



LAND & ESTATE AGENTS • SURVEYORS & VALUERS

LANDLORD GUIDANCE LETTING YOUR PREMISES TO TENANTS

1. OUR SERVICES

We can act on your behalf in one of three ways as follows:-

1. FULLY MANAGED

Fee: £300 + VAT, + 10%+VAT of the asking rent from month 2, on a monthly basis (Plus the cost of an EPC, EICR, Legionella Test and Gas Check, if required)

Includes the service as below:

- Inspection, general advice and assessment of rental value.
- Production of letting particulars and advertising.
- Accompanied viewing by a member of staff (if required).
- Completion of an application form from interested parties.
- Obtaining references and a security bond (deposit).
- Photographic check in inspection.
- Preparation of Tenancy Agreement.
- Register and collect deposit for the Deposit Protection Scheme (DPS) in England or Letting Protection Service Scotland (LPS) in Scotland
- Payment of deposit to accredited scheme and accounting to client.
- Ensuring that the property has fitted smoke alarms and a carbon monoxide detector, and testing the devices prior to tenancy commencement.
- Reading of meters.
- Collection of rents.
- Regular monthly statement of account, or periods to suit clients.
- Overseeing minor repairs up to £150, excluding VAT.
- Arrangement of annual inspection of gas installations, at landlords cost, if applicable.
- Liaison between client and tenant.
- Serving of notices.
- Regular inspections.
- Final inspection at the end of the tenancy. Normal wear and tear must be accepted.
- Handling the tenancy deposit and dealing with the deposit scheme at the end of the agreement.
- Any dispute arising at the termination of the tenancy relating to the refund of the deposit.
- Repairs over £500 + VAT can be organised on the basis of a fee of 20% + VAT of the contract price

2. RENT COLLECTION

Fee: £375 + VAT, + 5%+VAT of the asking rent from month 2, on a monthly basis

(Plus the cost of an EPC, EICR, Legionella Test and Gas Check, if required)

Includes the service as below:

- Inspection, general advice and assessment of rental value.
- Production of letting particulars and advertising.
- Accompanied viewing by a member of staff (if required).
- Completion of an application form from interested parties.
- Obtaining references and a security bond (deposit).
- Photographic check in inspection.
- Preparation of Tenancy Agreement.
- Register and collect deposit for the Deposit Protection Scheme (DPS) in England or Letting Protection Service Scotland (LPS) in Scotland
- Payment of deposit to accredited scheme and accounting to client.
- Ensuring that the property has fitted smoke alarms and a carbon monoxide detector, and testing the devices prior to tenancy commencement.
- Reading of meters.

- Collection of rents.
- Regular monthly statement of account, or periods to suit clients.
- Serving of notices.
- Final inspection at the end of the tenancy. Normal wear and tear must be accepted.
- Handling the tenancy deposit and dealing with the deposit scheme at the end of the agreement.
- Any dispute arising at the termination of the tenancy relating to the refund of the deposit.

3. LET ONLY

Fee: *The equivalent of one months rent, including VAT.*

(Plus the cost of an EPC, EICR, Legionella Test and Gas Check, if required)

Includes the service as below:

- Inspection, general advice and assessment of rental value.
- Production of letting particulars and advertising.
- Accompanied viewing by a member of staff (if required).
- Completion of an application form from interested parties.
- Obtaining references and a security bond (deposit).
- Photographic check in inspection.
- Preparation of Tenancy Agreement.
- Register and collect deposit for the Deposit Protection Scheme (DPS) in England or Letting Protection Service Scotland (LPS) in Scotland
- Payment of deposit to accredited scheme and accounting to client.
- Ensuring that the property has fitted smoke alarms and a carbon monoxide detector, and testing the devices prior to tenancy commencement.
- Reading of meters.

2. TENANCY DEPOSIT SCHEMES

As part of the Housing Act 2004, all deposits paid have to be 'protected' within 30 calendar days of receipt by the landlord or letting agent.

C&D Rural use the Deposit Protection Scheme (DPS) for the protection of deposits handled on behalf of landlords for residential letting properties in England, and C&D Rural use the Letting Protection Service Scotland (LPS) for the protection of deposits handled on behalf of landlords for residential letting properties in Scotland. This means that the deposit paid by the tenant is registered with the an approved and accredited scheme, and is held by the scheme for the duration of the tenancy. The deposit is returned to the tenant if the landlord/agent is satisfied that the terms of the tenancy agreement have been complied with. If not, then the landlord is entitled to keep some or all of the deposit. If the tenant disputes a claim and the parties cannot settle the matter amicably, then the accredited scheme will deal with the dispute through their resolution service.

Further details of DPS and how to register will be found by visiting www.depositprotection.com

Further details of LPS Scotland and how to register will be found by visiting <https://www.lettingprotectionsotland.com/>

We recommend that a deposit is at least equivalent to one month's rent, but preferably up to 5-weeks worth of rent can be held in England, and no more than two months rent can be held in Scotland, and is this payable in full at the commencement of the tenancy.

The DPS and LPS Scotland is open to all landlords and letting agents and is free under the Custodial service.

3. YOUR TENANTS

Our best efforts are used to match the right tenant to the right property, making sure references are obtained and these are followed through correctly.

All new tenancies commence with either a Private Residential Tenancy (PRT) agreement in Scotland, or an Assured Shorthold Tenancy (AST) agreement in England & Wales. These agreements allow both tenant and landlord flexibility should either of their circumstances change.

