

Working with Vulnerable Private Tenants:

Sound advice from experienced landlords



“This guide is really going to help me understand how to support my tenant and where to find help.”
Rhianne



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“As a socially conscious landlord who rents to homeless people, people with mental health disabilities, and ex-offenders, I tell you it is absolutely crucial that you keep this Guide to get your service right.”

Kevin

Introduction

This is a short guide to give private landlords in Wales information on how to work with tenants who may be vulnerable, or on low incomes.

Read this guide if you want to know:

- How to work successfully with vulnerable tenants
- How to get the tenancy off on the right foot and prevent problems happening later on
- What additional help is available and how to access it.

Tenants could be vulnerable for many reasons. They might:

- Be prison leavers
- Have mental health problems
- Have, or be recovering from, drug or alcohol dependencies
- Have a disability
- Have autism spectrum condition
- Be receiving welfare benefits
- Have learning difficulties
- Be living with, or escaping from, domestic abuse.

Many people in these circumstances could be fully independent and not vulnerable, however, others will need support – and all deserve a roof over their heads.

As a private landlord, you have a vital role to play in housing the people of Wales.

This guide has been developed with input from experienced private landlords who have been working successfully with vulnerable tenants for many years.

They are keen to share the lessons they've learned to encourage more landlords to get involved.

Read on to learn more...



Communicating with vulnerable tenants

The best way to avoid problems is with good communication.

Before the tenancy agreement is signed, make sure that the tenant is aware of their responsibilities to pay rent and bills. Make sure they also understand how they are expected to behave while in the property, for example, if they are allowed to smoke or keep pets.

- The tenant should also know what your responsibilities are as a landlord, and how they can get in touch if they need you.
- Giving your tenant the following guide at the start of the tenancy could help avoid problems later on: www.bit.ly/TenantsGuide

“The dialogue is really important with my tenants; I get on with them very well, with them all. I make sure that they can text me if they have an issue.”

Karen*, private landlord

- It's also a good idea to find out which method of communication works best for both of you. A tenant will often have a preference for how they should be contacted. For example, you might have more luck communicating by text than face to face.

It's very important that tenants know that they can contact you without feeling nervous about it.

“Your average landlord would want to work with their tenants because if they're happy and they're looked after, they're going to look after the properties; it's sound investment.”

John, private landlord

- Reassuring tenants in a friendly way that they can contact you for any issue could be the difference between a tenant reporting a simple leaking tap or a burst pipe that has flooded the kitchen.
- This includes encouraging tenants to contact you sooner rather than later about a repair.

“Early intervention I would say is a really important thing to push with the tenant and keep in touch with them all the way through the tenancy so they know we're not just taking the money, but that we have an interest in them as well.”

Justin, private landlord

If you rent to a vulnerable tenant, make sure you understand how their vulnerabilities might affect the tenancy and how they communicate with you. This will allow you to be better prepared if problems arise. Examples of this could be:

- A tenant who has autism spectrum condition might find communication difficult. As a result, they may seem to not want to engage with you at times. They might come across as blunt, or they might report minor issues that you feel do not need to be reported. If this happens, you can reassure the tenant that this isn't a problem and they won't be held to blame for such minor issues.
- A tenant who has mental health issues, such as anxiety or depression, might sometimes be very reluctant to answer the door or respond to correspondence.
- Some tenants may have poor reading skills. If this is the case, it is essential that they have support to help them understand the tenancy agreement as well as other important documents.

Before renting to a vulnerable tenant, try to find out what kind of support they have, either from family or friends or professionals. For example:

- A prison leaver could be in contact with a probation officer
- Someone who is recovering from drug or alcohol misuse could be in contact with a drug counsellor
- Someone who has learning difficulties might have a support worker
- Someone who is escaping domestic abuse could be in contact with a support worker and/or the police.

It's very important that you, as a landlord, engage with the tenant whenever necessary.

“Tell them you're there to help them, you're there to support them; you're not there as the big bad wolf coming knocking on the door collecting the rent.”

