

Richard Blanco:

Hello, and welcome to Listen Up Landlords. My name is Richard Blanco. Ben Beadle and I will be bringing this monthly podcast to you, produced by the National Residential Landlords Association. In this programme, we will be speaking to landlord, interior designer, and TV presenter, Sian Astley. She will be discussing her top tips on how to refresh and adapt properties during these COVID-19 times. We will hear from the NRLA Advice Line on what topics are busying the phone lines from landlords this month. And in a moment, we will be unpacking NRLA proposals for the Renters Reform Bill. This is forthcoming legislation that will abolish no-fault eviction in England, which you will probably know as Section 21.

Richard Blanco:

But before we get started, Ben, how's 2021 going so far?

Ben Beadle:

Well, much like everybody else's I think. We look forward to the day that we can stay in our homes because we want to, not because we're forced to. I'm looking forward to getting back out in the not too distant future, I think.

Richard Blanco:

Can you imagine having a pint or sitting in a restaurant eating a meal, Ben?

Ben Beadle:

I've been thinking about it quite a lot, I won't lie to you.

Richard Blanco:

Are you doing your daily statutory exercise?

Ben Beadle:

Well, do you know what? I'm not, actually. But, I did yesterday, I went out for a walk in the snow. I went out for a walk in the snow because I do a Monday briefing to all NRLA colleagues where I encourage them to get away from their computers, and I thought I should actually practise what I preach for once. I've going to try and do the same again today.

Richard Blanco:

The snow was quite uplifting actually, wasn't it? [crosstalk 00:01:36].

Ben Beadle:

It's still here. It's still here, it's still really icy here.

Richard Blanco:

Not everyone would have had snow, but we did get some snow in London and various parts of the country, didn't we?

Ben Beadle:

We did, indeed.

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Richard Blanco:

Now Ben, you're chief executive of the NRLA and a landlord yourself. So just by way of instruction, tell us a bit about yourself.

Ben Beadle:

Yeah, sure. I mean, it's my absolutely great privilege to be the chief executive of the NRLA. It's my dream job. I don't always say that, but I'm going to say that today. I'm a landlord, I operate predominantly in the student and HMO sector, but I have other types of properties as well. I hope that I'm uniquely placed to be able to see, firsthand, some of the challenges that landlords are operating under, because all of the things that our members get in touch with us about affect me very personally. I take that responsibility very seriously.

Ben Beadle:

Richard, you're a landlord and a presenter, and you also work for us. Tell me a bit about yourself.

Richard Blanco:

Yes. Well, one of the things I do is I'm a London representative for the National Residential Landlords Association, and I have properties across six London Burroughs. I say that just to remind myself and others that I deal with many different licencing schemes, et cetera, that lots of us suffer with across East London. I also present a property show called House Hunters International, which goes out in the USA, and that's great fun. It's helping Americans choose properties over here in London. And also, I have the fortune to do some shows in Spain as well. And also, I also write for Property Investor News, and do quite a bit of work as a broadcaster and journalist. Lots of different kinds of work.

Richard Blanco:

I wish we were in a radio studio today, Ben, but of course we are on Zoom as is customary these days.

Ben Beadle:

Obligatory even, but I'm sure we will make the best of it. We hope to get everybody back to a studio in the not too distant future. But for now, we are Zooming.

Richard Blanco:

Absolutely, yes. Yeah.

Richard Blanco:

Okay, now onto the Renters Reform Bill. Now, what is it and what do we know so far, Ben? Because it's not actually on the statute at all yet. And in fact, we haven't even seen the bill yet, have we?

Ben Beadle:

No we haven't, and we don't really have a massive indication of when it's coming other than it's coming. I think obviously COVID has impacted the timeframe of this. But it could also work the other way, in that some of the issues that COVID has shone a light on could well be addressed through this vehicle.

Ben Beadle:

I spoke with Minister Pincher a couple of weeks ago, there's been lots of speculation around when this might be coming down the track. Frankly, I've given up trying to guess. Chris Pincher has told us that the social and economic terrain needs to be a stable one before this comes. I don't know that we're going to see social and economic stability at any time soon, so I think probably what we'll be looking at is a bridge between what we have now to the Renters Reform Bill, which my best guess is probably much, much later in this year. But, we will see.

Ben Beadle:

But, we know roughly what's going to be in it. The government has been elected and made a commitment on abolishing Section 21. That's obviously something, whether we like it or not, has widespread political support. A couple of other things that we know are going to be in there is that it won't be retrospective, so it'll apply to new tenancies going forwards. But, it's a massive opportunity to tidy up some of the problematic areas that the sector has. Our hope is that it's a bit like the 1988 Housing Act, had massive impact on the sector that I think this one is hopefully going to deal with the fundamental structure in which we operate. But fundamentally, is fair to both landlords and tenants. That's certainly what we're hoping for.

