- A GUIDE TO

## KEEPING

**COMMERCIAL** 

### CANNABIS

OUT

#### **OF YOUR PROPERTY**

--- FOR LANDLORDS AND LETTING AGENTS ---



#### Introduction

Commercial cannabis cultivation can affect you as a landlord or letting agent. It can cause huge damage to your property which your insurance may not cover, and could also result in loss of rent whilst your property is repaired.

In previous years cannabis cultivation often took place in large industrial units. More recently farms tend to be established in residential properties, bringing the problem into local communities. Over the last two years police forces have seized over one million cannabis plants being grown in the UK. The criminals involved in commercial cannabis cultivation often have links to other serious and organised crime, which can include human trafficking.

For these reasons, Crimestoppers, in conjunction with the police and the Home Office, has produced this leaflet to help you spot the signs of commercial cannabis cultivation, to let you know how you can report it and to describe the steps you can take to help protect yourselves and your property.

This leaflet has been designed for both private and social landlords, as commercial cannabis cultivation can affect all types of properties. We recognise that social landlords may have their own guidelines on dealing with criminal behaviour. Therefore, we recommend that you refer to your own guidance in the first instance if you suspect your property is being used for this purpose.



# What is the real cost of commercial cannabis cultivation in my rental property?

'The financial cost to a landlord of a property being used as a cannabis farm can easily run into thousands of pounds. It's harder to put a figure on the personal cost - the stress, the aggravation, the hassle, even the fear of dealing with the tenants – but it's every bit as devastating.'

Richard Lambert, CEO, National Landlords Association

When organised criminals use rental properties to cultivate cannabis, neighbourhoods suffer, with property managers and landlords often paying a high price.

If organised criminals use your rental property, you could:

- Find your property is damaged due to unauthorised structural changes, which your property insurance may not cover and which could result in increased premiums in future
- Expose your property to increased risk of fire due to excessive cabling and flammable materials
- Lose rent during eviction and repair periods
- Have to deal with hostile tenants which isn't just frustrating – it can also be frightening and dangerous
- Be held liable by the property's energy supplier for outstanding energy bills
- Incur penalties, including loss of property use, property damage resulting from police raids, and in some cases asset seizures.

#### Did you know...

You could also face prosecution if your property has been used as a cannabis farm. Under Section 8 of the Misuse of Drugs Act 1971 a person concerned with property management can receive a maximum of 14 years in prison and/or a fine if they knowingly allow the production of controlled drugs to take place in rented accommodation for which they are responsible. Landlords could also be prosecuted for proceeds of crime or money laundering offences or have assets seized and confiscated under the Proceeds of Crime Act in some cases.

## How can I spot the signs of commercial cannabis cultivation in my property?

Commercial cannabis growing operations can be hard to identify. Here are some factors that may indicate cannabis is being grown in your property:

- Strong and sickly sweet smell, which is different to the smell of cannabis being smoked
- Cannabis growing equipment, for example lighting and ventilation equipment. There may be a constant buzz of ventilation or large ducting tubes protruding out of windows
- Windows blacked out (either using black plastic or heavy fabric on windows, which are usually hidden by nets, curtains or blinds so as not to look suspicious from the street)

- Unsociable coming and going
- Strong and constant lighting day and night in the attic, roof space, basement or other rooms
- High levels of heat and condensation in a unit, resulting in peeling paint or mildewed wallboard or carpet. Heavy condensation at the windows may also be seen
- Lots of cables, or electrical wiring being tampered with and bypassed circuitry
- A sudden jump/fall in electricity bills
- Bin bags full of vegetable material being thrown away. The stalks and roots of cannabis plants are discarded when the plants are harvested. Plant pot shaped root balls may be dumped in the garden
- Other obvious signs include: reflective material (e.g. tin foil) used to speed growing, and bags of soil or fertilisers stored in hallways, sheds or garages.

#### **Case Study: alterations to property**

"We were informed of a serious fire in one of our properties which was caused by the tenant growing cannabis in the house. The fire service's report showed the fire caused extensive damage to the house – walls that weren't severely damaged had collapsed; inner walls on the first floor had been pushed outwards; first floor ceilings were missing and bathroom fittings were shattered. Not only did we lose almost a year's rent, we also had to pay legal costs to bring the case to court and  $$\Sigma 45,000$$  to repair the property."

Source: East Durham Homes

#### Dangers of alterations to property

Due to the nature and extent of alterations often seen in properties where cannabis is being cultivated there are many safety concerns:

- Holes may be cut into walls and ceilings to make way for wires and tubing
- Internal walls may be removed, putting the property at risk of collapsing
- Floors could be sodden with water and liable to give way under foot
- Heavy cultivation equipment may fall from insecure fastening to ceilings or walls.

The positioning of equipment such as lights may cause injury and the chemicals used can be harmful to humans.