Siobhan, private landlord

You might, at times, need to talk to any support workers or other professionals who support the tenant. This is a very good way of ensuring the tenancy is well maintained.

If you meet a would-be tenant who is vulnerable, and you genuinely feel that the tenant does not have the skills needed to maintain a tenancy, it's important that the right steps are taken:

- Don't start a tenancy that you genuinely don't feel is sustainable.
- If the would-be tenant has come to you via the local authority homelessness department, raise your concern with the authority. From here, the local authority could re-assess the situation or possibly offer greater support.
- If the would-be tenant has come to you independently, suggest that they take advice on how to find accommodation that meets their needs. Organisations such as Shelter Cymru or Citizens Advice Cymru are well placed to offer such support.
- If your tenant falls into difficulty, they might be able to use 'Supporting People' services to help them manage. See the below section 'Knowledge is Key' for more detail about how to do this.

Money matters

Before starting a tenancy, it goes without saying that you need to confirm that the tenant can afford the rent and any other charges. Fortunately, there are things you can do to make it easier for tenants and increase the chances of a successful tenancy.

If the tenant is getting any welfare benefits, their rent may be paid with help from Local Housing Allowance or Universal Credit. In both of these, it's possible for the housing costs element to be paid directly to the landlord. For this to happen, the tenant must fit certain criteria:

- If tenants are vulnerable, they can ask for their benefit to be paid directly to their landlord. The Department for Work and Pensions (DWP), or the local authority (depending on the type of benefit), will decide whether to allow an 'alternative payment arrangement'
- Direct payments may also be made where a certain level of rent arrears have accrued.

The benefit system is very complex and subject to change. It is important to seek advice if you are unsure about how to get rent paid directly to you.

Many credit unions offer a useful service to help ensure the rent is paid to you. A 'jam-jar' account can be opened, which guarantees rent payment as long as the benefit payment is made.

Credit unions charge a small fee to the landlord to administer this system. However, as it guarantees rent, it is increasingly seen by landlords as worth the cost.

The landlords who contributed to this guide are enthusiastic about the use of credit unions for direct rent payments.



Not every part of Wales is currently covered by credit unions; search online for your local credit union to find out more.

“If they [landlords] were made aware, they would be interested.’
Cenwyn, private landlord

Many tenants also prefer this type of arrangement. However, the direct payment of rent should be arranged with the tenant’s full knowledge and co-operation. This is a very important matter to discuss prior to beginning the tenancy.

Some vulnerable tenants might have particular reasons to want their rent paid directly to the landlord. People recovering from addictions are often keen to have this arrangement in case of a relapse.

The DWP administers the welfare benefit system in the UK. They decide what benefits people are entitled to. The system can be complicated to work with at times and tenants may have their benefits cut for a variety of reasons, not all their fault.

- If a rent payment is missed or late, it’s important that you contact the tenant immediately. Remember to do so in a kind and understanding way.

“A lot of it is to do with how you treat them. If you treat them badly they won’t have any reason to do anything in a certain way.’
Paul, private landlord

- The tenant might not know that their benefit payments have been stopped by the DWP when you first contact them.
- It’s important that you work constructively with the tenant to solve this issue. A missed rent payment could be a simple issue that can be worked out quite quickly.
- One way of doing this could be to encourage the tenant to take early independent advice to find out what other support would be available. This support could help deal with the rent arrears. Organisations such as Shelter Cymru or Citizens Advice Cymru are well placed to offer such advice to tenants.



Knowledge is key – how to get help and support

Whether you rent out one property or hundreds, knowing where to find help when things go wrong is one of the most important things a landlord can do.

Local authorities – your first point of contact

If you need help or advice with any issues related to your tenants, your first port of call should be your local authority. The local authority will support private landlords to maintain tenancies and keep people in their homes. It is important that you know that help is available and that you know who to contact.