Richard Blanco:

So there's going to be a new type of tenancy. Of course, we don't know exactly what form that will take, but will only be ended by a landlord through court action using Section 8. That's one of the key points, isn't it? The grounds in Section 8 become quite central. And what the NRLA proposal's focused on is how we need to amend those grounds, to make it more practicable for landlords.

Richard Blanco:

What sort of changes to the grounds has the NRLA proposed?

Ben Beadle:

Yeah. Well, lots of people have spoken about Section 21 going. What not many people have spoken about is what replaces it, and obviously we've been very much trying to get on the front foot in relation to articulating how possession will work in this new world. Because what a lot of landlords say to us is that they don't misuse Section 21, they don't use Section 21 willy-nilly, they use it for a reason. We've set out some of those reasons.

Ben Beadle:

We think there needs to be clear and comprehensive grounds for repossession, and fundamentally that those faults around rent arrears, anti-social behaviour, landlord wishing to move back in, and a landlord wishing to sell their property are recognised within the grounds. There are, of course, a plethora of other ones. But, the point is that any replacement must have clear and comprehensive grounds for repossession, because landlords and tenants both need to have confidence in what the rules of the game are.

Richard Blanco:

One of the reasons that landlords are anxious about the abolition of Section 21 in England is that the courts are very slow, particularly slow at the moment. The NRLA is emphasising the importance of court

reform, but also proposing a new Acas style conciliation service. So, just briefly tell us about that, Ben. And then, we'll greet our guests.

Ben Beadle:

Sure. What we've seen during COVID is the government passed the problem of tenancy management onto the shoulders of landlords and tenants. That's the reality of the situation. In our view, landlords have risen to the challenge for the most part, and have agreed rent reductions, and written some money off, and come to arrangements with their tenants because, fundamentally, there is good rapport between most landlords and tenants. What these proposals build upon is that good will, and we think that landlords and tenants effectively using the notice period to reach a compromise over their differences will be a good use of that notice period. It will also flush out some of the issues that, under the present regime, get dealt with on the day in court, which frankly are too late. The court service has a massive under investment, it has lots of people that wish to use it, and fundamentally it isn't really fit for purpose for what are fairly routine matters.

Ben Beadle:

So, we say build on the good will that's been displayed during COVID, use a conciliation service because what we will be dealing with is fault. We won't be dealing with no-fault, we will be dealing with fault in this world. If it is around arrears, if it's around anti-social behaviour, some compromise or agreement might be able to be struck that allows that tenancy to be sustained, and that's in everybody's interest.

Richard Blanco:

We're now joined by Jamie Fraser, Hertfordshire and Peterborough based landlord and campaigner, and Susan Aktemel, who's executive director of Glasgow based lettings business Homes For Good.

Richard Blanco:

Jamie, let me bring you in first. How do you feel about the abolition of no-fault eviction?

Jamie Fraser:

Well, I'd have to say I think it's the wrong thing to do. As a campaigning landlord, I'm completely opposed to the ending of Section 21. I think it's a very useful tool. I don't just mean for landlords, really. It's a useful tool for the whole sector, in the sense that it can cover up, or mop up, a lot of the cases that fall between the gaps elsewhere, with Section 8. I would always have argued to keep Section 21. But then, if it's going, and it's definitely going and there's nothing we can do about that, then we have to look at how the future's going to pan out with the new reforms.

Richard Blanco:

What impact do you think these changes could have on the private renters sector in England? There's a lot of talk of landlords being frustrated by the Section 24 tax changes, the regulation that we've seen recently. Do you think for some, this could be the last straw? Or, as a recent report in Scotland said, actually hasn't had much impact?

Jamie Fraser:

Well, I suppose it remains to be seen how it will actually pan out, but my gut instinct is that it will have an effect on the sector. The previous attacks we've seen over the last few years have definitely shrunk

the number of available properties and the number of landlords who are willing to stay in the game. I'm in touch with all the message boards, and social media, and landlords across the country every single day, and they all say that as each of these new things comes in, it is one less landlord that wants to stay in the game.

Jamie Fraser:

With Section 21, I've heard from numerous people just going, "That's it. When that goes, I'm going, because we just can't guarantee being able to get our properties back when we need it." It's great that Section 8 might get reformed, because that would need it, certainly. But, if you're going to court every time, there is always a risk that something is going to go against you. With Section 21, not only is that risk largely removed ... It isn't still, you can still challenge a Section 21. But not only is that largely removed, but also it helps the tenant because, under Section 21, the tenant can get away with things scot free should they need to. They can move on with their lives fairly cleanly. If we have to go to court every single time now under Section 8, the tenant's life, both now and in the future, is going to be compromised by doing that.

