

Gps lettings ltd



Landlord and Tenant Guide

Written by Debbie Jones MARLA

Director: gps lettings ltd

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INTRODUCTION

This guide is produced by gps lettings to help both landlords and tenants understand the practical elements surrounding residential lettings. The guide is written by Debbie Jones MARLA, director of gps lettings, and the processes detailed within the guide relate to the way that we operate as a company. If you have used a different agency in the past, then you may find that they did some things slightly differently.

We hope that by producing this guide it will help all parties understand some of the legislation that has to be complied to, as well as understand some of the office process' that we have to carry out.

We want to make the process of being one of our landlords or tenants as enjoyable and stress free a process as possible. We understand that moving home is an incredibly stressful process, we also understand that the legislation involved in becoming a landlord can be overwhelming, we hope to try and ease some of this stress and pressure.

At the start of some new chapters you will see that we have detailed some parts that are more useful to a landlord or a tenant. This means that, if you wish, you can choose to only view the things that are particularly relevant to you and skip the parts that are not



OUR SERVICES

LANDLORDS – This chapter is relevant to you

We offer 3 different service levels to our clients. The services differ in the amount of involvement we or the landlord will have with the property and therefore the tenant. For a full break down of the costs of each service and a more detailed explanation on what we do for each service then please refer to our 'Terms of Business'. This chapter is intended to give a brief overview.

The landlord chooses the service, and his decision is based on various factors including:

His knowledge surrounding residential lettings legislation

The amount of available time he has to look after his tenant and his rental property

The connections he has with local contractors who will be available to attend to emergency situations that can arise at his rental property.

The distance the landlord lives to his rental property

How comfortable the landlord feels he will be to chase late payments of rent

How comfortable and knowledgeable the landlord is if any legal proceedings or court proceedings had to be initiated.

SERVICE 1 - FULL MANAGEMENT

If the landlord chooses our fully managed service, then we will deal with the day to day running of the rental property and all contact with the tenant. We collect and process rental payments. We arrange contractors to remedy and/ or quote for day-to-day property maintenance and we will keep the landlord updated with all legislation changes that affect his property. All repairs to the property are paid for by the landlord, usually out of the next month's rent. Full Management is our most popular service.

SERVICE 2 – RENT COLLECTION

The main difference with this service and our fully managed service is that we are not instructed by the landlord to deal with any day-to-day property maintenance at the property. Landlords who choose this service will usually do this as they have strong connections with an assortment of local contractors, so can easily access someone to help with repairs and breakdowns should the need arise, but they do not wish to become involved with chasing rental payments or constantly reading up on residential lettings legislation. We collect all rental payments, diarise and monitor all safety certificates and ensure our landlord is up to date with legislation and remains legally compliant.

SERVICE 3 – INTRODUCTION ONLY SERVICE (ALSO REFERRED TO AS LET ONLY)

Landlords who choose this service are usually landlords who have a keen interest in residential lettings. These landlords will usually be members of one of the landlord bodies/ associations and will attend seminars and training schemes to make sure that they are always aware of legislation changes and what they need to do to remain legally compliant. Landlords who opt for the introduction only service will only need us to help find a tenant, carry out in depth referencing and produce a legally compliant tenancy agreement. They will have the time necessary to be available to look after their rental property and tenant, and will be organised and dedicated to keeping good accounting records so they are always aware of what rental payments should be expected to be received and when, and know what to do if rental payments are not received when they should be. This service is not intended for the new or inexperienced landlord, or for a landlord who has no desire to be very hands on with his rental property or has no desire to remain constantly up to date with all legislation changes. Very few landlords opt for this service.

TENANTS – Why the service the landlord has opted for is relevant to you

It is very important for tenants to know who their point of contact is for rental payments and for maintenance issues. As a tenant you need to know where you need to make your rental payments to. You also need to know who to contact and what to do if there are any property maintenance issues at your rental property.

If your landlord has instructed us on a fully managed or rent collection basis, we will have told you to pay your rent into our client account. This information is detailed within your tenancy agreement. You will also have access to an online accounting system, you can log in to this system at any time and see your rent account. You will know when your next rental payment is due and also be able to see all payments that you have made to us.

If your landlord has the introduction only service, you will need to pay your rent directly to your landlord. Best practice would be to set up a standing order to do this. You will then always have your own record of all payments made. If you do decide to pay your landlord cash, then always obtain a receipt for this. Interesting fact: Legally, only tenants who are required to pay rent weekly need to be given a rent book by their landlord.

For any property maintenance, only landlords who have the full management service have given us instructions to deal with any day-to-day property maintenance at your property. If your landlord has elected to have the rent collection or the introduction only services then you must contact your landlord for all property maintenance issues. When you move into your rental property, we will give you an information sheet which explains which service your landlord has with us, and more details about what to do if there are any maintenance issues at your rental property. Unless your landlord has the full management service, we strongly advise you to have a conversation with your landlord and find out what he wants and authorises you to do in an emergency, if you cannot get hold of him.

We will cover in more detail property maintenance / repairs and rental payments in future chapters of this guide



VIEWING AND MARKETING A PROPERTY

TENANTS – This chapter may be helpful to you

Depending on if the rental property is already vacant will depend on how we can market and advertise the property.

If the property is already empty then one of our team will visit the property, obtain marketing photos and produce a 3d virtual tour. These are then used in all the methods of advertising that we have opted to use.

If the property is occupied, then we will endeavour to obtain new marketing photos, this is not always possible due to complications with access as well as if the existing tenant is in the process of moving out and if the property is cluttered with removal boxes etc. We will always try our best to promote rental properties as fully as we can.

Landlords can keep track of all viewings and all feedback from viewings via their online account.

Viewers can also keep track of all viewings that they have booked via their own online account.

We market properties at a fair and competitive rent, we actively discourage 'offers' on rental properties. We keep landlords updated and advise landlords during this process if we feel that any works are needed at the rental property before a tenant is able to move in

We also advise viewers that if there is anything they feel needs doing to the rental property, that they make this view clear before they apply for the property. Rental properties are let 'as seen', so requests for decorating, flooring, additional cleaning must be made before a tenant decides to proceed with an application for the property, and definitely before a tenant pays over a holding deposit.

Things that tenants should consider when looking for a new home could include:

Location – is the property near to public transport/ train station. Is the property commutable to your place of work or your children’s school? Is the property on a busy road and if it is will street noise bother you? Visit the area at different times, do you feel safe? Is it noisy?

Parking – if this is important to you then find out the parking situation! Some blocks of flats are permit holders only, you may not be guaranteed a parking space, so do not assume. If the parking is ‘on street’ are there enough spaces for the number of cars in the street? You may need to view the property at different times of the day to determine this? Are you eligible for a residents parking permit? If you are, how much will it cost and where will your visitors park? If you see a parking space outside of the property never assume it belongs to the property you are viewing. Get confirmation of this.



Size – Take a good look at each room, can you fit all of your belongings in? You may be viewing when the property is occupied by the outgoing tenant, they may have really fancy / modern furniture that makes the property look amazing, imagine your own furniture in place and determine if the size and style will look how you want it to. Think about who will be living at the property and make sure the property is large enough, also think about if you want or need outside space. Take a good look at the kitchen are there enough unit’s or work top space? If you want a dishwasher, washing machine, tumble drier etc will all of these appliances fit? Is there plumbing and space for all the appliances you want to use? Make sure you clarify what is being left behind – lots of appliances may belong to the tenant, so you may need to budget to buy your own. Never assume that something is included in the rental

Budget – Work out what you can afford, then stick to this. It’s so very tempting to ‘just go and look at’ something that is over your budget. If you do this and then fall in love with the property you will over commit financially and then struggle for the next 12 months. Make sure you can afford to pay your rent and bills and have money left for any luxuries that are part of your lifestyle. If this is the first time renting then do not be tempted to underestimate how much you will be spending on food and bills each month.

Heating – Look at the sort of heating the property has. Is it all electric? Does it have gas central heating? Is it under floor heating? Also look at the windows, are they double glazed? Then think about if you will be comfortable living in this property. If the property is still occupied

when you view and it is winter, then take a moment to feel how warm it is. Landlords do have a duty to ensure a property is adequately heated, but if you are a person who really feels the cold then please do give this some extra consideration.

If you decide to proceed with a property then you will enter into a legally binding contract, which is not easy to get out of and would be very costly if you 'changed your mind' or subsequently decide moving into this property was a mistake. It is a very big decision, so make sure you have given this the right amount of thought.

DOCUMENTS AND SAFETY CERTIFICATES

THE ONES YOU NEED AND WHY

TENANTS AND LANDLORDS

A tenant cannot move into any home without being given copies of certain documents and safety certificates. The law has introduced new documents to be included in recent years, as well as new penalties for landlords not producing these documents and providing copies to your tenants


GAS SAFETY CERTIFICATE

All properties that have a gas supply must have an annual gas safety test carried out. The test can only be carried out by an engineer registered with and on the gas safe register. The gas safe register replaced corgi registration in Great Britain in 2009.

It is a legal requirement for an annual gas safety test to be carried out. Under **The Gas Safety (Installation and Use) Regulations 1998**. A landlord must:

Arrange for a Gas Safe registered engineer to carry out a gas safety check every 12 months.

Provide the tenant with a copy of the landlord gas safety record before a tenant moves in to a property and then again within 28 days of the annual check taking place.

