ATLAS & LLAS PRESS
PRIVATE RENTED SECTOR

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ONLINE & VIRTUAL Accreditation Training

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Inside this issue

ATLAS

London Landlord Accreditation Scheme

Welcome to the latest edition of the PReSs

The dust has not yet settled on the recent requirement for landlords to obtain an electrical installation condition report for new tenancies before the Government propose to introduce a much tougher regime on energy efficiency standards in the PRS.

Consultation has been opened by the Government on upgrading the requirement regarding minimum energy performance ratings as indicated on the Performance Certificate (EPC). They are seeking views on a number of changes, the most significant being that all new tenancies from **1 April 2025** and all existing tenancies by **1 April 2028 must meet band C or higher on an EPC, from the current Band E**.

They propose a requirement to always have a valid EPC in place while a property is let. Currently an EPC is only required when a property is sold or at the point of a new letting. They are seeking opinions and ways on requiring for landlords to install 'fabric first' measures e.g. insulation, when improvements are carried out. Currently it is up to the landlord to decide which works detailed on the EPC are carried out and frequently changes to the heating system will be the preferred works as it is likely to have the most impact on the EPC rating.

Other proposals include to increase the maximum fine level to £30,000 per property for each breach of the PRS energy efficiency regulations and to increase the penalty for none compliance with the law around providing EPCs. Enable local authorities to use EPC Open Data, introduce benchmarking and inspect properties to improve compliance with the rules. Introduction of a new affordability exemption by increasing the cost cap to £10,000 inclusive of VAT per property. Introduce a requirement that letting agents and online property platforms may only advertise and let properties compliant with the PRS Regulations.

5-8 years is a very short time for the almost 70% of the PRS, with an EPC of below Band C, up to the proposed new minimum. If these come in landlords must urgently start to take action to ensure compliance as it will take time to ascertain the best course of action, obtain contractors to carry out the works which would be easier during void periods etc. For landlords concerned about Climate Change, the current methodology for calculating an EPC favours the installation of gas heating over electrical (which may have been generated by renewable). Whilst the "fabric first" approach is proposed it will inevitably result in more gas installations which will be contrary to the Government's aim of reducing greenhouse gases.

Please consider responding to the consultation which must be done online, but there is no need to answer all questions. Please google - ***consultation Improving the energy performance of privately rented homes*** – **and look at what is proposed and hopefully give your views. The consultation runs until 30 December 2020**.

Hope you enjoy this edition

Dave Princep (Chair of LLAS & ATLAS)

Still worried about Section 24?

As a Landlord facing the removal of financing costs as a legitimate business expense, apart from putting up rents and compounding the tax problem, you have four options: -

Option 1 - Sell Up

Take the CGT hit and mortgage penalties, and either spend the lot or invest the money elsewhere.

Option 2 - Do Nothing

Accept the changes and put up with less cash in your pocket.

Option 3 - Incorporate

Jump on the band wagon and incorporate, ending your section 24 concerns, but opening up further difficulties as laid out in our guide: **LT4L.UK/guide**

Option 4 - Run a Highly Tax-Efficient Professional Property Business

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Specialist landlord & tenant lawyer -Tessa Shepperson Answers landlords' FAQ: Seven Tips for Dealing with Rent Arrears

More landlords than usual are suffering rent arrears as more tenants are unfortunately losing their jobs and/or experiencing financial difficulties.
What is the best way to deal with this? Well every situation will be different as every tenant is different but here are some suggestions.

1. Contact tenants immediately after the first default

This is always the best time to contact tenants. The rent arrears are low and so tenants are better able to deal with them. Also, the fact that you have responded immediately will have a psychological effect – they will know that you are on the watch and so will be more likely to want to reach agreement with you. If you let things drift hoping that things will resolve themselves, this will encourage tenants to 'bury their heads in the sand' and allow the arrears to arise further.

2. Agree a different payment date

If your tenants are still in employment, one helpful thing you can do is agree to change the payment date to the date just after they get their salary. This means that they are less likely to spend the money on something else. There is no need to change your tenancy agreement or draw up a formal deed – a letter will suffice. But make sure that you send a letter setting out clearly what the new payment date is.