Ben Beadle:

Very fair points. Susan, maybe I might bring you in here, just to talk about the PRT in Scotland. What impacts has that new system had, in relation to no-fault eviction?

Susan Aktemel:

I think it's quite early to tell what the true impact of it is going to be. We have done some research, there's been a piece of research commissioned by the Nationwide Foundation called the Rent Better Research Programme, that is tracking the changes of the PRT and the impact it's having on the sector.

Susan Aktemel:

I think, focusing in on the removal of the no-fault eviction, it doesn't feel like it's made a big difference in Scotland. From my perspective, I've been a landlord for 25 years now and a letting agent for seven years, our way of working is to avoid getting to the point ... Our whole approach is built on relationships, and good will, and being careful about matching the right tenant to the right property, and then having quite intensive relationship management through that. What we have seen, and I think this bears out with the majority of private landlords across Scotland, is that the majority of tenancies, the vast majority of tenancies, over 95% of tenancies, are ended by tenants not by landlords.

Susan Aktemel:

You're then honing in on, okay, in the small minority of cases where the landlord would want to bring the tenancy to an end, why would that be? I think that what Ben said earlier was absolutely right, if you remove the no-fault eviction, the devil is in the detail of what replaces it. There was a huge amount of consultation done by our government around what this needed to look like, and we landed at 18 grounds for eviction and I think eight of them were mandatory grounds. They were things like a certain amount of money in a period of time in arrears, if the landlord needed to sell. And then, there were discretionary ones.

Susan Aktemel:

Now, the game has changed a wee bit through COVID, because there has been emergency legislation put in place to essentially overwrite some of the stuff that landlords were happy about within the PRT. It's now much more weighted, currently, around protecting tenants and ensuring that they're not made homeless. But, if we take COVID out of the picture, which I know is difficult to do, the PRT feels okay.

Ben Beadle:

Tell me, are tenants happier with lifelong, or longer tenancies, as a result of these changes? Because the ball is very much in the tenant's court, as you say, to give their 28 days if that's what they wish to do.

Susan Aktemel:

I think what's confirmed some of the research, and certainly my impression of working with tenants, is that there hasn't been a step change. Most tenants are not fully up to speed with the ins and outs of the contract that their signing in the first place, and I think in some of the findings that came through were that tenants didn't wholly appreciate the difference and the nuances in it.

Susan Aktemel:

What I think is important is, regardless of the legislation, is how secure the tenant feels in the property. That is actually more important for me than the detail of the clauses in a legal agreement. Certainly from our perspective, if a tenant is renting a property, we will know what the landlord's position is, and if the landlord wants that to be a longterm tenancy or whether it's a time limited tenant, whether the landlord's intention is time limited. So we haven't seen a big step change in the feeling of security, because I'm not sure the tenants are fully up to speed on the detail of it.

Richard Blanco:

I want to ask both of you what you think of the NRLA proposals. Jamie, let me ask you, first of all, there are some quite sensible amendments in there to the Section 8 grounds around landlords being able to sell the property, being able to refurbish the property, being able to move back in. Do you think that these are sufficient?

Jamie Fraser:

Well, there's a question. Yes, as a starting point I think they are. I've had a good read through this over the last few days now, and I have to say I think we're heading in the right direction with those reforms. For me as a campaigning landlord, they can never quite go far enough. We always feel like we're giving away more than we're giving back. But, in these cases I have to say, I think most of the suggestions are pretty good, they're not bad at all.

Jamie Fraser:

If we've got to lose Section 21 and strengthen Section 8, then yes, if it's a clear, easy to follow process where nobody is ultimately losing out, then why not? Most of the suggestions made by the NRLA are the kind of things I might accept myself. Yeah.

Richard Blanco:

Then, there's a proposal for mandatory back stop, for example in serious cases of anti-social behaviour. And of course, they're cases that are notoriously difficult to take through the courts on Section 8 at the moment.

Jamie Fraser:

This is the thing that slightly concerns me about that, is that I was really happy to see that that back stop was being suggested. I think it's a necessary, it's a good idea, I fully support it.

Jamie Fraser:

However, it doesn't actually remove from the equation the fact that anti-social behaviour cases of all descriptions are notoriously difficult to prove. What level of proof, what burden of proof do we have to come up with to trigger than mandatory back stop? Because if it's no better than what we've got at the moment, then we're still going to be tied up in court for months, and months, and months over cases that we can't really influence. If our communities are being affected, we're getting complaints from neighbours about something we can't control, we need to be able to get it sorted properly.