Landlord Gas Safety Record 

Registered Business/Engineer details can be checked at www.gassaferegister.co.uk or calling 0800 408 8500 Reference number: **GASSAFE002** Job: **15/04/2021** Next Inspection Date: **15/04/2022** **123456**

Contractor Details		Installation Address			Client Address														
Company name: Pumpkin's Pylor Phone: 07585331468 Contractor name: Pumpkin's Pylor Gas Safe License Number: 3453545		47 B. Borman Road Newport NP23 7WJ UK			Pain Pylor														
Appliances																			
No.	Location	Type	Make	Model	Owned by	CO Alarm test	Flue type	Inspected & dated	Combustion Analyser CO2 Reading										
									Low		High		Upper limit		PPM				
1									Ratio	Percentage	PPM	Ratio	Percentage	PPM	Upper limit	PPM			
2																			
3																			
4																			
Appliances							Details of any defects identified												
No.	Item	Unit of measure	Safety device operation	Ventilation	Flue performance	Visual condition of flue and termination accessibility	Appliance safe	Were any errors identified?			Were any essential action taken?			Inspected and working notes attached?					
1								No			No			No					
2								No			No			No					
3								No			No			No					
4								No			No			No					
Gas Supply and Pipe Work							Declaration												
Emergency control valve accessible and operable		Gas supply pipework		Equipment bonding		Leakage		Additional comments / Work			Engineer name			Customer name			Item Type		
Gas lighters		Gas supply pipework		Installation pipework		Appliances tested		0			Signature			Signature			Item Type		
											Date			Date			Date		
											15/04/2021			15/04/2021					

Maintain the gas appliances, pipework and flues they provide in accordance with the manufacturer's instructions.

In order to help landlords comply with the legislation, a landlord is able to have a new gas safety test carried out up to 60 days before the expiry of the existing one without losing any time on the validity of the certificate.

Failure to adhere to this legislation could result in a substantial fine or imprisonment.

The Deregulation Act 2015 made it a legal requirement to provide tenants with copies of a valid gas safety record, Energy Performance Certificate and a copy of the most up to date 'How to Rent Guide' before the tenancy begins. Penalty for not providing these documents under the Act means that landlords cannot gain possession of their property by way of a Section 21 notice. It is therefore imperative to not only provide these documents, but also best practice to have dated proof that the documents have been given to your tenant.

ELECTRICAL SAFETY CERTIFICATE

On 01st July 2020 **The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020** came into effect. No tenant could start a new tenancy from this date without the property having a full electrical safety test. From 01 April 2021 the Regulations were extended to include to all existing rental properties.

The Electrical test must be carried out by a qualified person, and once completed a report is issued which will be an Electrical Installation Condition Report (EICR). The electrician will categorise any issues that he identifies on the report. The categories are as follows:

- **Code 1 (C1): Danger present. Risk of injury.** A new tenant cannot move into a property if any code 1's are identified until these are rectified. If the property is currently occupied then the electrician cannot leave the property until he has made the Code 1 hazard safe.
- **Code 2 (C2): Potentially dangerous. Urgent remedial action required.** A new tenant cannot move into a property until any Code 2's have been rectified. If the property is currently occupied then the electrician must ensure there is no danger to the tenants and rectify the fault as soon as possible.
- **Code 3 (C3): Improvement recommended.** Code 3's are advisory for landlords. Tenants can move into properties that have code 3's. A landlord may choose to have the recommended works attended to, but isn't legally required to. An example of a code 3 could be a fuse board not to 17th edition BS7671. This fuse board hasn't been identified as being unsafe, it just isn't the type that is now installed in newer properties.

- **Further Investigation (FI): Further investigation required without delay.** A new tenant cannot move into a property with an F1, the F1 fault needs to be investigated and rectified. If the property is currently occupied then the electrician must ensure there is no danger to the tenants and rectify the fault as soon as possible.



Failure to comply to these regulations can result in the Local Authority imposing large financial penalties for landlords. Tenants could also separately take a landlord to court and be awarded compensation if it is deemed that the property is unfit under the **Homes (Fitness for Human Habitation) Act 2018** which could include unsafe electrics.

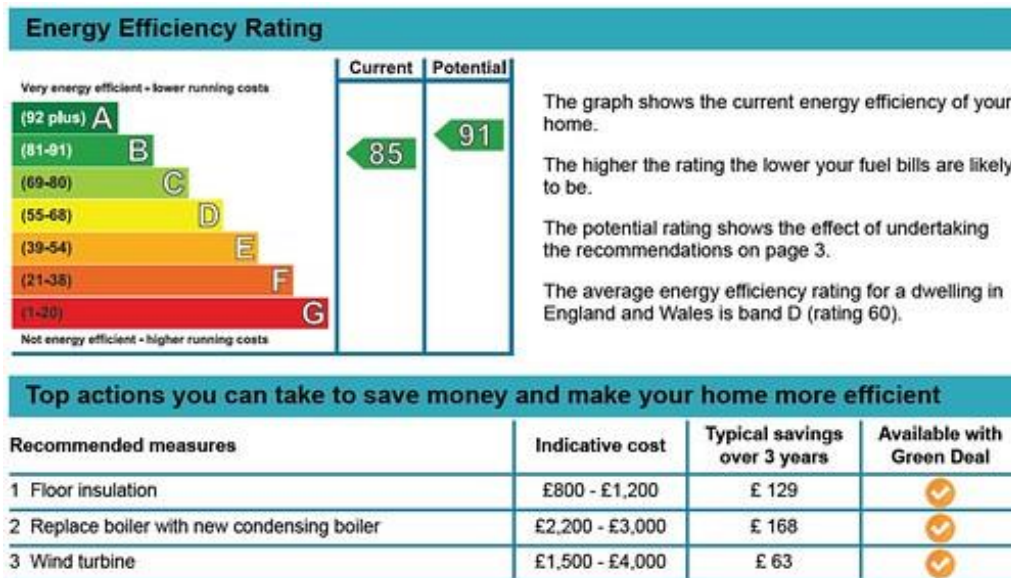
ENERGY PERFORMANCE CERTIFICATE

An Energy Performance Certificate (EPC) shows how energy efficient a home is. Homes are rated on a score of A – G (with A being the most energy efficient). The certificate includes recommendations detailing what can be done to make a home more energy efficient. Some recommendations would not be too costly to implement, such as changing light bulbs to energy efficient ones, other recommendations could be much more costly, such as changing the heating system.

The current requirements are set out in the **Energy Performance of Buildings (England and Wales) Regulations 2012**, which came into effect on 9 January 2013, although they have been amended since, and also the **Building Regulations 2010**.

In 2008 it became a legal requirement to have a valid Energy Performance Certificate for all properties that were being placed on the rental market. The Government introduced the legislation to spread awareness of how much energy a home was using.

On 1st April 2020 the Government went either further with the legislation in an effort to make properties more energy efficient by making it illegal to rent out a property that had an EPC rating of F or G (certain exemptions apply).



There is a private members bill being debated at the moment **‘The Domestic Premises (Energy Performance) Bill’** asking for all properties to have a rating of a C or higher by 2030. If this becomes legislation it will be very unwelcome news for many landlords. With this in mind, be aware of any improvements that you make to your properties and always look for ways to make them more energy efficient where you can.

Criteria that is considered when assessing a properties energy rating will include:

- the type of building (i.e. flat, house or bungalow) and whether it is detached or not
- the age of the building
- the number of habitable rooms (excluding kitchens, bathroom hallways, stairs and landings)
- extensions and their construction and rooms in the roof
- the dimensions of the building and the number of floors
- the amount and type of glazing (i.e. single or double glazing)
- the material used to build the property (e.g. brick, stone, timber frame, etc.)
- wall insulation
- roof construction (e.g. flat, pitched) and insulation
- the number of chimneys and open flues
- the heating systems and the type of fuel used (source

An Energy Performance Certificate is valid for 10 years. Under **The Deregulation Act 2015** it became a requirement to ensure that tenants had been given a copy of their EPC prior to starting a tenancy, and if this did not happen then the landlord would be unable to regain their property by way of a Section 21 notice.

LEGIONELLA RISK ASSESSMENT

Landlords have a duty to ensure that they have carried out a risk assessment at their rental property to ensure that there is very low risk of a tenant becoming unwell due to the presence of legionella bacteria. Several pieces of legislation cover this duty. **Section 3(2) of the Health and Safety at Work Act 1974** (HSWA) makes provision for relevant health and safety

legislation to apply to landlords to ensure a duty of care is shown to their tenants with regard to their health and safety. The **Control of Substances Hazardous to Health Regulations 2002** (COSHH) provides a framework of actions to control the risk from a range of hazardous substances, including biological agents (eg Legionella) - to identify and assess the risk, and implement any necessary measures to control any risk. Landlords must ensure that the risk from exposure to Legionella in their premises is properly controlled. Since the **L8 Approved Code of Practice (3rd edition)** (ACOP) was published in 2001, there has been a requirement for landlords of both domestic and business premises to assess the risks from exposure to Legionella to their tenants.

Legionella are bacteria that are common in natural water (rivers and lakes etc) and artificial water systems, e.g. hot and cold water systems (storage tanks, pipework, spa baths, taps and showers). Legionella bacteria can multiply in hot or cold water systems and storage tanks in residential properties, and then spread, e.g. in spray from showers and taps. Although there is generally higher water temperature throughout, and a relatively low volume of water held in smaller water systems, which in turn reduces the likelihood of the bacteria reaching dangerous concentrations, you must still carry out a risk assessment to identify and assess potential sources of exposure. Legionella bacteria thrive between 20 C and 45 C. Temperatures above 50 C will kill the bacteria. The infection is caused by the inhalation of water droplets or spray mists which have been contaminated by the bacteria.