- Local authorities have a legal duty to prevent homelessness. This can mean taking action to support a current tenancy which is facing difficulties.
- You can contact the local authority about any issue you, or the tenant, are facing.
- The authority might be able to offer your tenant ‘floating support’ to help them manage the tenancy.
- This support can be based on any issue that threatens the tenancy, including financial issues such as budgeting and welfare benefits, anti-social behaviour or the individual support needs of the tenant.
- However, it’s important to keep in mind that local authorities have had big budget cuts in recent years. Services are busy and you might not be able to get exactly the support you want initially. It’s important to be persistent.
- If you aren’t getting anywhere, you may be able to refer your tenant directly to floating support services, without having to go through the local authority. Search online for your local authority’s ‘Supporting People Directory’. This will give you contact details for all the tenancy support services in your area. Some of them may accept a referral directly from you.



Join a landlord association

Joining a landlord association (such as the Residential Landlords' Association) can be an invaluable tool and resource for getting advice on legal and practical issues regarding renting properties.



I think it should be compulsory to be a member of an association.'

Laura, private landlord

Membership is inexpensive (less than £100 a year) and gives you easy access to information on your rights and responsibilities as a landlord, as well as on-hand advice for when issues arise.

- The law is complicated and can change frequently. Landlords often feel overwhelmed by the amount of laws and regulations they need to comply with. These are not limited to housing laws, but also health and safety regulations and equality laws, for example. By joining a landlord association, you can keep up to date.
- If a tenancy gets into difficulty and you don't know what to do, or are unsure of consequences, obtaining advice from your landlord association can help you make the right decision.

Join your local landlord forum

Landlord forums operate across Wales and are a great way of keeping up to date with the most recent developments in the housing sector.



Education is the most important thing with landlords and tenants from now on.'

Ffion, private landlord

- Forum meetings are a good place to learn from your fellow landlords who might have had similar experiences to yours in the past.

Avoiding discrimination – a quick guide

Using the information in this guide will place you in the best position to ensure that you are not in breach of equality laws.

“Your home is where you have to be comfortable and also able to be yourself. As landlords we have a role to play in this.”

Gregory, private landlord

- As a private landlord, you need to know about the Equality Act 2010. The aim of the Act is to ensure that people aren't treated less favourably than others because of their characteristics. This means you can't discriminate against people because of their age, disability, race, sex, religion or belief, sexual orientation, marriage or civil partnership, pregnancy or maternity, and gender reassignment.
- The Equality Act states that landlords must not 'harass, victimise or discriminate against another' when dealing with existing tenants or would-be tenants. It also means that landlords may be required to make 'reasonable adjustments' for tenants who have a disability.
- What does this mean in practice? It could mean that you have to advertise a rental property in a way that doesn't exclude certain groups of people with protected characteristics. It could mean reconsidering a 'no pets' policy for someone who has a guide dog.
- It could also mean that you have to seriously consider a disabled tenant's request to make an adaptation to the home. However, your duty to make reasonable adjustments does not extend to making any structural changes to your property. The decision about what is 'reasonable' should take into account your circumstances. If the property has been your main home in the past you may be exempt from having to make reasonable adjustments.
- Finally, your tenant may be eligible for a 'Disabled Facilities Grant' to cover the costs of making adaptations. You can find further information in the 'Other useful links' section at the end of this guide.

We hope that helps, but be aware that...

Equality and discrimination laws are very complex, and we would encourage you to seek specialist advice, for example from your landlord association, if any equality or discrimination issues arise.



Questions & answers

1. I'm worried about renting to prison leavers – should I be?

- Many landlords worry about renting to people who have been in prison, especially if they have previously been involved in serious crimes.

However, many are looking for a fresh start. When deciding whether to give someone a tenancy after they have been released from prison, try meeting with the person to talk with them about the tenancy.

“You need to stop landlords blanketing everyone. You can tell a lot by meeting with someone.”
Michelle, private landlord

Prison leavers might have had tenancy training while in prison and are likely to be in contact with a probation officer. Both of these are useful.

Try to find out if they have any particular support needs that need addressing. The local authority might be able to offer support to meet these needs.