3. Consider granting a temporary lower rent or payment holiday

If your tenants have just lost their job and are in the process of applying for benefit, it will take a while for the money to come through. If you are happy with these tenants then you may want to help them by giving them a bit of a breather, on the understanding that as soon as the benefit comes through, they will recommence payments and (if possible) pay off the arrears. However, do not demand too much. Tenants on benefit are generally very hard up and will not be able to afford additional payments, particularly if they have a family. If they are good tenants though and you want to keep them (a good tenant is worth their weight in gold) then you may want to consider helping them.

4. Consider allowing them to take a lodger - but be very careful about this

If the tenants have a spare room, then allowing them to make a bit of extra cash by having a lodger seems to be the obvious answer. However, there are three big problems with this:

- Most mortgage companies do not allow it
- Most insurance policies do not allow it, and
- It can turn the property into a House in Multiple Occupation (HMO)

You can only safely permit lodgers if none of these apply. So if you have a mortgage you will need to speak to them. Likewise, your insurers (some insurers have policies which permit tenants to take in a lodger).

So far as the HMO issue is concerned, you can safely allow a sole tenant to take in a lodger as you cannot have an HMO with only two people. Otherwise you need to check the situation carefully – you will generally have an HMO if there are three or more occupiers (who need not necessarily be tenants) who form different 'households' (i.e. family groups).

In most cases you will only need to get an HMO license from the Council if there are five or more occupiers but check with your Local Authority as sometimes you may need to get a license where there are fewer occupiers. What you will want to avoid is a situation where your property becomes licensable as you may then find that the Council will insist on expensive improvements as a condition of granting a license.
If you want to find out more about HMOs you will find a free online course at https://landlordlaw.co.uk/hmo101
Note that if you are able to permit lodgers, my Landlord Law service has a special form which can be used (available to Landlord Law members only).

5. Consider 'jam jar' accounts

This is traditionally used for benefit tenants but can also be used for tenants with jobs, particularly if they are low paying. 'Jam jar' accounts are a special service offered by some credit unions where the tenant's benefit (or salary) is paid into the account. Your rent element is ring fenced in the account (so the tenant cannot spend it) and then paid out to you. It can work very well. If you do not know which credit unions in your area offer this service, your **local CAB** may be able to help. You should also try to take a guarantee from a property-owning family member for tenants on benefit or a low income.

6. Consider mediation

When landlords have tenants in arrears of rent, they tend to think only of recovering possession of the property via eviction proceedings. However, there are currently massive delays in the courts, caused by the stay on processing eviction claims between March and September 2020 due to the coronavirus pandemic. Most landlords issuing proceedings now are unlikely to recover vacant possession for up to a year or more. So, this means that mediation becomes more of a viable option. There are two mediation services you could consider using:

- The Property Redress Mediation Scheme: https://tenancymediation.theprs.co.uk/
- The TDS Independent Resolution Service: https://www.thedisputeservice.com/tdsresolution

Often an independent third party can broker an agreement and payment program where the parties acting alone were too antagonistic to each other. So, it can be worth trying.
You may want to take a look at my article looking at this here: https://www.landlordlawblog.co.uk/2020/07/28/point-mediation-possession-proceedings/

7. Instruct solicitors to apply for a CCJ

If all else fails, you can instruct solicitors to act for you in bringing a money claim for a County Court Judgement (CCJ). These are not subject to the same delays you will find for eviction claims.

You can do this yourself but using a solicitor can get better results – for example tenants may 'come out of the woodwork' and offer to make payment on receipt of a solicitors letter. Its best to use a firm which specialises in landlord debt collection work – two firms that I can recommend are Landlord Action and JMW Solicitors.

And finally

Hopefully at least one of the suggestions above will help you deal with your non-paying tenant.

Tessa Shepperson.
Tessa is a specialist landlord and tenant lawyer and runs the Landlord Law online information service at www.landlordlaw.co.uk .

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36 Wightman Road, London N4 1RU
Tel: +4420 8348 3135
Fax: +4420 8348 3298
Mob: +447956 131310
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Landlord Confidence Index Takes a Hit: Now Selling Up is Not Just About Tax.