Specific areas of concern in small domestic systems are mainly to do with stagnation. Your property is likely to have adequate water flow throughout when occupied, but there may be times when outlets are unused for extended periods, or there could be old, redundant pipework which is allowing water to stagnate.

Risk assessments should be compliant with current legislation. Risks to be considered are: poorly designed and maintained Cold water tanks, or tanks with a missing or poorly fitting lid. Hot water taps and pipes that are not achieving temperatures of at least 60 C. Shower heads fouled with limescale and / or microbiological growth. Poor disinfection procedures after refurbishments or new installations. Non WRG compliant materials (i.e. natural rubber liners in flexible fittings). Landlords also need to consider if their tenant could be more vulnerable and therefore susceptible to legionella bacteria, eg elderly, ill, or anyone with a compromised immune system.

Your risk assessment has to identify any potential source of exposure and steps must be taken to actively prevent or control any risks that are identified. Records should be taken and kept for a period of at least 5 years.

Steps that can be taken to reduce risks include: raising the temperature of warm water (this has to be balanced out against the risk of any possible risk of burns / scalding). Disinfecting the system, make sure that no water can stagnate anywhere, insulate pipework, and keeping cisterns covered and free of any debris

What we are doing:

- 1) We are informing our landlords about the legislation and that the law states that Landlords are responsible for carrying out these risk assessments.
- 2) We will be making all new Tenants moving into properties aware of precautions that they should take (by handing out some written information to them).
- 3) For our Fully Manged and Rent Collection Landlords we will organise a legionella risk assessment 2 yearly (charges apply)
- 4) For properties that we manage: If we receive a report from a Tenant or contractor of a property defect that may result in there being a risk of Legionella bacteria arising, we will arrange remedial works as deemed necessary by a competent contractor (charges to Landlord will apply)



HOW TO RENT GUIDE

The 'How to Rent Guide' is an informative booklet, designed and produced by the Government, it advises tenants on their rights regarding renting a property. The guide covers topics such as: how much deposit a landlord can legally ask for, if a landlord or agent can charge any fees to a tenant plus lots of practical information that is useful for a tenant to know.

To ensure that all tenants looking to rent a property have been given a copy of the guide, under **The Deregulation Act 2015** it became a condition that the most up to date guide is given to a tenant by the agent / landlord, prior to a tenancy commencing. If this does not happen then the landlord is prevented from gaining possession of his property by way of a Section 21 notice.

The most up to date version of the guide can be found here:
<https://www.gov.uk/government/publications/how-to-rent/how-to-rent-the-checklist-for-renting-in-england>



The guide is updated periodically, which can catch landlords out, as the law always requires the most up to date version to be handed to your tenant. The last update to the guide happened on 24/03/23

PROVIDING TENANTS WITH COPIES OF THE CERTIFICATES

Please be advised it isn't enough just to 'have' all the correct certificates in place. Part of **The Deregulation Act 2015** legislation is that you have to have given your tenants copies of all of these and be able to prove that you have done this.

Tenants are entitled to up-to-date copies of the following as a minimum:

Electrical safety cert, gas safety cert, how to rent guide, deposit prescribed information and scheme rules, EPC, property licence certificate.

Other documents that must be provided if available (and if not available will affect deposit deductions and rent guarantee claims): inventory, legionella risk assessment.



If we organise these for you, we will provide copies to your tenants, and keep computer records of proof of providing these. If you organise any of these yourself it is up to you to ensure you have given your tenants copies, and can provide proof of the same.

The 'How to Rent Guide' has been updated numerous times since it was introduced. We ensure that if we have to serve a copy to your tenant, the copy we serve is the most up to date version. We also, as a matter of course, serve the most up to date version before we carry out a property inspection at your property (this is in addition to any copy previously served).

TENANTS WHO WISH TO APPLY TO RENT A PROPERTY

TENANTS AND LANDLORDS

Once a tenant has found a property that they wish to apply for we ask them for information that will help the landlord decide if in principal their application will be accepted. The information we ask at this stage will include details of who will be renting the property, when the tenants are hoping to move in, how long an initial tenancy they would like, their income, if they have any bad credit and if they have any pets or are smokers. Tenants are also asked if they will be able to provide a guarantor should one be required, and if they can, then we ask their guarantors details.

We ask all this information as ultimately it is always the landlord's decision about who they rent to. A landlord may have several interested parties in his property and may be of the opinion that it is better to rent to the person who can move in the soonest, or a landlord may have an applicant that doesn't smoke or have pets, or an applicant who is on a much higher income. There is no set formula on how a landlord makes his decision. If we were to line 50 landlords up in a room then you will receive 50 different opinions on who the most 'ideal' tenant will be. It is not the case that whoever applies first will be given the property. We have a duty to inform a landlord about all applications we receive, even if the referencing process has already started. We can never 'withhold' an application from a landlord. We will also not ask more than one tenant to pay the Holding funds. To take holding funds from multiple tenants is a breach of the **Tenant Fees Act 2019**

Under **The Equality Act 2010**, It is unlawful for a landlord to not accept a tenant based on certain protected characteristics which include for example: their religious beliefs, sexuality and ethnicity.

Once a landlord is happy to accept a tenant's application the tenant is asked to pay their holding fund (equal to one week's rent) and we will start the referencing process. We use an outside referencing agency. The tenant completes a link which goes straight back to them. The referencing company will then do various checks and references, including a credit check, previous landlord check, identity check and take an employer's reference. Most referencing companies now offer tenants the option to use open banking to speed up the referencing process. If a tenant consents to this then the referencing company can quite often complete

the referencing checks the same day. Open banking is a government backed scheme that puts you in charge of who has access to certain financial records from your online banking, whilst you maintain control of your data at all times.



GUARANTORS

Lots of tenants require a Guarantor in order to pass the referencing and move into a property. Some reasons why you may require a guarantor include; you have a slightly low income to rent ratio, your credit score isn't high enough, your employer has said you are still on probation with your job or you are doing contract work or it could just be that the landlord requires a Guarantor as a condition of renting the property, A Guarantor is someone who is happy to sign a legally binding document called a Guarantor Deed which means that if you do not pay your rent for any reason, that they will pay it for you.

It is a huge responsibility to be a Guarantor for someone. If someone is happy to be a Guarantor, then they usually only do so if they totally trust the person that they are providing this service for. It is not recommended that you act as guarantor for someone you do not know really well. It's important to know that a Guarantor is Guarantor for the whole time that the tenant remains in the property, not just for the first term. The only way that a Guarantor can stop being a Guarantor for someone who has not moved out of the property is if they are either replaced with an alternative Guarantor, (NOTE: this will be subject to the landlord approval and referencing), OR the reason the tenant originally need a Guarantor has disappeared (the tenant would need to be re referenced and this is again subject to the landlords approval) There will also be costs involved which are detailed later in this guide.

PROOF OF ADDRESS AND RIGHT TO RENT CHECKS

As part of the refencing process we will ask tenants and Guarantors if applicable, to provide proof of their existing address. There are only certain documents that we are authorised to accept. These include: Driving licence, Utility bill dated within the last 3 months or a Bank statement dated within the last 3 months.

The right to rent checks that we are undertake are a legal requirement. Right to rent was introduced in **The Immigration Act 2014** Any one renting a property must prove that they have a legal 'right to rent' in the UK. The checks involve you showing us your original passport and / or visa if applicable. We may also use the Home Offices online checking service, or from

the 6th April 2022 IDVT (Identity document validation technology) is also being used. If we cannot establish that you have a lawful right to rent in the UK then we cannot rent to you.

For properties that we manage or are employed on a rent collection basis, if the tenants had a limited right to rent in the UK, we diarise when their right to rent will expire, and contact them nearer to the time to be sure that their right to rent status has been renewed.

All tenants over the age of 18 years old must prove their right to rent status.

Penalties for moving a tenant into a property who does not have a legal right to rent include an unlimited fine, or imprisonment.



THE REFERENCING PROCESS IN MORE DETAIL

We are frequently asked the referencing criteria to be able to rent one of our properties – this guide will provide an overview. This is not a comprehensive guide but should be used as an indication. Remember, this criteria is based on how the referencing agency we currently use work, so it may be different to what you have experienced previously.

All our landlords are offered an insurance product, which protects them against any non-payments of rent and other breaches of tenancy. The insurers criteria for passing the referencing changes frequently, so please contact us with specific queries.

Affordability

Tenants must have a form of income from any of the sources listed below (or a combination of the sources) that equals at least 1 x the yearly rent (eg – if the property you wish to rent is £800pcm you need to have a source of income of at least £800 x 12 = £9600.00)

It is a tenant's responsibility to chase all references through. This may mean you chasing your employer or current / previous landlord for replies to reference requests.

Acceptable income sources:

Earned income from an employer (PAYE)

Self-employed income – which must be verified via an accountant, bank statements or self-assessment tax forms

Disability Benefits

Pensions

Savings (must be in an accessible account, and must have not been touched for at least 6 months)

Other forms of income such as maintenance payments, student loans, bursaries, commission, income from property etc are assessed on a case-by-case basis.

Please note Job seekers allowance and child benefit are not accepted as a form of income.

If the income as listed above is between 1 x the yearly rent and 2.5 x the yearly rent a guarantor must also be provided.

