

Valley Property Managers

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Guide for Landlords

Before a property can be let, there are several matters which the owner will need to deal with to ensure that the tenancy runs smoothly and also that he/she complies with the law. If you require further advice or assistance with any matter, please do not hesitate to contact us.

Energy Performance Certificates

From the 1st October 2008 property managers, private landlords, registered landlords and local authority housing associations offering property for rent have to show prospective tenants an Energy Performance Certificate (EPC) for the property. The EPC will have to be provided (when, or before, any written information about the property is provided) to prospective tenants or when a viewing is conducted. A new certificate will not be required every time there is a change of tenant as an EPC on rental property is valid for 10 years.

Mortgage

If your property is mortgaged, you should obtain your mortgage lender's written consent to the letting. They may require additional clauses in the Tenancy Agreement of which you must inform us.

Leaseholds

If you are a leaseholder, you should check the terms of your Lease and obtain the necessary written consent before letting.

Sub-letting

If you are a tenant yourself, you will require your landlord's consent.

Insurance

You should ensure that you are suitably covered for letting, under both your buildings and contents insurance. Failure to inform your insurers may invalidate your policies. We can give advice on Landlords' Legal Protection and Landlords' contents insurance if required.

Bills and regular outgoings

We recommend that you arrange for regular outgoings e.g. mortgage, service charges, maintenance contracts etc. to be paid by standing order or direct debit. However, where we are managing the property by prior written agreement, we may make payment of certain bills on your behalf, provided such bills are received in your name at our office and that sufficient funds are held to your credit.

Council tax

Council tax is the responsibility of the occupier. You should inform your local collection office that you are leaving the property. During vacant periods the charge reverts to the owner. If we are managing the property, we will notify the local collection office of changes. When unoccupied, the charge is still 100% of the normal rate.



The Inventory

It is most important that an Inventory of contents and Schedule of Condition be prepared, in order to avoid misunderstanding or dispute at the end of a tenancy. Without such safeguards, it will be impossible for the landlord to prove any loss, damage, or significant deterioration of the property or contents. In order to provide a complete service to the landlord, we will, if requested, arrange for a member of staff to prepare an Inventory and Schedule of Condition at the cost quoted in our Schedule of Costs.

Income tax

When the landlord is resident in the UK, it is entirely his responsibility to inform the Inland Revenue of rental income received, and to pay any tax due. However, where the landlord is resident outside the UK during a tenancy, under new rules effective from 6 April 1996, unless an exemption certificate is held, we, as landlord's agents, are obliged to retain and forward to HMRC, on a quarterly basis, an amount equal to the basic rate of income tax from rental received, less certain expenses. An application form for exemption from such deductions is available from this Agency, and further information may be obtained from HMRC.

What is an Assured Shorthold Tenancy?

Most tenancies will automatically be Assured Shorthold Tenancies (ASTs), provided the rent is under £100,000 a year and the property is let to private individuals. Tenancies are usually granted for an initial minimum fixed term of 6 months and up to 12 months. When the fixed term has expired the landlord is able to regain possession of the property provided he gives two months written notice to the tenant. In addition, if the tenant owes at least 2 months or 8 weeks rent on the property he can apply through the court to seek a Possession Order.

Health and Safety, and other Legal Requirements

The following requirements are the responsibility of the owner (landlord). Where we are managing the property, they are also our responsibility. Therefore where we are managing we will ensure compliance, any costs of which will be the responsibility of the landlord.

Gas

Annual safety check: Under the Gas Safety (Installation and Use) Regulations 1998 all gas appliances and flues in rented accommodation must be checked for safety within 12 months of being installed, and thereafter at least every 12 months by a competent engineer (e.g. a Gas Safe registered gas installer).

Maintenance: There is a duty to ensure that all gas appliances, flues and associated pipework are maintained in a safe condition at all times.

Records: Full records must be kept for at least 2 years of the inspections of each appliance and flue, of any defects found and of any remedial action taken.

Copies to tenants: A copy of the safety certificate issued by the engineer must be given to each new tenant before their tenancy commences, or to each existing tenant within 28 days of the check being carried out.

Electrical

There are several regulations relating to electrical installations, equipment and appliance safety, and these affect landlords and their agents in that they are 'supplying in the course of business'. They include the Electrical Equipment (Safety) Regulations 1994, the Plugs and Sockets Regulations 1994, the 2005 Building Regulation - 'Part P', and British Standard BS1363 relating to plugs and sockets. Although with tenanted property there is currently no legal requirement for an electrical safety certificate (except in the case of all HMOs) it is now widely accepted in the letting industry that the only safe way to ensure safety, and to avoid the risk of being accused of neglecting your 'duty of care', or even of manslaughter is to arrange such an inspection and certificate.



Smoke Alarms

All properties built since June 1992 must have been fitted with mains powered smoke detector alarms from new. Legislation requires a smoke alarms to be fitted in other ordinary tenanted properties, fit at least one alarm on each floor (in the hall and landing areas).

CO2 Detectors

A CO2 alarm must be fitted in any room where there is a solid fuel appliance.

Is your property a House in Multiple Occupation (HMO)?