The fate of any business is always tied to the fate of its customers. Landlords are no different. With the scaling back of government support and UK redundancies rising at record rates, Landlords cannot afford to be complacent. And with many landlords still facing a bumper double tax bill in January, extra forward planning is prudent.

Meanwhile, whilst the economic backdrop remains concerning, other factors have been driving more activity than you might have expected in the housing market. Homeowners looking for a better work-life balance, renters moving out of the city and purchasing their first home in the country on help to buy schemes, and a time-limited stamp duty holiday galvanizing transactions. Unlike what you would expect to see in a typical recession then, 2020 seems likely to deliver house price growth as demand outpaces supply.
And yet, more landlords are looking to sell than to buy.[1]

Why is this?
Yes, Tax is a big issue, for those who deferred their July payment on Account, January is likely to see landlords facing the largest outflow of money to the revenue in a single month in their history as a landlord. This is of course compounded by Section 24, with balancing payments this coming January catching up for tax accrued in the year where just 25% of mortgage interest can be offset against tax bills. Of course, we've still got balancing payments to make for this tax year – now that all mortgage interest counts as 'profit' - but not until January 2022.

Despite this, landlords flocking to 'tax-structures' has not been the main driver of portfolio adjustments over the last 12 months. It would be nice to think that this is because most landlords have already sorted out their affairs, and even nicer to think that perhaps landlords have picked up on the messages we've been doing our best to communicate since the business launched.

Portfolio landlords can and should see themselves as running a professional business, and by doing so, both in law and in deed, they can maximise the commercial benefits and continue to compete and prosper in a market which is becoming increasingly volatile for the 'accidental landlord' or those merely holding property as investments in personal names with no added protection.

But if not selling up for Tax reasons, then why?
The top two reasons for landlords adjusting their portfolio in the last 12 months are cost based reasons and changes in regulation. It seems that some landlords are looking at the overall market landscape and weighing everything up – deciding that they want out. In fact, according to the NRLAs Landlord Confidence Index, Landlord confidence is dropping like a stone, with 50.8% less or much less confident in Q2 2020 than in Q1 2020, and only 6.6% feeling more confident.

Reading between the lines, running your property portfolio as a business is more important than ever. As a result, we expect to see the 3-year trend in consolidation of property towards a smaller number of successful portfolio landlords and property business owners[1] continue in 2020.

And whilst it might not be in the top 2 reasons for making portfolio adjustments, 'Changes in Tax Structure' does still come in at number 3. It's clear many landlords are still making decisions on how they structure and manage their portfolio moving forwards. From personal experience, we're still regularly meeting landlords impacted by the changes that have not yet acted – or taken actions that they now regret.
Which raises an important point.

It can be difficult for landlords to know what to do and who to trust. As a business, we were very quick to absorb the legislation and work with our clients on the best way to move forward. Since then more and more advisors have come on the scene and we've found landlords are finding a lot of noise and sometimes misconceptions in the market.

As a business we've had to look at ways to get our message out and working with LLAS, who see the value in landlords running their property portfolio as a business, has been invaluable. We also know that those landlords who are still making decisions are looking to do more research before engaging with advisors. This is one of the reasons why we launched our free video vault over the summer, so that landlords can find out more about their options online and in their own time.
L**andlords can sign up for the new LT4L Video Vault at** lt4l.co.uk/tax2020

Despite the name Less Tax 4 Landlords, when people come to us for tax advice, we often have to turn it around. There can be a big difference in the mindset of an individual investor and that of a business. Businesses talk about business advice and business structures, mitigating taxes in so far as is legally possible and in line with prevailing policy, and about reducing the burden on the business of a legitimate business expense. Individuals sometimes just want to 'doge' the tax and we have to explain that's not what proper business and tax planning is about.

Editorial by Ben Rose, Group Head of Marketing for Less Tax 4 Landlords and the Less Is More Property Business Group

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I hope you have had your skates on this year; you have needed them to keep up with the pace of change.