Initially an AST is guaranteed for a fixed term of six months but only a limited security of tenure is given to the tenant. After the initial term, a tenant can be offered a fixed tenancy term, or the tenancy can continue on a *periodic* basis; this carries the terms and conditions of the original agreement forward but on a month-by-month basis. During the Periodic Tenancy, the tenant can serve one months notice to vacate at any point, and the landlord can serve two months notice if it is necessary to regain possession of the property, at any point. An initial 12 month contract can also be granted should one be required.

A PRT is set up on a rolling monthly agreement from tenancy commencement.

4. UNOCCUPIED PREMISES

C&D Rural accept no liability or responsibility for the maintenance or repair of, or for any damage to, the property at any time. If the property is vacant when adverse weather conditions are likely, frost damage may occur to water and heating systems and sanitary appliances. Our clients are strongly recommended to take all necessary action to protect their property from such risks and to ensure that they have adequate insurance cover.

5. NON-RESIDENT LANDLORDS

If you are going abroad for a period of time longer than six months, and this is the reason you are looking to rent out your property, you must become part of the Non-Residents Landlord Scheme.

Their help line is 0151 472 6208, and you will be able to explain your particular circumstances to see how the scheme affects you. Unless we receive an exemption certificate to cover the rental amount paid, we would have to deduct tax at source and refund this to the Inland Revenue. It is therefore important that you address this matter as soon as possible.

6. FURNISHED OR UNFURNISHED

There is not a significant increase in the rental value of your property if it is furnished however if you have a property with furnishings, it may be worth offering it furnished or partly furnished initially, and we can then build it into the tenancy that certain items may not be repaired or replaced should they fail.

Contents insurance is available specifically for rented accommodation as an add on to your landlords insurance policy, but it tends to be at a premium cost.

There are also regulations applying to foam filled furnishings, which must be made from fire resistant materials.

Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993

The articles below must adhere to the 1993 Regulations:

Sofas, beds, bed-heads, children's furniture, garden furniture suitable for use in a dwelling, scatter-cushions and pillows, stretch and loose covers for furniture.

Exempt: Curtains, carpets, bedclothes (including duvets), and mattress covers.

All furniture manufactured before 1st January 1950 is not covered by the regulations as defective inflammable materials were not used prior to that date.

Any furniture manufactured after March 1990 is likely to comply, but if the appropriate labels are not on the furniture, compliance is in doubt and checks should be made with the manufacturer.

7. GAS SAFETY REGULATIONS 1994

ALL gas appliances and gas installation pipe work are to be checked for safety at least once a year by British Gas or a member of the Council for Registered Gas Installers (CORGI). A current safety certificate must be available for inspection.

8. EICR (Electrical Installation Condition Report)

It is important to ensure that all electrical appliances and fittings within the property are safe and in good working order.

From July 1st 2020, all tenancies – both new and existing will require an electrical inspection report on the condition of the property (EICR) performed by a qualified person.

An **electrical installation condition report** is required as all electrical installations will deteriorate over time. It is a legal obligation to ensure the system is checked every 5 years.

An electrical installation condition report will show:

- If any electrical circuits; or equipment are overloaded.
- Find any potential electric shock risks and fire hazards.
- Identify defective electrical work.
- Highlight any lack of earthing or bonding.

Testing will be carried out on wiring and fixed electrical items to check that they are safe. A schedule of circuits can also be provided which can be a great asset to a property.

9. SMOKE ALARMS & CARBON MONOXIDE DETECTORS

All properties must be fitted with smoke alarms and a carbon monoxide detector at the commencement of the tenancy, which must be inspected on an annual basis.

There must be a smoke detector on each level, and there must be a carbon monoxide detector in the room where there is a fixed combustion device. This applies to gas boilers, solid fuel fires and any other forms of fired central heating.

It is the tenant's responsibility to replace batteries on detectors but it is the landlords responsibility to replace the device should it be found to be faulty.

10. MORTGAGE

If your property is mortgaged you must contact your building society or bank and inform them of your intention to let your property.

11. ENERGY PERFORMANCE CERTIFICATES (EPC)

It is a legal requirement to incorporate the full EPC in the Tenancy Agreement.

If an EPC is not available, then the agents will arrange for an EPC to be produced by an approved Domestic Energy Assessor. The EPC graph must be in the letting particulars and the property must meet the minimum energy rating of band E for all tenancies in England & Wales; there is no minimum rating for Scottish agreements.

12. LEGIONELLA INSPECTION CHECKS

It is the landlord's responsibility to ensure that the appropriate checks are carried out to minimize the risk of legionella in vacant rental properties.

Implementing simple, proportionate and appropriate control measures will ensure the risk remains low. For most domestic hot and cold water systems, temperature is the most reliable way of ensuring the risk of exposure to Legionella bacteria is minimised ie keep the hot water hot, cold water cold and keep it moving. Other simple control measures to help control the risk of exposure to Legionella include:

- flushing out the system prior to letting the property
- avoiding debris getting into the system (eg ensure the cold water tanks, where fitted, have a tight fitting lid)
- setting control parameters (eg setting the temperature of the hot water cylinder (calorifier) to ensure water is stored at 60°C)
- make sure any redundant pipework identified is removed.

The risk is further lowered where instantaneous water heaters (for example combi boilers and electric showers) are installed because there is no water storage.

Further advice regarding these checks can be found via <http://www.hse.gov.uk> and we can carry out a Legionella Report at cost.

10. RENTAL INSURANCE

C&D Rural strongly recommends you arrange for landlord's insurance. There are a lot of different policies and options available depending on your circumstances and the occupation of the property,

If there are furnishings in the property, it is recommended that you seek your own contents cover for the items in the property, and this can also extend through to carpets.

Lastly, some policies cover missed rental payments and legal expenses should the worst happen.