If your property is on 3 or more levels and let to 5 or more tenants comprising 2 or more households (i.e. not all of the same family) it will be subject to mandatory licensing by your local authority. Whether mandatory licensing as above applies or not, if there are 3 or more tenants not all related in any property, it is still likely to be an HMO, and special management rules apply.

The Housing Health and Safety Rating System (HHSRS)

The HHSRS provides an analysis of how hazardous a property is through assessment of 29 potential hazards found in housing. Landlords have to maintain their properties to provide a safe and healthy environment. The HHSRS is enforced by local authorities.

The Tenancy Deposit Scheme

From 6 April 2007, all deposits taken by landlords and letting agents under Assured Shorthold Tenancies (ASTs) in England and Wales must be protected by a tenancy deposit protection scheme. Landlords and letting agents must not take a deposit unless it is dealt with under a tenancy deposit scheme. To avoid any disputes going to court, each scheme will be supported by an alternative dispute resolution service (ADR). Landlords and letting agents will be able to choose between two types of scheme; a single custodial scheme and two insurance-based schemes. You can learn more on the government website, which includes an overview of the requirements and also links to the sites of the companies running the various schemes:

The Disability Discrimination Act 2005

The DDA 2005 addresses the limitations of current legislation by extending disabled people's rights in respect of premises that are let or to be let, and commonhold premises. Landlords and managers of let premises and premises that are to let will be required to make reasonable adjustments for disabled people. Under the new duties, provided certain conditions are met (for example, that a request has been made), landlords and managers of premises which are to let, or of premises which have already been let, must make reasonable adjustments, and a failure to do so will be unlawful unless it can be justified under the Act. Landlords will only have to make reasonable adjustments. They will not have to remove or alter physical features of the premises.

Furniture & Furnishings

The Furniture and Furnishings (Fire) (Safety) Regulations 1988 (amended 1989, 1993 & 1996) provide that specified items supplied in the course of letting property must meet minimum fire resistant standards. The regulations apply to all upholstered furniture, and beds, headboards and mattresses, sofa-beds, futons and other convertibles, nursery furniture, garden furniture suitable for use in a dwelling, scatter cushions, pillows and non-original covers for furniture. They do not apply to antique furniture or furniture made before 1950, bed clothes including duvets, loose covers for mattresses, pillowcases, curtains, carpets or sleeping bags. Therefore all relevant items, as above, must be checked for compliance and non-compliant items removed from the premises. In practice, most (but not all) items which comply must have a suitable permanent label attached. (Items purchased since 1.3.90 from a reputable supplier are also likely to comply.)



General Product Safety

The General Product Safety Regulations 1994 specify that any product supplied in the course of a commercial activity must be safe. In the case of letting, this would include both the structure of the building and its contents. Recommended action is to check for obvious danger signs - leaning walls, broken glass, sharp edges etc., and also to leave operating manuals or other written instructions about high risk items, such as hot surfaces, electric lawnmowers, etc. for the tenant.

Preparing the property for letting

We have found from experience that a good relationship with tenants is the key to a smooth-running tenancy. As property managers, the relationship part is our job but it is important that the tenants should feel comfortable in their temporary home and that they are receiving value for their money. This is your job. Our policy of offering a service of quality and care therefore extends to our tenant applicants too, and we are pleased to recommend properties to rent which conform to certain minimum standards. Quality properties attract quality tenants.

General condition

Electrical, gas plumbing, waste, central heating and hot water systems must be safe, sound and in good working order. Repairs and maintenance are at the landlord's expense unless misuse can be established. Interior decorations should be in good condition and preferably plain, light and neutral.

Appliances

Similarly, appliances such as washing machine, fridge freezer, cooker, dishwasher etc. should be in usable condition. Repairs and maintenance are at the landlord's expense unless misuse can be established.

Furnishings

Your property can be let fully furnished, part furnished or unfurnished. Which of these is appropriate will depend on the type of property and local market conditions. We will be pleased to give you advice on whether to furnish or not and to what level. As a minimum you will need to provide decent quality carpets, curtains, light fittings and cooker. Remember that there will be wear and tear on the property and any items provided.

Personal items, ornaments etc

Personal possessions, ornaments, pictures, books etc. should be removed from the premises, especially those of real or sentimental value. Some items may be boxed, sealed and stored in the loft at the owner's risk. All cupboards and shelf space should be left clear for the tenant's own use.

Gardens

Gardens should be left neat, tidy and rubbish-free, with any lawns cut. Tenants are required to maintain the gardens to a reasonable standard, provided they are left the necessary tools. However, few tenants are experienced gardeners and if you value your garden, or if it is particularly large, you may wish us to arrange maintenance visits by our regular gardener.

Cleaning

At the commencement of a tenancy, the property must be in a thoroughly clean condition and at the end of each tenancy it is the tenant's responsibility to leave the property in similar condition. Where they fail to do so, cleaning should be arranged at their expense.



Mail forwarding

We recommend that you make use of the Post Office redirection service. Application forms are available at their counters, and the cost is minimal. It is not the tenant's responsibility to forward mail.

Information for the tenant

It is helpful if you leave information for the tenant on operating the central heating and hot water system, washing machine and alarm system, and the day refuse is collected etc.

Keys

You should provide one set of keys for each tenant. Where we are managing we will arrange to have duplicates cut as required.