Richard Blanco:

Yes, very interesting point on anti-social behaviour in particular.

Richard Blanco:

Susan, of course private residential tenancies have been in operation in Scotland since no-fault eviction was abolished, which was on the December 1st, 2017. I'm curious to ask you what you think of the NRLA proposals? And in particular, actually, on the student sector because one of the proposals from the NRLA is that landlords, as well as education institutions, should be able to offer fixed term tenancies to students who typically just need nine month contracts.

Susan Aktemel:

Yeah, I think my favourite bit of the proposals that you've developed are around reconciliation service, I have to say, because the more effort that is put in at an earlier stage, as I think it was Ben that was saying, building on the good will that may already be there and focusing on the relationship, and avoiding the need for the courts has to be a good thing for everyone.

Susan Aktemel:

In relation to the student aspects of things, tenants will either live in the mainstream community, within residential areas that happen to be close to the universities, or they will live in student accommodation. For me, there's two different markets. I think in Glasgow what we've seen is that there hasn't been a material difference, so the properties that we rent out to students that may be leaving in May, they just leave and somebody else comes in behind them to take their place, whether it's a student or a young working professional. So I think that there's, again, a bit of a detail around the market dynamics in the properties and the demand in the area.

Ben Beadle:

I certainly wouldn't disagree with that outlook, Susan. I think generally the market does take care of itself. There was just one point I wanted to ask you about, and thinking about the changes in Scotland in relation to your own lettings business, maybe to give landlords listening in a little bit of comfort, or not. Maybe you could briefly just give us an indication of how those changes have impacted your business.

Susan Aktemel:

I would say that, from a lettings point of view, what we experienced it hasn't made a massive amount of difference. When we looked at the PRT, I was involved in the development of it, I responded to the consultations, I spoke about it at conferences, and I was relaxed about all of the different aspects of it.

Susan Aktemel:

The one that I was a little bit concerned about as a letting agent and a landlord, and I think has born out in practise, is that by removing the fixed term, it means that people can move in and move out very quickly. We have noticed, and it's come through in the research, that there's an increased level of churn, as people say. That is something that we did notice. It's a good thing, it's not a bad thing for tenants to have choice, that if they move somewhere and then realise that they made a mistake, that they're not tied in. That's not a bad thing for tenants. But, that is the only thing I would say that has made a difference, that we just see that increased churn, which maybe wouldn't have been there before because the tenant's were tied in a minimum period of six months before.

Ben Beadle:

Okay. Jamie, maybe I might pose a similar sort of question to you. Thinking about the landscape of increased regulation and abolition of Section 21, what do you think landlords in England need to do to adapt their businesses, in terms of managing tenants and strategy? Should they be prepping anything now?

Jamie Fraser:

Well, that could require quite some time to answer, really. I think, really, landlords, they have to do two things.

Jamie Fraser:

They have to professionalise. So the first thing, make sure that you're up with the legislation, you know what's coming, you can make your own choices, then, about how to proceed. Keep yourself informed, is probably the best possible answer you can give to that.

Jamie Fraser:

The second thing is if you're going to be taking on new tenants at any point in the future, I think it's going to be much, much harder for tenants to acquire that property because landlords will set the bar that much higher. They will be screening much more carefully. You know, the issues we've got now around the mental health changes that are likely to be a major persuasive force for landlords making their decision. I think if you feel that it's going to be difficult to get somebody out from the beginning of the tenancy, you're going to be a lot more careful about who you take on.

Jamie Fraser:

That means that a lot of people in society who would otherwise have access to the private rented sector are going to find themselves in really stiff competition now. Because as landlord numbers shrink, and as those that are left become more and more picky, which is what will happen, then I think that has a ramification for tenants, doesn't it?

Richard Blanco:

Now Susan, the Scottish government has introduced a specialist housing court, and that was introduced when they abolished the no-fault eviction. It's called the First Tier Tribunal. How is that working?

Susan Aktemel:

I think there are mixed responses to how the First Tier Tribunal is working. My view is that it was probably under resourced at the beginning, in terms from an administrative perspective, so there was very quickly a backlog of cases. Which then meant it was taking longer for everybody, both tenants and landlords, to be resolved.

Susan Aktemel:

My experience of the First Tier Tribunal is that it is fairly straightforward and fairly transparent in the way that it operates. Obviously, what we all want to do is avoid the need to get there in the first place, which is why I welcome so much your proposals. It has struggled during COVID, as everything else has. I think if you talk to tenants, they may feel that it errs the side of landlords. My sense is that it operates in the favour of tenants predominantly, but that's my personal opinion, and it's the view of what I see coming out of it, and the feedback that I get from some landlords who've had to use it. But, it is quite early days. It was in early days, and then COVID happened, and everything changed so it's quite difficult to see.

