uk). We also advertise forum meetings and training on the dedicated private landlord webpage at [www.southlanarkshire.gov.uk](http://www.southlanarkshire.gov.uk)