Welsh Government has published a ‘pathway’ plan which sets out how homeless prison leavers should be assisted. Links to this plan can be found in the Directory at the end of this guide.

2. I'm worried about renting to people on benefits – should I be?

- No, there is no real reason to worry about renting to people who receive benefits. There are many negative stereotypes of people who receive benefits and they usually portray people as lazy and feckless.

However, people can be on benefits for many reasons including illness or disability; losing their job or going into adult education; or being in low-paid work.

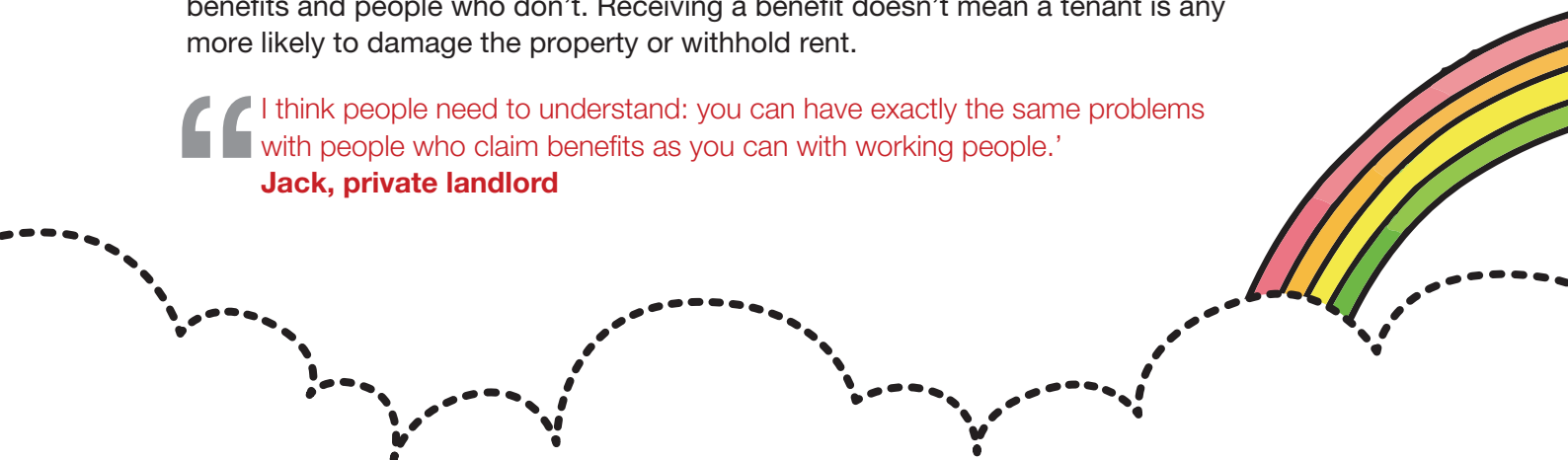
Many of the issues faced by landlords who rent to people who claim benefits are due to difficulties with the system that administers the benefit payments, not the recipient themselves.

The landlords who contributed to this guide said, from experience, they know that:

‘A good tenant is a good tenant, no matter what.’

This means that there is no real difference between renting to people who receive benefits and people who don't. Receiving a benefit doesn't mean a tenant is any more likely to damage the property or withhold rent.

“I think people need to understand: you can have exactly the same problems with people who claim benefits as you can with working people.”
Jack, private landlord



3. How do I arrange direct payment of rent?

This depends on the tenant's situation. There are two main options under the new Universal Credit system.

If a tenant is vulnerable, the DWP could establish an 'alternative payment arrangement'. Sometimes Local Housing Allowance or Universal Credit can be paid direct to the landlord but you, or the tenant, may need to request this.

Make sure you get advice (from your local authority, landlord association or landlord forum) to find out which is most appropriate for your tenant.

Another option is to open a credit union 'jam jar' account to get the rent paid directly to you. See the 'Money' section above.

4. I'm nervous about renting to a vulnerable tenant, what should I do?

Some landlords refuse to give vulnerable people tenancies because of the way they have been labelled: 'prison leaver', 'benefit recipient' or 'recovering substance misuser'.