Richard Blanco:

In England, Jamie, the Westminster government has made vague assertions about improving the court system, and it is a cause for anxiety as I mentioned earlier. The NRLA has proposed a conciliation service, kind of modelled on Acas, which was in the employment sector. What do you think?

Jamie Fraser:

Oh, basically good news. Yeah, I think that's a helpful step forward, as long as it doesn't extend the overall process. Because what I notice in the notes is that it's going to chiefly operate during the notice period, which is great because that's how I operate with my tenants anyway when we're in negotiation. If I have to give them notice, I still continue to work with them. That's a good thing.

Jamie Fraser:

But, what I would be concerned about is if that were to then extend the process, push the court dates back further and further, if the conciliation can be dragged out and dragged out by the charities on the other side or whatever, then I think that's something which could become messy. We need to make sure that if we're having this conciliation, it's not messy.

Ben Beadle:

Definitely agree with that. And some of the things that we put in there, Jamie, are so that when we go through that process things can actually be fast tracked, if things aren't panned out. It takes too long at the moment, so we absolutely need to address that.

Ben Beadle:

Maybe I might just pose a slightly different question to you, about the role of lifetime deposits. That's one of the things that government have committed to. Do you think landlords will embrace the idea of lifetime deposits?

Jamie Fraser:

I think, actually, it might take some getting used to, to be honest with you. In the same way that zero deposit schemes maybe have, or even the current schemes we have have become more complicated over the years.

Jamie Fraser:

I actually have given up taking deposits. In fact, what I've done is with longterm tenants, I've voluntarily refunded deposits, nearly all of them have gone back already, to tenants in situ, just because I don't need or want the headache and the hassle of the extra administration. I can imagine that, unless lifetime deposits are done ... I keep saying the same thing, actually. Unless they're done clearly, and simply, and understandably, it will take a while for landlords to get hold of that. My instinct is that they are, initially at least, not going to be impressed.

Ben Beadle:

I wouldn't disagree with that. And then, just lastly Susan, we've spoken about some of the things that are coming down the track, specifically in England, in terms of increased regulation. Over the past two years, the growth of the PRS has levelled off in Scotland. Do you have any views as to what might be causing that?

Susan Aktemel:

What I see happening now is that there is a levelling off because, although people are continuing to buy properties, and I don't know the exact figures, but many landlords are selling up, so the net gain is not substantial growth. It's certainly what we experience in the letting agency. And I think the PRT is not a reason for landlords selling up, I think Jamie said earlier that it might be the straw that breaks the camel's back. But, things like the impact of Section 24, and the tax and interest changes, are far more significant.

Richard Blanco:

Susan Aktemel, executive director of Glasgow based letting business Homes For Good, and Jamie Fraser, Hertfordshire and Peterborough based landlord and campaigner, thank you.

Jamie Fraser:

Thank you.

Richard Blanco:

Now, we solve your problems. Every month, we're going to be hearing from James Harvie, who works as an advisor on the NRLA Advice Line.

Richard Blanco:

Just tell us a bit about the service, James, and your heroic work.

James Harvie:

Hi Richard, yes. We on the advice line, we provide a service to our members whereby they can contact us and they can bring forth their questions or any difficulties they may be having, whether that's how to

manage a difficult tenant, whether that's how to arrange for repairs during COVID. The idea is that we can provide a more personal touch, just beyond the resources that are available on the website.

Ben Beadle:

That's great, James. Give us a flavour of the issues that have been coming up on the advice line in the past month.

James Harvie:

I think coming into January, I think there's been three main, broad talking points. Obviously, the renewed lockdown and how we're all dealing that, so the continued restrictions on evictions. That's including, obviously, the extended notice periods and the extension of the moratorium on bailiff evictions, as well as how people are meeting their regulatory obligations while we're all supposed to be exercising social distancing and self-isolation. Obviously, the recent announcement of the breathing space moratorium, the announcement came through the website, and we have had members calling up asking for some more information and clarification on what that's going to involve.

James Harvie:

And obviously, coming into January this year, Britain has left the European Union, and obviously that's had impacts onto how people are considering what they need to do, especially in relation to right to rent checks where they've got to check the right to rent status of their tenants. I've spoke to a member this week who had a tenant whose partner was coming over to London from Italy to join them, and they were concerned about how they would do the right to rent check. What do I do now that Britain's left the European Union? Luckily for them.

Richard Blanco:

They're taking issue on that, isn't there James, on right to rent? Because actually, the regulations are changing later this year. Is that right?