You are reading this because you have taken the LLAS foundation course at some stage; but have you kept up to date, especially with this years frenetic pace? Hopefully you have also taken some of the CPD courses; both to get your points and to remain up to date; and/or read the papers; or join a landlord association to keep updated– remember, ignorance is no excuse in the eyes of the law if you are found wanting.

I will try to update you on the recent changes; I just hope they are still correct when you read this – but to be sure, ensure you check for any further changes.

Evictions

I am aware that the media has been predicting a 'tsunami' of eviction cases when the courts reopened, but to date it has been more of a gentle swell. This is partially due to the confusion about the rules, but also that many landlords have been doing what they should have been doing all the way along – discuss the situation with their tenants rather than just resorting to law.

A quick resume of the current rules:-

Section 21
The use of the Section 21 has not been banished, merely discouraged, with a view to it being got rid of some time in the future.
Curently a Section 21 is a:-

- 6 month notice, rather than the original 2 months and
- must be used within 10 months of issue (previously 6 months)
  The other rules remain:-
- prescribed form (form 6A);
- ensure correct format – correct format for date, etc;
- cannot be issued in the first 4 months of AST;
- (if required) must have valid: -
  - EPC;
  - gas safety inspection report; } if required

- **Cannot be used: -**
  - If deposit not protected;
  - Property not licensed where one was required.
  - must issue CLG booklet (advised start of tenancy

Section 8.
A little more confusing. If serving for rent arrears (grounds 8, 10 & 11):-

- for arrears of <u>less</u> than 6 months, the notice period is 6 months;
- for arrears of <u>more</u> than 6 months, the notice period is 4 weeks;

The rules regarding the amount of arrears remain:-

- Arrears must be at least:
  - 8 weeks if rent paid weekly or fortnightly
  - 2 months if paid monthly

- 1 quarter if rent paid quarterly
- 3 months if rent paid annually

The notice period for other grounds are 6 months, apart from the following exceptions:-

- anti-social behaviour (now 4 weeks' notice);
- domestic abuse (now 2 to 4 weeks' notice;
- false statement (now 2 to 4 weeks' notice);
- breach of immigration rules 'Right to Rent' (now three months' notice).

Re-activation notice.

This is the big change in procedure.

For any proceeding commenced prior to August 3rd 2020 a reactivation notice must be sent to the courts and defendants (the tenant) to restart the proceedings. Note that you have until January 29th 2021 to re-activate any case, after that they will be dropped (official word – stayed).

Note that this is for all procedures, regardless of how far it has got to – even if you had a Bailiffs order.

Mediation.

Whilst not yet a required procedure for the private sector (Social Landlords have to use mediation) it is highly recommended, and forms part of the procedure in an infancy form. If you decide to proceed with a case that requires a court hearing, you will be asked to 'attend' a telephone hearing to decide if the case should proceed.

Note that Ministry of Housing are still considering making this permanent, and funding an independent facilitated negotiation/mediation pilot along with the Ministry of Justice

Covid-19

The underlying theme is that any tenant unable to pay part, or all of their rent directly because of the current pandemic should be protected.

It is critical therefore that the landlord enters a dialogue to: -

- see if the tenant has been affected by the pandemic;
- if so, has the tenant made any effort to mitigate the financial circumstances with any of the Government assistance that has been available since March 23rd 2020. It is unlikely, but not impossible, that a tenant has been unable to receive any financial assistance.

It is even more important than ever to

- keep a good eye on your tenancies
- keep communicating with your tenants
- be sympathetic to genuine hardship cases, and offer to assist where you can
- be firm where tenants are not attempting to help themselves, or even worse, take advantage.

And don't forget that although you might have your hands tied in evicting a miscreant tenant, there is nothing stopping you pursue a claim for arrears; use Money Claim Online.

Finally, on the subject of the possible banning of the Section 21, the Lettings Industry Council has just published a review of the potential outcome of banning it.

The report's findings suggest suddenly ending Section 21 will have the following impact: -

- A tougher screening process for tenants, impacting those on housing benefits, lower income families and insecure employment the most
- A fall in the private rented dwelling stock in England by 20%, with the impact falling heaviest on vulnerable tenants claiming benefits, as landlords seek to either leave the PRS or move towards other market segments such as short-term lets
- Upward pressure on rents as a result of the negative impact on the numbers of homes available. Around 600,000 homes could see rent increases (13% of the sector)
- Increased pressure on the justice system by tripling the court caseload with an additional 45,000 possession hearings and court capacity severely challenged.