Credit rating

One declared CCJ under £300.00 – may be acceptable dependant on the rest of the referencing

2 CCJ's totalling less than £5000.00 – may be acceptable with a guarantor dependant on the rest of the referencing.

3 or more CCJ's – Decline

Non-Declared CCJ – Decline (so if you think you may have a CCJ please tick 'yes' during the application process to this question)

Declared Bankrupt or Declared IVA – may be acceptable with guarantor dependant on the rest of the referencing

Non-Declared Bankrupt or Non Declared IVA – Decline.

If you are unsure of your credit rating you can use one of the searches online to check this, or you can complete a

FREE property passport – this is from 'The Lettings Hub' who are the company we use for referencing. You do not need to be applying for a property through us to take advantage of this service. The link is here:

<https://customer.lettingshub.co.uk/passport/register?t=2b88fa1-5e33f09-147c78e-c1a5c15>



GUARANTORS

A Guarantor is always required if the applicant's income is less than 2.5 x the yearly rent. The Guarantor must earn (from any of the incomes previously listed) at least 3 x the yearly rent (applicants are permitted to have more than one guarantor). There will be other reasons that a Guarantor will be needed, for example a short-term work contract, low credit score or if you have been self-employed for a short amount of time (this is not an exhaustive list)

Guarantors must have **NO** adverse credit.

PREVIOUS LANDLORD REFERENCE

Tenants must receive a suitable previous landlord reference (if you have rented previously). The reference must confirm you have always paid your rent in full and on time and that there is no reason for us not to consider renting a property to you.



PROOF OF ADDRESS – ALL TENANTS AND GUARANTORS MUST PROVIDE THIS

For your proof of address, the only documents we can accept are as follows (only one needs to be provided)

Photocard driving licence

Gas, Electric or Water bill (MUST be dated within the last 3 months)

Bank Statement (MUST be dated within the last 3 months)

Letter from your employer on headed paper, signed and dated, giving your name, job title and address. (offer of employment or pay slips not accepted)

TV Licence,(dated within the last 3 months)

Current mortgage statement (dated within the last 3 months.)

Sorry, but please do not ask us if we can accept any alternative documents, we cannot take a view on the documents we accept. ONLY the above documents will be accepted

PROOF OF RIGHT TO RENT - ALL TENANTS MUST PROVIDE THIS.

Please refer to the government web site, and submit to us documents within this list:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/931769/Right to Rent Checks A user guide for tenants and landlords.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/931769/Right%20to%20Rent%20Checks%20A%20user%20guide%20for%20tenants%20and%20landlords.pdf)

PAYMENT

All tenants will be required to pay a deposit of between 4 and 5 weeks rent, plus one month's rent up front on move in day. If a tenant has a pet, then the rent will be increased by £20.00pcm (not all landlords will accept a pet) On some occasions we may be able to accept



a deposit replacement insurance - the insurance cost is a sum equivalent to a figure in the region of 42% of one month's rent. More details can be provided upon request. Due to insurance requirements, the deposit replacement insurance can only be taken out with the insurer we use. We cannot accept any type of bond for the deposit.

SIGNING CONTRACTS AND PRODUCING ID

All tenants and guarantors must be available to come into our office in person to produce their ID and sign the relevant agreements or Deeds. It is a legal requirement that Guarantor deeds are signed with a 'wet' signature, these deeds cannot be esigned



HOLDING FUNDS IN MORE DETAIL

Once a landlord has been notified that a tenant wishes to apply for a property, and the landlord is in principle happy to proceed subject to referencing, we will ask the tenant to pay 'Holding Funds'. The amount will be equivalent to one week's rent.

The property is not removed from the market until these funds are received.

Once we have your holding funds, current legislation stipulates that the necessary paperwork should be completed within 15 days *or such longer period as might be agreed*. It is usual for us to agree a longer period with you, as quite often the referencing process and obtaining the relevant safety certificates takes longer than 15 days.

Do not pay any funds if you are still looking at other properties, or are unsure if this property is 'right' for you! If you pay the funds and then 'simply change your mind' then the holding funds are not refunded and will be retained by our firm. You will lose your money. By the same token, if you pay the funds and then you unreasonably delay in responding to any reasonable request made by our firm, or if it turns out that you have provided us with false or misleading information as part of your tenancy application, or if you fail any of the checks which the Landlord is required to undertake under the **Immigration Act 2014**, then again your holding funds will not be returned. They will be retained by this firm. If your employer or existing landlord do not respond, and you are unable to verify your work status and income by another means asked for by the referencing agency, then the funds will be retained by this firm.

However, if the Landlord decides not to offer you a tenancy for reasons unconnected with the above then your funds will be refunded within 7 days. Should you be offered, and you accept a tenancy with our Landlord, then your holding funds will be credited to the first months' rent due under that tenancy.

Where, for whatever reason, your holding fund is neither refunded nor credited against any rental liability, you will be provided with written reasons for this money not being repaid within 7 days.

You will not be asked to pay any fees or charges in connection with your application for a tenancy. However, if your application is successful under our standard Assured Shorthold Tenancy agreement, you will be required to pay certain fees for any breach of that tenancy agreement in line with the **Tenant Fees Act 2019**. In consideration of us processing your tenant application, you agree to pay those fees to us on request.

It is important that you know your legal rights and accordingly you should feel free to seek independent legal advice before paying any money or signing any paperwork. More information on the fees that can lawfully be charged can be found here: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/922900/Tenant Fees Act - Tenant Guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/922900/Tenant_Fees_Act_-_Tenant_Guidance.pdf)

INVENTORIES

WHAT ARE THEY? WHY ARE THEY SO IMPORTANT?

An inventory, or 'Schedule of Condition' is a document that is produced and handed to a tenant before they move in to a property. The document lists the cosmetic condition of the property, including how clean each area is.

If a property is furnished, the inventory will also itemise the furniture and its condition. Every item of upholstered furniture must also be checked to ensure it meets the legislation written within **The Furniture and Furnishings (Fire) (Safety) Regulations 1988**. This legislation sets the levels of fire resistance that fabrics / upholstery needs to be to be considered 'safe'. All upholstered property in a rented property should have the fire-retardant label left attached.



The inventory should be as detailed as possible. All cupboards and drawers should be opened and inspected for wear and cleanliness. Comments should detail how clean all sanitary wear is. The cooker should be inspected for grease. Areas like extractor hoods should be listed and detailed. The inventory should cover everything from the garden gate to the back fence of the property.

Inventories are the 'benchmark' of what the property is like when a tenant moves in. Therefore, if a professional clean has been carried out, then this should be noted (ideally with a copy of the invoice paid). If the property has been redecorated, or new flooring laid, then this should be listed with the month and year that these improvements were carried out

The more detailed an inventory is, the more protection it offers to be both landlord and tenant.

Inventories must never be 'biased', they must be a clinical review of how the property has been handed over to the tenant.

The inventory is absolutely vital to ascertaining when a tenant moves out if any damage has been caused by them, or if it was already evident when they moved in

It is imperative that both the tenant and the landlord check an inventory thoroughly. As this document is the main evidence for any deposit claims a landlord may wish to file at the end of the tenancy.

If a tenant or a landlord notice any errors or omissions in the inventory then they need to let us know as soon as this is spotted, and always within 4 days of the tenancy start date.

MOVE IN DAY

We will never move a tenant into a property until all of the following has happened:

We have all necessary Certificates: Gas – Electrical – EPC - Legionella Risk Assessment

We have verified the Tenants Right to Rent status

We have seen the Tenants and the Guarantors (if applicable) proof of address

The landlord has seen and approved the Tenant's and Guarantors (if applicable) reference's

The Tenant has paid the first month's rent and Deposit into our account and the funds are cleared

We have confirmed the moving day, initial tenancy length and amount of rent with the Tenant and Landlord

We will then arrange an appointment time for the Tenant and Guarantor to come to our office to sign the Tenancy Agreement and Guarantor Deed.

We will ask to see again the tenants Right to Rent Proof and the Tenants and the Guarantors proof of address. Original documents must be brought to our office. We will copy these documents and certify the copies as a true likeness.

In order to meet the criteria as specified under **The Deregulation Act 2015**, the Tenant will be given copies of all the Safety Certificates, the inventory and the most up to date version of the How to Rent Guide (all of these documents are sent by email). The tenant will be asked to sign to confirm that they have received all of these documents.

The tenant is then given the keys to the property and reminded to check the inventory carefully when they move in, and to notify us of any discrepancies as soon as possible (but always within 4 days).

Prior to moving in we send tenants details of how to contact utility suppliers, the local authority and the water company. Tenants are reminded that they should make contact with suppliers prior to moving into the property. This is especially important if the property has a key or card enter, as tenants need to register for their own to ensure continuity of supply.



MORE INFORMATION FOR NEW TENANCIES

Rent is to be paid monthly in advance, commencing on the first day of the tenancy and monthly thereafter. Which means that if you start your tenancy on the 5th day of the month, then future rents will become due on the 5th day of every month. You can ask to change the rent payment day. To do this you would need to pay the difference between the date your rent is already due, to the date you want your rent due in the future. For example, if you want your rent payment date changed from the 5th to the 15th (as this then coincides with your pay day), we would calculate how much rent you need to pay for the days to cover the 5th to the 15th, you would pay this amount and then pay your full rent monthly on the 15th Day of every month. When you move out, your last month's rent will be recalculated, so you will pay rent from the 15th to the 4th (which will coincide with end date on your tenancy agreement)

We prefer rents to be paid by standing order, this ensures that your rent is paid on time and you do not 'miss' any payments. If you would rather pay your rent directly into our bank account, then we will provide you with a paying in book. We do not accept rental payments in the office, and do not accept payments by card. If any tenant wants to pay their rent in cash or by cheque, then they can do this at any post office or any branch of Lloyds, by using a paying in book that we are happy to provide. We will never accept cash or cheques at our office.