James Harvie:

There will be, yeah. So luckily for landlords now, there's no real practical change to what you have to do to conduct a right to rent check when someone's coming from the European economic area, but that will come to an end in June and we will have new regulations then, which we are waiting on the government to announce. And then, we'll obviously make available to everyone.

Richard Blanco:

But, what should landlords take into account right now? If I've got a tenant that's applying for a tenancy, do I just do a right to rent check as normal? Has anything changed?

James Harvie:

You can do a right to rent check as normal, but obviously you should be encouraging them to make sure that they're appropriately applying for whichever relevant status that they're going to need.

James Harvie:

In relation to that, obviously people who've been here before can apply for pre-settled or settled status. And people who are joining from the European Union recently, or are coming over to the country, they'll

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be liaising with the Home Office in order to arrange and to conduct their affairs going forward. The Home Office have launched an online checking service now, so landlords can actually go onto the Home Office online service and check their right to rent without even having to necessarily meet up with their tenants, or go through the processes they normally had been before.

Richard Blanco:

Yes, and that service is really useful. If you're confused, or not certain whether the person has a right to rent, you can go onto the online checking service.

Richard Blanco:

Okay, James Harvie from the NRLA Advice Line, thanks so much for joining us. We look forward to speaking to you again on the next podcast.

James Harvie:

Thank you, Richard.

Richard Blanco:

Sian Astley is a landlord, interior designer, and TV presenter. She featured in the December 2020 edition of NRLA magazine, Property. Welcome to Listen Up Landlords, Sian.

Sian Astley:

Hello, it's very nice to be here. Thanks for having me.

Ben Beadle:

You're very welcome. Let's dive straight in, if we can. Tell us how you got started in property.

Sian Astley:

Well, I used to flip properties, so I started off owning a damp and timber company, which is very glamorous as you can imagine. Then, I started buying smaller houses, doing them up and selling them. And then I bought one apartment, and I just thought I'd have a go. It was when the buy-to-let mortgages were first starting, around about 1999, 2000. When I'd left university, I'd been homeless. When I was doing the flipping, I got quite good at creating nice houses, and I just thought it would be something I'd be quite good at, creating nice homes for people to live in affordably.

Sian Astley:

Obviously it was easier then, wasn't it? 20 years ago, it was easier and cheaper to buy houses and get started. It's very difficult for people now. But, that's how I did it.

Ben Beadle:

And you still continue to do that, do you?

Sian Astley:

I don't. No, I don't buy and do it, and sell houses anymore. I have a portfolio of properties that we rent out, and then I do other things as well. So some work on the telly, and interior design, and lots of other stuff like that.

Richard Blanco:

You strike me as a landlord with a values driven business, Sian. Tell me a bit about those values.

Sian Astley:

Well, I think it comes from my background. You know, when I first started renting, I left university, and managed to get a house thru benefit, which is really difficult now for people, and rented a small studio in West Didsbury. The landlords that I rented from, they're quite a big agency, they're still a big agency in Manchester. They were brilliant with me, because I was struggling a little bit when I left, and they were great. I think that that has always stayed with me, that those landlords were brilliant with me. They didn't have to be, but they were.

Sian Astley:

So I think when I started doing buy to let, that was what I decided I was going to be like. Good with my tenants, and trying to create a good relationship because that's a good basis going forward, isn't it? Obviously, you've spoken a lot about Section 8 and Section 21s, and evictions, and all of that, and that's what we strive to avoid.

Richard Blanco:

I think it's really important to have a good karma about your business, isn't it? And feel good and proud about what it is you do. I noticed as well that you do quite a lot of what I'd call community building with your tenants. You have What's App groups and things like that, don't you? Tell us a bit about that.

Sian Astley:

We do a bit. The What's App group ... Well, I'm quite lucky because the way our portfolio is structured, we have three buildings which are all next door to each other. And they're split into smaller units, so studios and one beds. I have had other buildings in the past, and apartments which we've gone on to sell, so we've got those three.

Sian Astley:

It's relatively easy, I guess, for me to create that community, because our tenants are close geographically to each other. When lockdown started last March, one of the first things we did was get in front of everybody and just ask if they were all okay. Ask if they were worried about their jobs, or finances, or how things were going to progress. None of us really knew, obviously, last March what was going to happen, and how long this was going to go on for. We set up a What's App group. I didn't really know, at the time, actually how the tenants were going to react to that, whether they were going to like being in that group together because, I suppose, we kind of forced it on them. But, it has been really, really well received.

Sian Astley:

It's created, as you say Richard, a really nice community feel. They've helped each other out, we've helped with problems, they've also helped each other out. I think that has been something which has tied everybody together during this very difficult period.

Ben Beadle:

Tell us, has COVID-19 affected your lettings business, then?