The landlords who contributed to this guide say the most important thing is to meet and talk to people before you decide. Despite having undesirable labels, or a difficult past, you can tell a great deal about a person's character by talking to them.

“ I need to know more about the individual person before I rent to them, so I tend to interview people.”

Sarah, private landlord

By not considering some groups of tenants because of a label, you could be denying yourself the chance to rent to a great tenant and help them make a positive step in life.

“ Landlords seem to think they [benefit claimants] are more risky from a “getting them out” point of view, than a working person. In my experience that is certainly not the case. They're under the same rules as anyone else and landlords need to have that explained to them.”

Tomos, private landlord

It's also important to find out if they have any support to maintain the tenancy, if it is needed. It may be possible to arrange support for vulnerable tenants through the local authority – see the 'Knowledge is Key' section above.

5. I'm renting to vulnerable tenants and things are going wrong – what do I do?

If it's a matter that you can discuss with the tenant, try to work it out with them directly or any support workers they might have. If it isn't something you can talk to them about – for example, if you think a tenant's activities may be illegal or dangerous – you may have to consider contacting the police.

If you aren't sure how to deal with a problem, it is vital that you seek advice and information. See the above section 'Knowledge is key' for more information. It might be the case that the local authority could put in support to help the tenant deal with problems that they face.

6. What are the signs things aren't going well?

One of the first signs that a tenancy is in difficulty will be missed or late rent payments. Other signs include poor maintenance or damage in the property or if the tenant seems to be avoiding you.

7. I think one of my tenants is experiencing domestic abuse. What do I do?

This is a very difficult situation and it is not the place of a landlord to intervene directly. Domestic abuse is a hidden problem and will not be limited to vulnerable tenants. Signs that domestic abuse could be taking place are damage to the property which indicate fights or unusual damage, such as broken door handles. Be aware of other signs that stand out.

If you suspect a tenant, or someone living in your property, is experiencing domestic abuse, there are dedicated advice lines that you can call – see the end of this guide for contact details. If you think there is a direct threat to someone's safety, call the police immediately.

8. I know a would-be tenant has had drug or alcohol misuse problems in the past. I don't know if I should give them a tenancy.

Many landlords might be concerned with offering tenancies to people who have had substance misuse issues in the past. In cases like these, it is important to meet with the would-be tenant and talk to them, instead of making snap judgements.

Many people recovering from substance misuse will be eager to move on from their past. It's important that the property is in the right location so people aren't exposed to too much temptation. With the right support, such as from a drug counsellor, a long and successful tenancy can be established.



9. A would-be tenant has mental health problems. Should I offer them a tenancy?

Mental health problems are very common. The mental health charity Mind claims that one in four people will experience a mental health problem each year.

Needless to say, the majority of people who have mental health conditions will be able to maintain a tenancy perfectly well without any support.

However, if a person's mental health affects their ability to manage a tenancy, the local authority may be able to offer support to help the tenant.

10. My tenant has a mental health condition and the tenancy is struggling. What do I do?

It's very important to be sensitive; a heavy-handed approach may not help things.

“If you're going to go round, ranting and raving at your tenants and threatening them and not doing the work, you deserve what you get.”
Jim, private landlord

This risks a breakdown of communication as the tenant may bury their head in the sand. Maintaining engagement is key here when dealing with difficulty.

A concerned landlord should contact the local authority, which can refer your tenant to sources of help.

11. Should I offer a vulnerable person a tenancy in shared accommodation?

If you are considering offering a room to a vulnerable tenant in shared accommodation, it's important to discuss this with the tenant and any support staff they might have, to see if this is appropriate.

It might not be appropriate to offer a vulnerable person a room in shared accommodation in certain situations, such as:

- Someone who has, or is recovering from, alcohol or drug misuse may not be suitable for shared accommodation if other tenants use drugs or alcohol
- Someone who has a mental health condition, such as anxiety, may not be suited to living with strangers
- Someone who has autism spectrum condition may find it difficult to be around strangers.