The tenant is responsible for Council tax, Water Rates, Electricity, Gas, Telephone, TV licence etc. The tenant MUST contact the suppliers of these services BEFORE the commencement of the tenancy to ensure continuity of supply. (Please note that most suppliers will require at least 3 working days'

notice to reconnect a supply, or to re-set a key meter to zero. If you give a supplier less notice than this, they may make a charge to you. We are not able to hand over the keys to a property before your tenancy has commenced).

We reserve the right to notify utility companies, the local authority, other organisations and companies of the commencement/termination dates of the tenancy, as well as previous and forwarding addresses.

All rents paid to gps will be paid on to the landlord – this includes payments of rent paid in advance (ie 6 or 12 months’ rent in advance etc). If a tenant has to reclaim any overpaid rent this must be claimed from, and paid back by the landlord

TENANCY DEPOSIT

Tenancy deposit legislation came in under the **Housing Act 2004**. Under the act all deposits taken by landlords must be safeguarded with a government authorised Scheme. It is also a legal requirement that the amount of the deposit held does not exceed 5 weeks rent (or 6 weeks rent if the annual rent is over £50,000)



The scheme that we use is the TDS custodial scheme. This means that we pay any deposit money into the scheme on a tenant’s behalf within 30 days of receiving the same. The deposit money remains in the scheme until the tenant vacates the property.

There are various conditions imposed by the scheme, that we must fulfil to ensure that the money safeguarded meets the full scheme criteria and is fully compliant, such as issuing the tenant with prescribed information and providing the tenant with a copy of the scheme rules.

The deposit paid by the tenant is as security for the landlord and can be used to cover any damages to the property or tenancy breaches.

At the end of the tenancy a check out is carried out at the property. The deposit is then discussed with the landlord and the tenant.

The various outcomes and discussions may be:

The property has been left clean and tidy, there are no tenancy breaches, and the full deposit is to be returned to the tenant. The agent submits the information onto the TDS web site, the tenant goes onto the web site under their own log in and accepts the deposit return and the TDS then pay the full amount into the tenant’s bank account.

OR:

There are some issues identified at the checkout, which the tenant agrees to. An amount is negotiated that both parties are happy with. The agent submits the information onto the TDS web site, the tenant goes onto the web site under their own log in and accepts the deductions. The TDS then pay the agreed amounts into the tenant’s bank account and into the agent’s bank account. The agent then pays this onto the landlord (subject to any authorised deductions)

OR:

There are some issues identified at the property which the tenants do not agree to. The dispute is then placed before the TDS. Both tenant and agent (on behalf of the landlord) submit evidence. The TDS then adjudicates. At the end of the adjudication the TDS produce a report of their findings and pay the deposit money according to their decision. Both agent (on

behalf of the landlord) and tenant, need to log into their own parts of the TDS web site and claim the monies that have been allocated.

Its important to note, that with the TDS, if either party are due any monies back, they must log onto the TDS web site and claim this for themselves. The TDS will not send any money out without it being 'claimed'.

PROPERTY INSPECTIONS

For all of our fully managed properties we aim to carry out a routine property inspection twice per year. The aim of property inspections is to make sure the tenants are happy, that there are no obvious tenancy breaches and that there are no obvious unreported maintenance issues.

Our inspections are limited to what we can easily see, we will not open cupboards, move furniture or look under rugs.

We always ask tenants if there is anything of concern, and if applicable, we will discuss tenancy renewals with tenants at this time. We can also use the opportunity to discuss renewal options, such as renewing the tenancy for another fixed term, so having a new Assured Shorthold Tenancy Agreement, or going onto a statutory periodic tenancy (rolling contract). Please see the section later on in this guide that explains the differences between the two)

We use sophisticated software to produce the reports for landlords, and landlords are sent a copy of the completed report once it is finalised.

Inspections are important for both landlords and tenants. They give tenants the opportunity to show us the property and discuss their future plans, they give landlords the opportunity to see that their property is being looked after, but also quite often to think about future improvements that will become necessary.

We also offer a property inspection service to landlords for properties we do not fully manage. Contact us for the fee structure on this.



RENT REVIEWS

Typically, a rent review will take place once per year. For our fully managed properties, we quite often discuss rent reviews during the property inspection. For our rent collection landlords, we would normally contact you on an annual basis by email or phone to discuss a rent review.

When considering rent reviews, we will always look at the rental market at the time. We compare the rent of a property to the rents currently being achieved for similar properties. We then discuss this with the landlord and tenant.

Rents can be increased by granting a new Assured Shorthold Tenancy to the tenants, with the new rental amount listed, or, if the tenant is on a Statutory Periodic Tenancy, then the rent is increased by the service of a **Section 13 Notice**.

Rent reviews are always discussed before they are implemented.

If a tenant disagrees with a rent review, then the landlord will consider the reasons, the landlords then have two options:

The landlord may decide to renegotiate, they may decide they have not considered the local market correctly and may be looking to increase the rent too much in comparison to neighbouring properties, so the landlord may review the amount he wishes to increase the tenancy by.

Or

The landlord may decide that the rent review is fair, and if the tenant will not pay the market rent for the property that the tenancy will need to end. In this instance the landlord will need to serve the tenant with the appropriate notice to bring the tenancy to an end.

If a tenant feels that the rent being asked is too high, they can formally challenge this by taking their plea to the First-Tier Tribunal (property chamber). There is a set process and time scale to start this process, it must be before the new rent amount is due to start, or if this is a new tenancy, within 6 months of the tenancy start date.

In reality, it is incredibly rare for tenants to take their grievance to the First-Tier tribunal. The tribunal will look at the same evidence that the landlord has access to, i.e. local comparable rents. If the rent increase is deemed to be in line with the local property market, they will not rule in favour of the tenant.

ENDING A TENANCY

Some tenants will stay in their rental property for 30 Plus years, others will leave after 6 months. Depending on if the landlord or the tenant want to end the tenancy will depend on the process to follow.

Landlords- if you want to end a tenancy you ALWAYS have to serve a notice. It will either be a Section 8, or a Section 21 notice (depending on the circumstances) It doesn't matter that your tenant has a fixed term Assured Shorthold Tenancy Agreement, that details an 'end' date. You will not be granted possession of your property at court if you have not also served the relevant notice. Please see the chapter on Section 8 and Section 21 notices for more information on these.

Tenants – If you are in an Assured Shorthold Tenancy Agreement we will contact you if your landlord has our fully managed or rent collection services and ask you if you are looking to renew or to leave. You should also read your tenancy agreement to see what is stipulated about ending your tenancy. Commonly it is requested that you serve your landlord two months' notice. It may also say in your agreement how you need to serve this notice (by post, email etc)

Tenants – if you are on a Statutory periodic Tenancy then the law is different. You must serve your landlord a minimum of one months' notice (If you pay your rent monthly), this notice must be served on or before a rent payment date, and must end to coincide with a rent payment period.

Tenants – if you want to leave before your contract naturally ends there is a process for this. Remember in law, you are not permitted to simply 'end' an Assured Shorthold Tenancy Agreement. But if you need to do this then it can only be done by mutual agreement and there are financial implications. Note these financial implications are permitted under the Tenant Fee Ban Act. Full details of this are available on our web site or by contacting the office.

ASSURED SHORTHOLD TENANCY VERSUS STATUTORY PERIODIC TENANCY

When your tenancy starts it will almost certainly be an Assured Shorthold Tenancy Agreement (AST). An AST is a fixed term agreement. It has a start and an end date. It contains all the clauses that you need to fulfil as a tenant, as well as detailing your landlords' obligations.

On renewal the landlord and tenant need to decide if they would like to commit to another fixed term contract, so have a new Assured Shorthold Tenancy Agreement, or if they would like to revert to a statutory periodic tenancy, more commonly referred to as a month to month or rolling contract.

Both parties must be in agreement as to the type of tenancy they wish to renew on.

With both types of tenancy, all the clauses in the most recent AST remain legally valid so, if you have renewed with a new AST, all of these clauses are the ones you are bound by. If you have opted to have a statutory periodic tenancy, the preceding AST is the one that has the clauses that you are bound by. An exception could be the level of rent, which may have been increased by way of a separate Section 13 notice.

The biggest difference is when the tenancies will end and how they will end. See previous chapter regarding more details on this.

CHECK OUT REPORTS – What are they and why are they necessary?

A check out is carried out once a tenant has left a property. The purpose of the report is to determine any difference in the property since the tenancy commenced

The report is used for 2 main reasons

- 1) Identify any potential deposit claim
- 2) Identify any maintenance issues, or improvements required

The report is very comprehensive, once completed it is firstly sent to the landlord for their comments. The landlord is asked if they agree with the report, or if they feel that there are any issues that may need to be addressed, which could be deposit deductions, or general maintenance works required.

Once we have the landlord feedback, we contact the tenant. If there are no deposit issues, we will then notify the tenant of this and log into the TDS web site to authorise the landlord's part of the deposit return. The tenant must do the same to receive the money.

If there are deposit issues we will arrange quotes from contractors, and we send a copy of the checkout report, the original inventory and a list of the deductions to the tenant.