Sian Astley:

It has, to the extent that prior to COVID, we weren't landlords who experienced high levels of voids. So I think because of the way we run the business, because of the way we offer, that we put into the interior design, and the design, and the layouts, and all of that, we don't have voids. We get a lot of recommendations, and we're normally back to back.

Sian Astley:

So this year, what we have seen is an increased amount of voids. Primarily, because people aren't getting out and about, so they're not coming on viewings. People aren't necessarily wanting to move.

Richard Blanco:

Right.

Sian Astley:

We've found that tenants have been forced to move, some of them have gone back to live with parents, some of them have [inaudible 00:35:38] be in smaller studio places. So when you're eating, sleeping, living, socialising, IE on your own on a Zoom, you're doing all of that in one small space. That's quite difficult. Some of our tenants who lived in the studios have been forced to rent one bed apartments elsewhere, and they've been really upset at doing that.

Sian Astley:

When those properties have become empty and they're studios, who wants to rent a studio during COVID? Because of all the reasons I've previously mentioned. So it has been an issue for us, unexpectedly.

Ben Beadle:

Do you think that ... You mentioned people are looking for perhaps slightly different property. Do you think requirements have changed significantly during this time, that you've seen?

Sian Astley:

Yes. It's definitely been an issue. For example, we've got a South facing building, and we've got some of the apartments at the front, some of them at the back. The ones at the back are a little bit darker. When you are locked in a flat, or a house, or an apartment all day, every day, for months and months on end, not just in spring but also in winter, that feeling of light and wanting to see the sun, it just becomes really important. It's not something people have really necessarily thought about before. So we've had tenants who were at the back of the building struggling a little bit, just because things were dark. That sounds silly, doesn't it? But, it became a real issue and it affects people's mental health.

Sian Astley:

We spend a lot of time designing the apartments and laying them out properly, but for example, we've had tenants who suddenly needed to put a desk because they're working from home. So they suddenly needed a desk and we're thinking, "Where are we going to put a desk? This is quite a small studio." We've had to rethink layouts. I think it's really important for landlords to have that level of communication with tenants, at the minute, and find out what they need and try and accommodate.

Sian Astley:

Of course, it can't always be done, can it? But generally, there is a way forward, by communication and discussing things with your tenants.

Richard Blanco:

Many of us are seeing longer voids at the moment, Sian. I know you've been taking the opportunity to spruce up some of your properties. I hear you shirk the idea of neutrals, and in fact you were famously on Property Ladder with Sarah Beeny and gave her her marching orders around neutrals. Tell us a bit about the sort of refurbishments you're doing, and why you don't do neutrals.

Sian Astley:

Yeah, we don't neutralise things here. It's very bored, everything's boring, that's what we decided. I decided that 20 years ago, when I first started renting. I know that back then, lots of landlords, friends said to me, "You are crazy. What are you doing with some wallpaper? What are you doing going the extra mile, spending the extra money?" But you know, no voids, people fighting over the properties, I had the last laugh on that.

Sian Astley:

I do think it's important that landlords try and up the game, from an interiors perspective. Or a layout, it doesn't mean wallpaper necessarily. But, it just means thinking about livability, and how people live in apartments, and live in your houses, because happier tenants are going to stay longer, and there are going to be less voids. Notwithstanding COVID, obviously. We do do things like spend the time ... We do put wallpaper on the walls.

Sian Astley:

Actually, I've found that if you do go the extra mile, people do care for the properties a little bit more. Obviously, you are going to get tenants sometimes who don't care for the properties, this is a fact of being a landlord and that does happen. It depends on who you rent to, and where you rent, I understand that. But our experience has been, as we've made the properties nicer, people treat them better, and appreciate that. Most of us want to live in nice homes, whether we are owning them or renting them.

Richard Blanco:

What kind of budget do you set, Sian? What kind of finish or standard are you aiming for? Because, often when I'm refurbishing a rental property, I will do it well but I'm not going to spend loads of money on it, as if I were going to live in it, unless it were high end corporate. I'm interested to hear where on the spectrum you set your finish or standard.

Sian Astley:

Richard, I am cheap. I am cheap. I go for affordability, every time. We're not talking about spending a fortune. You know what? You can go to B&Q, and buy an amazing roll of wallpaper for 16 quid. You can get a brilliant ... How much does it cost to paint a wall? How much does it cost to keep a little bit ahead of design trends and style trends and think, "Okay, well I'm going to paint that this colour." I'm not saying you go mad, and I think that on things like tiling kitchens or flooring, landlords have to be sensible because things have to have longevity. But, that is not an excuse for boring, and things done necessarily have to cost a lot of money.