Right to Rent

You still have to check the Right to Rent for any prospective adult (>18) occupier of your property, regardless of whether they will be on the agreement or not.

Temporary rules were introduced in March: -

- checks can now be carried out over video calls
- tenants can send scanned documents or a photo of documents for checks using email or a mobile app, rather than sending originals
- landlords should use the Landlord's online Checking Service if a prospective or existing tenant cannot provide any of the existing documents

You have probably forgotten that we are leaving the EU at the end of the year (I've managed to avoid the B word!). Currently an acceptable person is one holding a passport from an EU country, this will remain as-is until June 30th, 2021, after the new, as yet unannounced, rules will apply.

Minimum EPC ratings

As from April 1st this year, it is unlawful to let out a property with an EPC rating of less than E (F, or G), unless an exemption has been applied for, and granted.

Note that it is intended this rating will increase over a period of time. Currently it is intended this minimum rate will become C by 2030 but note there is a Private Members Bill going through Parliament to reduce this timescale, and possibly increase the minimum rating. So it is critical you get all your properties to the best rating now in anticipation.

Electrical safety

Hopefully you are aware that HMO's have always required a 5-year electrical certificate. This has now been extended to all rental property. You have until April 1st, 2021 to arrange an appropriate certificate. If you have had some work done on the property and have an installation certificate that will be fine as long as it covers the whole property. Failing that you have to arrange an EICR (electrical inspection condition report).

Note that any certificate used has to be less than 5 years old

Peter Littlewood, iHowz Director
For more info on iHowz Landlord Association, visit http://ihowz.co.uk/

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Training for Professional presents a brief summary of the new notice changes for assured tenancies following the introduction of The Coronavirus Act 2020 (Residential Tenancies: Protection from Eviction) (Amendment) (England) Regulations 2020.

Section 8 and 21 notices, change

Section 21 notice

The notice period for section 21 notices for England has been extended, to six months and applies to notices served after the legislation came into force on 29 August. The new notice period clashes with the Deregulation Act 2015 changes which introduced a 6 month shelf life for a section 21 notice. To counter this, the default notice now has a shelf life of ten months. If the notice has to be longer than six months, (for example an annual rental period may need longer) then the notice is valid for four months from expiry.

The regulations amend the comments about the Form 6A section 21 notice contained in the Schedule 29 of the Coronavirus Act so that the notice periods of three months (for fixed term and periodic) both become six months.

Section 8 notice

The changes to section 8 are more complex and more nuanced. Before the Corona pandemic, different grounds had different notice periods. The Coronavirus Act amendments meant that all section 8 notices had to be three months long regardless of the grounds being claimed. This has now changes so that different grounds again have different notice periods.

Therefore, if seeking possession on ground 14, no notice period is needed. A notice still has to be served but you do not have to wait to start court action.

Ground 7A normally requires one month's notice for a fixed term tenancy. For a periodic tenancy, the notice must be no shorter than a notice to quit served the same day, so this could be longer than one month for a quarterly or half year paid rent. Ground 7A rules will be one month's notice with or without other grounds. Ground 14 rules will be no notice period, with or without other grounds, apart from ground 7A in which case it has to be one month's notice.

a) Grounds 1 to 6, 9, 12, 13, 15 or 16 requires a six month notice period.
b) Grounds 8, 10 or 11, where there are less than six months of rent owed (i.e. the value of the arrears does not exceed the value of six months' rent) at the date the notice is served, the notice must be six months long.
c) Where paragraphs a) and b) above do not apply (none of those grounds are stated in the notice) but possession is sought on 7 or 7B, the notice has to be three months long.
d) Where paragraphs a) to c) above do not apply and possession is wanted on Grounds 8, 10 or 11 where six or more months' rent is owing, the notice has to be four weeks long.
e) Were possession is sought on grounds 14A, 14ZA or 17, without any of the grounds listed above, then the notice has to be two weeks long,

Being tactical

Clearly these changes introduce the ability to use grounds 'tactically'.
For example, ground 17 needs only two weeks' notice so including ground 11, late payment, would delay the possession action as it would need at least twice as much notice.
For rent arrears (ground 8), you have to be owed two months of rent to use the ground but at that point you would have to serve six months' notice. This would certainly be an option and right in some circumstances.
However, in other situations it may be preferable to work with the tenant until they get to owing six months' rent, then serve just four weeks' notice. Technically, the latter option is a few days shorter than the earliest date you could serve ground 8 and wait six months. Both are mandatory possession actions.