More about deposit disputes is covered in the section under TDS

It is important to note that without a check out and inventory report, winning deposit claims is almost impossible

Check out reports and inventories are a condition of your rent guarantee insurance (if you have this with us)



PETS

There has been a lot of recent publicity about tenants having a legal right to have pets in their rental properties. There is currently no legislation in place that supports this.

A landlord does not have to give permission to allow pets. The only exception to this would be for a registered service/ assistance dog.

It's important to realise that sometimes even if the landlord is open to pets, the head lease on some developments prohibit it. It would be a breach of this lease to go ahead and have a pet at the property.

If you are looking to rent a property and already have a pet, then make this clear at the time of viewing / application. Do not pay over any holding funds unless you have it in writing that your pet is going to be allowed. Be realistic about properties that you view. It is much less likely that a pet will be allowed in a property that has no access to a garden for example. Landlords are allowed to charge a higher rent if you have a pet, typically an additional £20.00 pcm



REPAIRS AND MAINTENANCE

Section 11 of the Landlord and Tenant Act 1985 states that landlords are legally responsible to maintain and repair the following:

(a) to keep in repair the structure and exterior of the dwelling-house (including drains, gutters and external pipes),

(b) to keep in repair and proper working order the installations in the dwelling-house for the supply of water, gas and electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity), and

(c) to keep in repair and proper working order the installations in the dwelling-house for space heating and heating water.

It will depend what arrangement the landlord has with the agency as to the process a tenant will need to follow should there be a maintenance issue at the property.

For properties where we are employed on our fully managed service, the tenant should report all repairs to us.

If a landlord has instructed us on our Rent Collection or Introduction Only Service, then this means the landlord wishes to organise all repairs himself, so a tenant must report all maintenance issues to their landlord.



There are circumstances where the landlord is not responsible for repairs. These are in the instances of tenants damaging another person's property, for example if water leaks into another flat from an overflowing bath, the tenant can then be responsible for paying for the repairs. A tenant is also responsible for paying to put right any damage caused by them or their family and friends. Note: Although these repairs are a tenant responsibility, if the tenant refuses to pay, then the burden of cost falls to the landlord, and the landlord would then need to take separate private action against the tenant or make a claim against the tenant's deposit at the end of the tenancy.

It's important not to confuse 'repairs' with tenant responsibilities. Tenants are responsible for living in a 'tenant like manner'. The meaning of living in a tenant like manner comes from a famous case which was over seen by Judge Lord Denning: **Warren v Keen 1953/4**. In this case a landlord was trying to put repairing obligations onto his tenant. Although repairing obligations remain a landlord's obligation, Lord Denning did define what tenants are required to do, as part of their day-to-day tenancy obligations.

'The tenant must take proper care of the place. He must, if he is going away for the winter, turn off the water and empty the boiler. He must clean the chimneys, where necessary, and also the windows. He must mend the electric light when it fuses. He must unstop the sink when it is blocked by his waste. In short, he must do the little jobs about the place which a reasonable tenant would do. In addition, he must, of course, not damage the house, wilfully or negligently; and he must see his family and guests do not damage it: and if they do, he must repair it.' and *'if the house falls into disrepair through fair wear and tear or lapse of time, or for any reason not caused by him, the tenant is not liable to repair it.'*

Other obligations that would fall to a tenant would include; tightening loose screws in handles etc, bleeding radiators, changing lightbulbs and re pressuring boilers.

If a repair is necessary at a property, then the tenant must report this (see above to determine if this should be to the agent or to the landlord).

For properties that we manage, once a maintenance issue is reported, we ascertain if the responsibility to deal with this repair falls to the landlord or the tenant. We also try a basic fault-finding exercise over the phone with the tenant (if appropriate). If the repair does fall to the landlord, and we have been unable to help the tenant resolve the issue over the phone,

we will instruct an appropriate contractor. We advise the tenant of the contractor's details, and we advise the landlord that a maintenance issue has been raised.

Once the contractor has resolved the issue, they will submit their invoice to us. We will contact the tenant to ascertain that the job was completed satisfactory, and then arrange to pay the contractor out of the next rent received. The landlord is sent a copy of the invoice for their records and for tax purposes.

Common issues that are reported to us that are not usually landlord responsibilities are: blocked sinks, toilets and drains (tenants are advised to try drain unblockers and plungers, or if appropriate to call Thames Water). If tenants lock themselves out, the call out costs of locksmiths and lock changes would fall to the tenant. We are also frequently called by tenants due to no electricity – we can usually solve this by fault finding with the tenant and using the process of elimination to establish what is causing the electrics to trip.

If a landlord arranges their own maintenance, then it is important to make sure that tenants are very clear on what to do if something happens at the property, please especially make sure they know what to do if they cannot get hold of you. We have had tenants in the past who haven't been able to get hold of their landlords and instruct contractors of their own choosing at considerable cost. Landlords on full management, please be advised that all of your tenants have a list of approved, out of hours contractors to call if they have a property maintenance emergency. These contractors are all vetted by us, and have instructions on what is classed as an emergency and what they are therefore authorised to do.

WHAT TO DO IN AN OUT OF HOURS EMERGENCY (FULLY MANAGED)

All tenants who move into a property on our fully managed service are sent copies of our out of hours processes when they move into properties. This process is also found on our web site. If a tenant cannot reach an authorised contractor, they would be able to instruct a contractor of their choosing providing: The call out is a true emergency, eg water causing damage or a health and safety issue. The tenant should only authorise the contractor to carry out the minimum required to stop the health and safety issue. If a tenant allows a contractor to attend and the call out would not have been deemed an emergency, then the tenant should do this on the understanding the landlord may not cover the cost of this call out. For example: you have no heating or hot water, but it is in the evening when you discover this, and the office is open again at 9.00am the next morning. This is not an emergency call out unless there is an additional medical requirement. Most repairs require parts, if a contractor attend late at night, it is likely there is little they can do until their suppliers open the next day. The result of calling someone out in the evening for an issue like this is that they will still not be able to resolve the problem, but they will charge an exceptionally high call out charge for an out of hours attendance.

To clarify, there are very limited occasions when an out of hours call out would become necessary.

WHAT TO DO IN AN OUT OF HOURS EMERGENCY (RENT COLLECTION AND INTRODUCTION ONLY)

We are not able to instruct contractors for tenants whose landlords have opted for the above 2 services. Therefore, it is imperative that tenants and landlords discuss what the process is to be, should there be an emergency maintenance issue, and you cannot get hold of each other.



FOR LANDLORDS OF FULLY MANAGED PROPERTIES – MORE ABOUT MAINTENANCE

Our contractors work under difficult conditions. We are always mindful that when maintenance works are required at your rental property it is never ‘welcome’ news for you. We are also aware that you are going to be concerned about costings and that the best price has been obtained. We know that ideally you would all like to have several quotes to consider and compare. The reality is that multiple quotes for maintenance works are not always



possible. We try to keep all of your costs as low as possible, and we can only do this by keeping contractor visits to properties to a minimum. If we ask several contractors to visit properties to provide quotes, without paying them for their time, you will soon start to see that the quotes that start to come in for your maintenance works start to rise as contractor’s start to ‘add in’ the

additional time spent quoting. Plus, your tenants cannot constantly take time off work to allow for lots of different access. We do call contractors and ask for verbal quotes if we are unsure of what the works would involve for a particular job, or if the job is a particularly big one. We are also constantly searching for price comparisons on the internet for you, to make sure that quotes for new appliances (for example) are competitive, or that the pricing of certain jobs is realistic. We advise our contractors that if we find their quotes start becoming expensive then we simply remove them from our approved contractors list. We are a big supplier of work for local contractors, the contractors know our expectations and rules regarding continuing to use their services.

NON PAYMENT OF RENT

TENANTS

Not paying rent is extremely serious. To not make a rental payment on time should be considered as an extreme course of action, and only happen if every possible means of making the rental payment has been exhausted.

If a tenant finds themselves in a position where they cannot pay their rent then the first thing to do is to speak to the agent or landlord. Agents can never 'defer' the rental payment, but will offer suggestions that a tenant may not have considered. For example, look at other bills and see if any of these can be reduced or companies that can be approached for payment plans etc. See if there is any entitlement to government help / benefits to make the rental payments. Speak to family members to help? We realise that it can be embarrassing to have to do this, but this is a better option than risking having bad credit ratings lodged against you or worse still, losing your home.

If there is a Guarantor attached to the tenancy the tenant should approach their Guarantor and advise them that they are in difficulties and ask the Guarantor to make the payments.

We also advise tenants to pay 'what they can', to simply pay nothing at all does not show any commitment from the tenant that they are working to resolve the situation that they are in

At all times a tenant must keep the landlord and agent updated about their situation and what is going to happen to resolve it. It is a sad fact, that if tenants fall too far behind with



their rental payments, or if they frequently do not pay their rent on time, then landlords will have to turn to the courts in order to obtain a possession order. This is a stressful and upsetting practice for everyone involved.

THE DEBT RESPITE SCHEME (BREATHING SPACE MORATORIUM AND MENTAL HEALTH CRISIS MORATORIUM) (ENGLAND AND WALES) REGULATIONS 2020.

This scheme was brought in by the Government to give someone in problem debt the right to legal protection from creditors. The scheme only applies to certain debts, rent is one of them.

There are two types of breathing space. These are defined on the gov.uk website as:

A standard breathing space is available to anyone with problem debt. It gives them legal protections from creditor action for up to 60 days. The protections include pausing most enforcement action and contact from creditors and freezing most interest and charges on their debts.