#### Risks of fire

Cannabis farms often involve strong lighting, excessive wiring and lots of flammable vegetable material. This makes them serious fire hazards. Cannabis factories are often in top floors or lofts, which means that when a fire takes hold it spreads rapidly to roofs and neighbouring buildings. If your property doesn't have a smoke alarm or other fire detection system, the fire may only become apparent when it is well developed.

In 2013, the London Fire Brigade attended one fire a fortnight in a building which was being used to cultivate cannabis. Almost all those fires were in residential properties, posing a risk not just to residents of the building used, but also neighbours.

### How can I spot the signs of criminal intent in a potential tenant?

The following guide sets out some indicators to help you identify if a potential applicant could be a criminal intending to establish a cannabis farm. You may want to be aware of the following as part of your screening:

 An applicant's willingness to pay rent months in advance, particularly in cash.

If an applicant offers you 6 months' rent in advance, resist the urge to accept. By accepting cash in advance you might have more money in the short run, but your property may suffer damage which affects the value of your long term investment.

 A tenant's tendency to pay in cash combined with a lack of visible means of support

Simply paying in cash does not prove criminality. However, if other warning signs are noted and tenants possess large amounts of cash with no apparent sources of income be suspicious.

 Any request from the tenant for you not to visit the premises

Often the tenant will give seemingly plausible explanations for this request. This may be combined with a request to meet you to pay the rent rather than you visiting the address.

- Unusual fortification by a tenant of individual rooms
- A willingness to install expensive exterior fortifications

If your tenants offer to pay for installing expensive window bars and other exterior fortifications they may be interested in more than just preventing burglary.

### What steps can I take to protect myself and my property?

The suggested following measures may help to prevent criminals from renting your property.

- Use a form of photo identification of potential applicants
- Ensure identification has not been altered and is not fake
- Watch for telephone, water, gas and electricity accounts in different names
- Require more than one type of identification for joint applicants
- Check the prospective tenant's current address
- Check the prospective tenant's rental history
- Obtain any mobile phone numbers of prospective tenants
- Obtain car registration numbers

Be aware that many criminals use a 'front couple'. These people will appear to be a genuine, respectable couple seeking to rent a property for their own use. After they have been shown around the property by the landlord and take possession of the property they will disappear without a trace. They will then be replaced by criminals who will convert the property for the purpose of cannabis cultivation.

### What measures can I take to improve the security of my property?

- Regular visits once the tenant has taken up residency
- Keep the property visible by keeping shrubs trimmed so they do not obstruct windows and porches to increase the likelihood that any illegal activity is observed
- Use lighting such as motion or light sensor lighting over all entrances and low energy lighting along walkways, as this will keep the property visible at night and could act as a deterrent
- Display dwelling numbers and building names clearly so the police can find the correct address if called
- Encourage community involvement and take notes of neighbours' complaints
- Exchange phone numbers with neighbours and encourage them to report any suspicious behaviour to yourselves and the police. Often, landlords or property managers only hear of dangerous activity when the neighbours complain to the council or when the police execute a search warrant. By establishing a good relationship with the neighbours you can avoid such a situation
- Regular visits to monitor any of your vacant properties. If you don't check on vacant properties it may be noticed, and could give cannabis producers an easy and cheap place to work.

"It is important to ensure that if using an agent to manage your property they carry out inspections during the tenancy. In that way issues can be identified thus safeguarding your property from the serious damage cannabis cultivation can cause."

Isobel Thomson, Chief Executive of the National Approved Letting Scheme

#### Insurance

Some insurance providers may not cover you for loss of rent or damage resulting from criminal activity. Accordingly, you may wish to speak to your insurance provider to check the level of cover that you have, so you can decide whether or not it fully meets your requirements, and obtain additional cover if you think it is necessary.

## How to report if you suspect your property is being used for cannabis cultivation

If you have any suspicions, you should contact your local **police force on 101** or call **Crimestoppers on 0800 555 111**.

You should always call 999 when it is an emergency, such as when a crime is in progress, when there is danger to life or when violence is being used or threatened.



Commercial cannabis cultivators may use defences and booby traps in order to slow down access to the property (to allow them to escape if necessary) or destroy the evidence of a cannabis farm. Therefore, if you suspect that you have discovered cannabis cultivation, please report your suspicions to the police so that trained officers can enter, detain suspects and recover evidence safely.

Source: West Midlands Police





### We would like to thank the following partners for their support in producing this booklet.

Gwent Police, West Midlands Police, Association of Residential Letting Agents, National Federation of Arms Length Management Organisations (ALMOS), Social Landlords Crime and Nuisance Group, National Landlords Association, Residential Landlords Association, National Approved Letting Scheme, Endsleigh insurance, London Fire Brigade and East Durham Homes.

If you'd like to leave comments on this leaflet, please visit **www.Crimestoppers-uk.org/scratchandsniff** (using the reference 'property') between June and September 2014.