There may be a few cases where a section 8 notice has already been served for 3 months on serious rent arrears and it may now be possible to re-serve a shorter version of the notice to start court action sooner. The same may apply to other grounds too.
Overlaying this, where notice is served on grounds 1, 2, 5 to 7, 9 or 16 (without ground 7A or 14) then the notice must be no shorter than a notice to quit served the same day if the tenancy is periodic. This applies even if any of grounds 3, 4, 7B, 8, 10 to 13, 14ZA, 15 or 17 are included on the same notice.
MHCLG has produced new versions of its notices.

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Businessman linked to organised crime group loses £10m property empire

A businessman in Leeds with links to serious criminals has lost his property empire worth close to £10m following a National Crime Agency (NCA) investigation.

The agency secured an Unexplained Wealth Order (UWO) against eight properties owned by 40-year-old Mansoor 'Manni' Mahmood Hussain, formerly of Sandmoor Drive in Leeds.

The NCA says Mansoor Mahmood Hussain, commonly known as Manni, acted for gangsters, including a murderer jailed for 26 years, an armed robber and a convicted fraudster who acted as his accountant.

The agency believes Hussain laundered their profits through properties across West Yorkshire, Cheshire and London acquired over two decades, while posing as a legitimate businessman.

Hussain denied the allegations, submitting 127 lever arch folders and a 76-page statement to explain where his money came from for the properties. However, the information provided inadvertently gave NCA investigators clues to make a bigger case against him.

A freezing order was obtained stopping the sale or transfer of the original eight properties owned by Hussain, plus a further nine homes that were identified by investigators.

The NCA argued that Hussain had failed to fully comply with the requirements of the UWO, and his non-compliance provided a good case that a number of the properties were funded by criminal associates.

As part of the first recovery in a UWO case, Hussain agreed to hand over 45 properties in London, Cheshire and Leeds, four parcels of land, as well as other assets and £583,950 in cash, with a combined value of £9,802,828.

The settlement was agreed on 24th August, and the High Court sealed the recovery order earlier this week.

Graeme Biggar, NCA director general of the National Economic Crime Centre, commented: "This case is a milestone, demonstrating the power of Unexplained Wealth Orders, with significant implications for how we pursue illicit finance in the UK.

"This ground breaking investigation has recovered of millions of pounds worth of criminally obtained property. It is crucial for the economic health of local communities such as Leeds, and for the country as a whole, that we ensure property and other assets are held legitimately.

"I am determined to bring together all the resources of the public and private sector to protect the UK economy from the corrosive impact of illicit finance."

UWO's were introduced under the Criminal Finances Act 2017 and came into force on 31st January 2018. The NCA secured the first UWO one month later, against £30m worth of assets held by Zamira Hajiyeva and her husband.

Associated orders introduced by the same legislation, such as Account Freezing Orders, have been obtained in in a number of civil recovery cases. The NCA has secured 85 AFOs with a combined value of more than £180m.

Reflecting on the action taken against Hussain, Andy Lewis, head of civil recovery at the NCA, said: "Mansoor Hussain thought he had hidden the criminality associated with the source of his property empire, but he didn't count on our tenacity.

"Far from taking his UWO response at face value, we studied what he had and hadn't divulged. We could then use that information to look far enough back to uncover the hidden skeletons in his financial closet.

"Ultimately the wealth of evidence in this case has led to a settlement which not only meets our operational goals, but frees up our investigators and legal team to pursue other cases."