A mental health crisis breathing space is only available to someone who is receiving mental health crisis treatment and it has some stronger protections. It lasts as long as the person's mental health crisis treatment, plus 30 days (no matter how long the crisis treatment lasts).

If a tenant is in debt and feels they may meet the criteria for the scheme they will need to see an authorised debt adviser. If they meet the criteria their details will be placed on the breathing space register. Once on the register the breathing space will start.

What this means to landlords who are owed rent:

During the time the breathing space is in force the tenant cannot be contacted to pay the monies already owed, and no enforcement action can be started against the tenant (any already started will need to be stopped). The rent will still be due as normal during this period. The tenant should be paying the monthly rent. Breathing space is not a 'payment holiday', the tenant should still make any new payments due, and should still be trying to clear any arrears. The point of the breathing space is to stop the tenant being placed under extra pressure whilst they work out a solution to pay off their debts. If the tenant does not pay their monthly rent during the breathing space, the debt advisor can decide to cancel the breathing space. This cancellation would not apply if the breathing space has been granted due to a mental health crisis.

Once the breathing space ends, if the debt still remains, all action against the tenant can resume in the normal way.

RENT GUARANTEE

Rent guarantee is a product we are able to offer via the referencing agency we use to give landlords extra protection against non-payments of rent. If a tenant does not pay the rent, and the landlord has a rent guarantee policy in place, the insurers will contact the tenants, if

the tenants continue not to pay then the insurers will make the rental payments, and, if necessary, will then start eviction proceedings to regain possession of your property.

If landlords have a policy with a provider that isn't via us then please check the policy terms and know exactly what you are covered for and how and when you need to make a claim. We are frequently made aware that landlords, who thought they had comprehensive cover with an outside provider, have had their claims denied. Please also be aware that submitting an insurance claim is an enormous amount of work, we carry out this work for landlords who have rent guarantee with us, we do not carry out this work if you do not, therefore if you have rent guarantee with an alternative provider, please make sure you know the claims process, if you require our help in providing documents and evidence then we do make a charge for this of £125.00 Plus VAT (we do not attend court for you)



EVICTIONS AND NOTICES

Sadly, some tenancies do end up 'going wrong'. The most common issue is the rent not being paid. This can be for a variety of reasons including tenants losing their jobs, having their overtime cut, separating, becoming ill or, in rare instances the non-payments of rent can be a deliberate act, usually because tenants very mistakenly think that it is a way to get allocated social housing more quickly. This is never the case, and these tenants will almost always end up in a much worse position than they originally were.

There are other reasons that the tenancy may need to be ended. These include anti-social behaviour, illegal activities, or some other breach of contract.

Section 8 Notice

To end a tenancy due to a breach, the Landlord has to serve a prescribed form to the tenant, called a Section 8 Notice. Serving of the notice can be complex, and for this reason we will never serve this notice in house. The main reason for this is that if any mistakes are made at all, it will be months down the line before these are identified at court, and the whole process would need to be started again. Fortunately, the serving of the notice is included within the rent guarantee package that we recommend. So, all landlords who have rent guarantee which was set up with us, will not need to worry about the costs associated with having to serve the Section 8 notice. These landlords will also not need to worry about loss of rent, as this is also covered under the terms of this policy (certain exceptions apply)

The Section 8 notice can only be used to evict a tenant if one or more of the 'grounds' listed within it apply. To further complicate the process, the Section 8 notice has 17 grounds, but only 8 of these grounds are a mandatory ground for possession. What this means is, that if the Section 8 has been served correctly, and when the case gets to court, if the ground(s) that you are relying on for the eviction is one of the 8 grounds that are a mandatory ground for possession, then the judge must grant a possession order. However, if the ground(s) you are relying on are discretionary, then the judge can form his own decision on if he wants to grant a possession order or not. As courts are under instruction from local authorities to not evict tenants unless absolutely necessary, it is very hard to get a possession order using one of the discretionary grounds.

The Section 8 notice grounds are as follows:

Firstly, the mandatory grounds for possession. Almost all of these grounds will have an additional requirement to have notified the tenant of the right to use this ground *before* the tenancy started. Therefore, some of the clauses within a tenancy agreement are incredibly important to be able to rely on these grounds if necessary at a later date.

Ground 1

This ground allows the landlord to repossess the property if:

the landlord has lived in the property previously. Note: The landlord is not required to want to move back in to use this ground.

or

the landlord wishes to move into the property to use it as their main home and they were the owner of the property prior to the tenant moving in. This does not require the landlord to have lived in the property beforehand.

Ground 2

This ground relates to a lender's right to possession.

Ground 3

This ground is used for holiday homes. The fixed term must have been less than eight months, and the property must have been let as a holiday home within the preceding 12 months.

Ground 4

Can only be used if the tenant has been provided the property by a further or higher education provider.

Ground 5

Can be used where the dwelling is needed to provide a religious minister with a residence from which to perform their work.

Ground 6

This relates to recovery of possession when the landlord needs to carry out substantial building works. But can only be used if the tenant was already living in the property when the landlord bought it.

Ground 7

This ground can be used to recover possession after the death of the tenant where the tenancy has devolved under their will or intestacy.

Ground 7A

This ground relates to anti-social behaviour committed by the tenant or any other person living with the tenant or visiting the property. The landlord may seek possession if, after 20 October 2014, that person has:

- Committed and been convicted of a serious crime
- Breached an Anti-Social Behaviour Injunction obtained under the Anti-Social Behaviour Crime and Policing Act 2014
- Breached a Criminal Behaviour Order obtained under the Anti-Social Behaviour Crime and Policing Act 2014
- Been convicted of a breach of a notice or order to reduce their noise in relation to the tenant's property under the Environmental Protection Act 1990
- Has had their property closed under a closure order obtained under the Anti-Social Behaviour Crime and Policing Act 2014 and closure is continuous for at least 48 hours.

Ground 7B

A landlord may be informed by the Home Office that there are one or more occupiers, aged 18 or over, in the property with no right to rent in the UK at this time. At that point this ground may be relied upon to remove any tenants without right to rent from the property. Anyone with right to rent remains on the tenancy however.

Ground 8

This is the most common ground used and relates to serious rent arrears. For this ground to be successful the criteria for the arrears should be at both the date of the service of the notice and at the date of the hearing:

For rent payable weekly or fortnightly, at least eight weeks' rent is unpaid;
For rent payable monthly, at least two months' rent is unpaid;

For rent payable quarterly, at least one quarters' rent is more than three months in arrears; and
For rent payable yearly, at least three months' rent is more than three months in arrears.

Now onto the discretionary grounds for possession.

The judge will consider a landlords claim, and if proved he can then decide if he will grant a possession order, or grant a suspended order (usually with conditions), the judge can also decide to adjourn. You will find there may not be consistency with the judgements for a possession order when using the discretionary grounds, different judges will look at each case in different ways. Landlords should think very carefully if they want to try for possession on just discretionary grounds. Rent guarantee providers may not cover the expenses associated with a discretionary ground possession order, as in their underwriting it will say that to accept a claim on this basis, they will need to feel that the case has a high probability of being successful.

Ground 9

This can be used where suitable alternative accommodation is available for the tenant or will be available for him when the order for possession takes effect.

Ground 10

This can be used where some rent that is lawfully due from the tenant: is unpaid on the date on which the proceedings for possession are begun; and; except where subsection (1)(b) of section 8 of the Housing Act 1988 applies, was in arrears at the date of the service of the notice under that section relating to those proceedings.

Ground 11

This can be used in cases where the tenant has persistently delayed paying rent which has become lawfully due. This applies whether or not any rent is in arrears on the date on which proceedings for possession are begun.

Ground 12

This can be used where any obligation of the tenancy (other than one related to the payment of rent) has been broken or not performed.

Ground 13

This ground is used where the condition of the dwelling-house (or any of the common parts if the dwelling is part of a larger building) has deteriorated owing to acts of waste by, or the neglect or default of the tenant or any other person residing in the dwelling-house.

In the case of an act of waste by, or the neglect or default of, a person lodging with the tenant or a sub-tenant of his, the ground can also be used if the tenant has not taken reasonable steps to remove the sub-tenant or lodger.

Ground 14

This ground is used in cases of anti-social behaviour committed by the tenant or any other person living with the tenant or visiting the property if that person:

has been guilty of conduct causing or likely to cause a nuisance or annoyance to a person residing, visiting or otherwise engaging in a lawful activity in the locality; *or* has been convicted of:

using the dwelling-house or allowing it to be used for immoral or illegal purposes; *or* an arrestable (Crown Court) offence committed in, or in the locality of, the dwelling house.

Ground 14A

This ground cannot be used by private landlords. It is only available to registered social landlords or charitable housing trusts. It relates to domestic violence.

Ground 15

This ground can be used where the condition of any furniture provided for use under the tenancy has, in the opinion of the court, deteriorated owing to ill-treatment by the tenant or any other person residing in the dwellinghouse. In the case of ill-treatment by a person lodging with the tenant or by the tenant's sub-tenant, the tenant has not taken reasonable steps for the removal of the lodger or sub-tenant.

Ground 16

This ground is available where the dwelling-house was let to the tenant in consequence of his employment (eg staff accommodation) by the landlord seeking possession or a previous landlord under the tenancy and the tenant has ceased to be in that employment.

Ground 17

This can be used where the tenant is the person or one of the persons to whom the tenancy was granted and the landlord was induced to grant the tenancy by a false statement made knowingly or recklessly, by either the tenant or a person acting on the tenant's instigation.