Sian Astley:

We did a kitchen last week. Actually, we had a void and we did a little tickle up in one of the flats. Went to B&Q, I got some fantastic tiles in their sale department, 32 quid for three metres of tiles. We bought a new laminate work surface, which is marble affect. And all of a sudden, there you go. You've spent less than £150, and completely transformed a kitchen.

Sian Astley:

It's about being canny, and it's about being smart, and it's about buying sensibly. But also, trying to make things look good, so that's fantastic.

Ben Beadle:

I'd say that's fantastic advice to the person that hasn't really deviated away from magnolia walls and white woodwork. I may well follow some of that advice myself.

Richard Blanco:

Shame on you, Ben. Shame on you.

Ben Beadle:

I know, I know. But, one of the things that landlords do struggle with, actually, if they don't do it themselves, who do they get to do it? I wonder if you've got any tips around sourcing contractors and suppliers?

Sian Astley:

We are very hands-on, so myself Mr. M as he's called, we do a lot of the work ourselves. But, there are lots of great tradespeople out there. And actually, there are lots of younger trade people out there now, coming through, who are looking to do interesting stuff. It doesn't have to be that expensive.

Sian Astley:

I've been working on a TV show recently, and travelling all over the country. So I had to source a lot of trades, not in an area that I was familiar with. There are lots of online resources on that. Checkatrade, Rated People, there's lots out there online. You can go on your local Facebook and find good trades people, get recommendations. There's nothing like word of mouth. Ask local letting agents, ask other landlords locally who they use, good handymen or handy women even, locally. So lots of ways of doing it, and you've got to sift, obviously, the diamonds out of the rough, but there are people out there who can help, and it doesn't necessarily have to be expensive.

Ben Beadle:

Indeed. Tell me, do you find that all of the personal touches and regular upgrades that you put in are cost effective, in the long run?

Sian Astley:

Absolutely. Yes, absolutely. Not only, I think, when the property looks good it makes it easier when you do the photographs, or the online videos now that everybody wants to do remote viewings. If you've got a really cool video and the property looks great, that's going to help you let it, isn't it? So it makes good business sense, anyway.

Sian Astley:

We also have tenants coming in through word of mouth, so we'll have a tenant whose loving their apartment and then they tell all their friends, "Oh, we're in a great place, and the landlord's fab, and look at it, look at my cool place."

Sian Astley:

One of my great claims to fame, last year one of our tenants actually won their workplace award for backdrop of the year, because of the wallpaper. You know, that was a Zoom win.

Richard Blanco:

Fantastic. Now look, there's a lot of frustration around, with changes to taxation and regulation in the landlord communities, Sian. I'm loving your enthusiasm. And I'm wondering, what keeps you in the business?

Sian Astley:

Gin. Gin.

Richard Blanco:

I knew it.

Ben Beadle:

Tax deductible.

Sian Astley:

It's tough, isn't it? It's hard. I think all of us, all landlords feel like we are under attack at the minute. I think that you read the stuff online, and you look at a lot of the pressure groups that are out there, and those of us that are doing a good job and that are determined to be good landlords feel that we are being lumped in with the bad, and suffering accordingly. I think that there is a whole raft changes, the onslaught of it, that we've had to bear over the last couple years is really coming to roost, as you've talked about earlier in the podcast. There will be landlords leaving, definitely. It's happening already.

Sian Astley:

You know, as the new tax changes come in, yeah I've looked at our portfolio and thought, "Is this worth it? Is this worth it?" And, I love this job, I love being a landlord, I love looking after our tenants.

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Sian Astley:

So I think they're being a bit foolish, actually, the government. I do, I think that they want big business, I don't think they want little landlords like me. I think they want big business to run it, it's easier to manage, it's easier to tax. But, I think that they are shooting themselves in the foot. And I think when and if they wreck the private rented sector with its small landlords, good landlords like us, I think that they will rue the day they did it. But, let's see.

Richard Blanco:

What are your plans for the future?

Sian Astley:

Well, I mentioned gin, it is COVID. You know, I think we're just carrying on with what we do, carrying on. It seems to have worked, our tenants are happy, the tenants that we've got. We're going to carry on doing what we do, and see if we can get through this like everybody else, and hope it ends soon. That's it. You know, support each other, and keeping a member of the good landlord associations that we are, get advice through those, and get through it.

Richard Blanco:

Sian Astley, it's been great having you on the show, thanks so much for joining us.

Sian Astley:

A pleasure.

Richard Blanco:

Well, that's it for this podcast. You can find plenty of information on the topics we have covered today, and more, at NRLA.org.uk. Don't forget to follow the NRLA on social media for the very latest on all things PRS.

Richard Blanco:

Thank you to our guests, and to our producer Sally Walmsley. Please do join us next month, and thank you for listening.