Source: https://propertyindustryeye.com/businessman-linked-to-organised-crime-group-loses-10m-property-empire/

Ecofurb-low carbon retrofit scheme for householders

Planning a renovation and want to reduce your carbon footprint?

Ecofurb, supported by Islington Council, is a London-wide end-to-end retrofit scheme that provides homeowners with an easier route to a low carbon home by proving retrofit coordination and specification information, access to contractors, design professionals and quality assurance. It can also cater for period homes and those in conservation areas.

The target is multi-measure and deep retrofit – measures can include, as examples, insulation, PV solar, double glaze windows or a new heating system. The work is to a whole house approach and PAS2035 for these types of job. Homeowners receive up to three quotes for each area of work needed for their renovation, meaning there is competition built into the model. Much of the hassle and uncertainty in choosing what to do with their home and in getting quotes is taken away from the homeowner. There is protection for the customer built in as Ecofurb members have been rigorously vetted, and retrofit coordinators are independent of those who win the work.

The set-up of Ecofurb is funded by the Department of Business, Energy and Industrial Strategy (BEIS) **until March 2021.** The Ecofurb providers are also working with BEIS on the best way for the scheme to integrate with the Green Homes Grant. Customers will be able to use the Green Homes Grant vouchers with accredited contractors through Ecofurb.
For more details and how to register for free and without obligation at
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RIBA welcomes minimum space standards for all permitted development homes

The Royal Institute of British Architects (*RIBA*) has welcomed the government's announcement that all office-to-residential conversions built under permitted development rights (PDR) will now have to meet minimum space standards.

PDRs make an important contribution to delivering housing, with more than 60,000 homes provided over the last four years. But developers have been criticised in recent weeks for abusing the fast-track system.

Most local authorities are particularly critical of PDRs because they argue the rights undermine the ability of local planning departments to ensure all housing is up to a decent standard.

The housing secretary Robert Jenrick announced last week that all new homes in England delivered through any PDR, enabling existing buildings to be converted into housing without the need to go through a full planning application, must meet new space standards.

The measures announced will mean that all new homes in England delivered through PDRs will in the future have to meet the Nationally Described Space Standard.

The space standard begins at 37sqm of floor space for a new one-bedroom flat with a shower room (39sqm with a bathroom) or 61sqm for a two-bedroom flat, ensuring proper living space for a single occupier.

Jenrick commented: "Permitted Development Rights are helping to deliver new homes and making an important contribution to our economic recovery from the pandemic, supporting our high streets by encouraging the regeneration of disused buildings and boosting our housing industry to safeguard the jobs of builders, plumbers and electricians.

"The pandemic has further highlighted the importance of having somewhere secure and comfortable to live. While most developers deliver good homes and do the right thing, I'm tackling the minority of developers abusing the system by announcing that new homes delivered will have to meet space standards."

The professional body for architects has long campaigned that all housing delivered through permitted development should have to meet the National Described Space Standard.

RIBA president, **Alan Jones**, commented: "The government has done the right thing by closing this dangerous loophole and ensuring new Permitted Development housing across England will have adequate space and light – standards that should be a given.

"I look forward to engaging with the government over the coming weeks as they consult on wider planning reforms. We must use this opportunity to ensure all new housing is safe, sustainable and fit for future generations."

The Local Government Association (LGA) has also welcomed the housing secretary's announcement, but believes that it did not go far enough.

"We are pleased the secretary of state is bringing in this change, which is an improvement on the current permitted development rules," said Cllr David Renard, the LGA's housing spokesperson.

"However, fundamental concerns over their impact remain. An independent report commissioned by the government found permitted development conversions mostly avoid making any contribution to local areas, fail to meet adequate design standards and often create worse quality residential environments.

"It is vital that councils and local communities have a voice in the planning process and are able to oversee all local developments. This is the only way they can deliver resilient, prosperous places and ensure developers build high-quality affordable homes in the right places and with the right infrastructure."

Source: **https://propertyindustryeye.com/riba-welcomes-minimum-space-standards-for-all-permitted-development-homes/**

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36 Wightman Road,
London N4 1RU
Tel: +4420 8348 3135
Fax: +4420 8348 3298
Mob: +447956 131310
azad@azadayub.co.uk
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