If a landlord is trying to gain possession of his property by way of a Section 8 notice, then the solicitor's completing the notice will always try and use as many grounds for

possession as they can. It can be common for example for a tenant to have remained in 2 months' rent arrears for months, but on the day of the court hearing pay just enough off the arrears to take them to a few pounds below the 2 months of arrears level. In this instance if the landlord was relying solely on ground 8, the judge could not grant a possession order. If however the Section 8 also listed grounds 10 and 11, the judge can then use his judgement to decide if a possession order is appropriate.

Section 21 Notice

Another way to gain possession of a property is by way of a Section 21 notice (Form 6a). This is commonly referred to as a no-fault eviction notice, this is because this way of notice does not make the landlord give a reason to want his property back. Unlike the Section 8 notice, this notice can only be used to regain possession of a property if served to coincide with the end of an Assured Shorthold Tenancy, or if served correctly during a Statutory Periodic Tenancy and the relevant notice period has been given. If a tenant receives a correctly served Section 21 notice and does not then leave the property at the correct time, the landlord is then able to use the courts accelerated possession proceedings to gain a possession order and to evict the tenant.

The **Renters Reform Bill** is currently being discussed in Parliament. There are several proposals that are being consulted on within this bill. These include:

Removing the Section 21 notice – leaving only the Section 8 Notice, which will then be expanded to include extra criteria But will not include the 'no fault eviction'

Create a register of landlords

Make it illegal for landlords to refuse to rent to tenants on benefits

It is highly likely that the Renters Reform Bill will become law. Tenants, agents and landlords are waiting on the final draft to see exactly how the legislation is worded and the implications of this.

RETALITORY EVICTION – What does this mean?

The **Deregulation Act 2015** was brought in and one of its aims is to protect tenants from being evicted just because they had raised some genuine maintenance issues at their rented property, which the landlord did not want to address, so instead would choose to serve notice on the tenant. Unfortunately, there are a small number of unscrupulous landlords out there, and this Act was brought in to help protect tenants from them.



Quote from gov.uk website:

Although the quality of privately rented housing has improved rapidly over the past decade, with surveys showing that 84% of private renters are satisfied with their accommodation, there is still a small number of rogue or criminal landlords who knowingly rent out unsafe and substandard accommodation.

Retaliatory eviction is an unacceptable practice and no tenant should fear becoming homeless because they have asked for a necessary repair

The Act stipulates that if a tenant has made a genuine request for repairs at the property, which the landlord has not attended to, *and* these repairs have been verified by a local authority inspection, *and* the local authority have issued an improvement notice on the landlord, or a notice of emergency remedial action, then the landlord is prohibited from serving a Section 21 Notice on the tenant for a period of 6 months, PLUS the landlord must attend to the repairs or risk prosecution from the local authority.

Our advice has always been to all of our landlords to address all maintenance issues as they are reported. Landlords should always have contingency funds available to them for unexpected and costly repairs. It is not an acceptable excuse not to, for example, replace a boiler at your rental property simply because you do not have the funds available at that time to deal with this. We are aware that there seems to be times when you have to address a constant stream of repairs, and that you start to refer to your rental investment as a 'money pit'. But this is part and parcel of being a landlord. There will be plenty of other times where your expenditure will be negligible, so please, always have funds available for unexpected repairs.

HOUSING HEALTH AND SAFETY RATING SCHEME (HHSRS) – what is this?

Leading nicely on from the previous chapter – lets talk about HHSRS

The HHSRS was brought in under the **Housing Act 2004** – it is a risk-based evaluation tool, used by local authorities, to help minimise potential hazards within your rental property.

What's important to understand is that if a tenant has need to contact the local authority to report an issue that they maybe feel has not been addressed quickly enough by the landlord, or is incredibly serious, the Local Authority will not just look at the one thing that the tenant has reported to them. The local authority will now assess the whole property, looking for other potential hazards. If they find any, the Local Authority then have the powers to tell the landlord to address everything they have found that they consider to be potentially hazardous. It is never in a landlord's interest to delay in addressing repairs at a property.

Under the HHSRS there are 29 hazards that the Local Authority are looking to assess. These are subdivided into physiological requirements, psychological requirements, protection against infection and protection against accidents. The full list is here:

Physiological requirements

1. Damp and mould growth
2. Excess cold
3. Excess heat
4. Asbestos and MMF
5. Biocides
6. Carbon monoxide and fuel combustion products
7. Lead
8. Radiation
9. Uncombusted fuel gas
10. Volatile organic compounds

Psychological requirements

11. Crowding and space
12. Entry by intruders
13. Lighting
14. Noise

Protection against infection

15. Domestic hygiene, pests and refuse
16. Food safety
17. Personal hygiene, sanitation and drainage
18. Water supply

Protection against accidents

19. Falls associated with baths etc
20. Falling on level surfaces etc
21. Falling on stairs etc
22. Falling between levels
23. Electrical hazards
24. Fire

- 25. Flames, hot surfaces etc
- 26. Collision and entrapment
- 27. Explosions
- 28. Position and operability of amenities etc
- 29. Structural collapse and falling elements

I think there's no need to point out that this is an extensive list, covering all aspects of a rented property. The local authority will also assess differently depending on the occupiers of the property at the time, so, for example, an elderly tenant living in a property may score differently under the assessment than a property occupied by a family.



LOCAL AUTHORITY POWERS

It may be worth highlighting some of the powers that local authorities have for landlords who do not maintain their property, please note this is a very limited list, there are many more powers than those listed. It helps to emphasise why we chase maintenance jobs so relentlessly, and why we urge all landlords to attend to all maintenance requests quickly. Consequences of not fulfilling your landlord obligations can result in very large fines, and in some more serious circumstances, imprisonment. We never take lightly any maintenance job reported, or any health and safety matter that we identify or that comes to our attention. For properties that we fully manage, we always work very closely with the local authority if a problem is reported to them and they contact us. If you have the rent collection or introduction only service, it will be your responsibility to liaise with the local authority to resolve any of the issues raised.

Improvement Notices

This notice will detail works that you need to carry out and give you a deadline to complete these works by.

Prohibition Notice

This will stop certain actions immediately, it could be parts of a property can no longer be used, or the whole property, or maybe certain works need to stop immediately as they are considered to be a serious hazard

Hazard Awareness Notice

This will detail hazards that the landlord needs to be aware of, they won't necessarily need dealing with, but may need actions in the future

HOUSES IN MULTIPLE OCCUPATION (HMO)

Landlords – don't skip this section thinking it doesn't apply to you! It just might without you realising.

So, what is a HMO? A HMO is a home that has at least 3 tenants, from 2 households and they share facilities. If you have a 2-bedroom flat, let to 2 friends sharing and one of them has a child, then that is a HMO.

There are extra rules you need to follow if this applies to your rental property such as you are liable for maintaining all appliance within the property (that were in the property at the time the tenants moved in).

More commonly, when people refer to HMO's they are thinking and talking about the larger style properties, that have 5 or more people from 2 or more households, share facilities. These HMO's are all required to have a mandatory property licence. Again, there are extra rules and criteria you must follow if you have a licensable HMO. These include minimum bedroom size, additional fire safety regulations, minimum standards for cooking and washing facilities.



SELECTIVE PROPERTY LICENSING

On top of the mandatory licencing schemes, each individual local authority can bring in selective licencing. These schemes can encompass certain areas / roads, or certain styles of property, or certain numbers of occupiers. Landlords should regularly check with their own local authority to make sure no new schemes have been introduced.

If your property needed a property licence and you don't have one there are various penalties and implications including:

Not being able to use a Section 21 notice to evict your tenant.
Not being able to make a claim on your rent guarantee policy
Penalties imposed from your local authority

DEFECTIVE PREMISES ACT 1972

Its worth mentioning this piece of legislation, because whereas other legislation only makes a landlord liable once a defect has been reported, under The Defective Premises Act a landlord is responsible for repairs that he 'ought to have known about'. This piece of legislation also makes it a landlord responsibility to ensure that any works carried out at his property are carried out competently, and that no harm can come to tenants / visitors etc at the property.

With this in mind, regular property inspections are vital, as is only using reputable contractors who carry the correct qualifications (where applicable) and have the correct public liability insurance in place (always essential). It is for this reason that we inspect all our Fully managed properties regularly, and only ever instruct contractors who have the correct public liability insurance in place and the correct, relevant, qualifications.



CONCLUSION

There are literally hundreds of pieces of legislation that cover the private rented sector. This guide has just scratched the surface in mentioning a handful of these

The law is in place to protect both the tenant and the landlord. If either party breach the law, or do not adhere to it, then the law will force consequences

In a nutshell: Landlords must maintain their rental properties and respect their tenant's privacy. Tenants must respect the property and pay their rent in full and on time.

The staff at gps lettings undergo regular professional training. We are members of ARLA and abide to their code of conduct. We are also members of the property redress scheme and have full client money protection.

We advise landlords of their legal duties. We have a duty of care to tenants.

We understand that for landlords, the rental property you have asked us to help look after is one of the biggest financial investments that you have, and we understand the responsibility that this trust in us carries.

We understand that moving home is one of life's most stressful situations. We also understand that not being able to pay bills and afford rent is stressful for both landlords and tenants.

We aim to make the process as smooth and as stress free as possible for all parties. We are aware that things can go wrong along the way, and if they do we aim to help guide you through this process and alleviate a lot of the stress that will mount up at this time.