It is a good idea to introduce a would-be tenant to any existing tenants prior to signing a tenancy agreement and to give everyone an opportunity to spend some time together.

There are simple questionnaires you can do with tenants to find out about their personality and how compatible they would be as housemates. Crisis have published a factsheet on how to do this: <http://bit.ly/TenantMatching>

It's always crucial that the would-be tenant should have the final decision about who they live with.

12. A would-be tenant has a learning disability; I don't know if I should rent to them.

Having a learning disability is not a reason in itself to refuse a tenancy. When considering offering a tenancy to someone with learning difficulties, try to establish if they have support, either from family or professional services. When necessary, with the right support, a long and successful tenancy could be established.

13. I want to end a tenancy. What do I do?

Eviction should always be the last resort. However, if you do decide to issue notice to a vulnerable tenant make sure you notify the local authority.

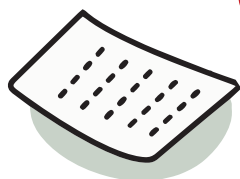
This is vital as the authority might try to address the problems the tenancy has faced and prevent homelessness. They might be able to intervene and save the tenancy, but if they can't do that to your satisfaction, then they will support the vulnerable tenant to avoid homelessness.

Everyone deserves a home and if you decide the tenant cannot remain in your property, it's important that the local authority can put provisions in place to ensure the tenant doesn't become street homeless.

14. My tenant is disabled and has asked me to make some changes to the property to improve access. Do I need to do what they are asking?

It depends on your situation, as well as what adaptations are being requested. You are not required to make structural changes to the property under the Equality Act. However, you should comply with requests to make simple, non-structural changes as this is a 'reasonable adjustment'. If you have lived in the property as your main home in the past, you may be exempt from making reasonable adjustments.





Directory

Local authority	Relevant contact number	Local authority	Relevant contact number
Ynys Môn	01248 752 200	Neath Port Talbot	01639 685 219
Gwynedd	01286 682 608	Bridgend	01656 643 540
Conwy	01492 576 264	Rhondda Cynon Taf	01443 425 005
Denbighshire	01824 712 372	Merthyr Tydfil	01685 725 475
Flintshire	01352 701 400	Caerphilly	01495 873 552
Wrexham	01978 298 993	Blaenau Gwent	01495 354 600
Ceredigion	01970 633 396	Torfaen	01495 742 437
Powys	01597 827 464	Monmouthshire	01495 742 437
Carmarthenshire	01554 899 259	Cardiff	02920 537 342
Pembrokeshire	01437 764 551	Newport	01633 210 826
Swansea	01792 774 320	Vale of Glamorgan	01446 709 302

Other useful numbers and links

Live Fear Free Helpline: 0808 8010 800

A confidential helpline providing support to anyone experiencing domestic abuse and to individuals who want to learn more and seek advice.

Mind Infoline: 0300 123 3393

A helpline offering advice and information on mental health issues.

Shelter Cymru Live: 0345 075 5005

Shelter Cymru will offer free, independent, specialist housing and debt advice to your tenant.

Shelter Cymru also have a free housing advice app full of useful information about housing rights and responsibilities.

Citizens Advice Cymru Adviceline: 03444 77 20 20

Citizens Advice offer free, confidential and impartial advice on a wide range of issues including money, benefit or employment problems.

Rent Smart Wales: 03000 133 344

Rent Smart Wales is the registering and licensing body for private landlords in Wales.

Residential Landlords Association: 03330 142 998

The Residential Landlords Association is the leading voice for landlords in England and Wales. The prime objective of the RLA is to campaign in Government and Parliament on behalf of our members, and support them to be safe, legal and compliant.

Dŵr Cymru Welsh Water

can reduce charges for low income or vulnerable tenants and help with arrears. Information is available from 0303 3130019 or visit www.dwrcymru.com for more information and online applications.

Disabled Facilities Grant:

use this page to search for your local authority's application pages: <https://www.gov.uk/apply-disabled-facilities-grant>.