

LANSLEY

Landlords Guide



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Introduction



Lansley's was established in 1890 and is run by a group of experienced local estate agents and managers. We understand our business and know how to manage it to our customers benefit. Our excellent reputation is based on our consistency and reliability. Our vision is to create and develop a highly respected local organization. One which benefits from all the resources normally associated with large organisations, but with all the passion of a small owner run business.

Our aim is to exceed our customer's expectation levels at all times. The high level of repeat business we deal with in sales, lettings and financial services is a testament to the quality of the service we provide.

The letting of your property is probably one of the most important decisions you will make in your lifetime. The success of the letting will almost certainly depend on the choice of agents and the way in which they look after your affairs.

We have tried in this brochure to outline the advantages and disadvantages so that you know where you stand when letting. We have also explained exactly what we, as your agents, do to help. We will not try to sell you insurances or mortgages, try to persuade you to sell your house or steer you away from what you reasonably want to achieve. We are a private company concerned with and concentrating on property letting and management and looking after your interests when dealing with tenants.

Management Services

Outlined below are the three basic elements of our service. However, we maintain a flexible attitude, and are generally able to adapt our service to meet your needs.

Let Only

- Marketing of the property
- Carrying out viewings
- Introduction and vetting of the prospective tenant
- Preparation of the tenancy agreement
- Collection of the first months rent and security deposit
- Accounting to the landlord with a detailed statement
- Arranging for the tenants to sign the tenancy on the move in day
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LET ONLY - Fees: Half a months rent plus Vat

Set up fee of £375.00 plus vat this includes the inventory make, tenant referencing, bonding of the deposit and tenancy agreement

Rent Collection

- Including the above service and will include the following:
- Collection of the rent, including a statement each month
- To instigate legal proceedings where necessary
- Negotiation of the tenancy renewal between landlords and tenants
- Registration of the security deposit with an approved scheme

Fees: 8% + Vat per calendar month

Set up fee of £375.00 plus vat this includes the inventory make, tenant referencing, bonding of the deposit and tenancy agreement

Fully Managed

- Including the above services and will including the following:
- Periodic inspection visits
- Recommend, oversee and account for necessary repairs
- Arranging an inventory through a third party clerk
- Hold keys throughout the tenancy
- Arrange a gas safety certificate annually if required (costs apply)
- Handling negotiations of the renewal of the tenancy
- Management of check out reports including dilapidations and making necessary deductions from the deposit
- Payment of contractor invoices on your behalf

Fees: 10% + Vat per calendar Month

**Set up fee of £375.00 plus vat this includes the inventory make, tenant referencing, bonding of the deposit and tenancy agreement
The landlord pays for the check out at the end of the tenancy.**

Inventory Check Out PLUS VAT

Room	45.00
1 Bedroom property	90.00
2 Bedroom property	120.00
3 Bedroom property	135.00
4 Bedroom property	150.00
5 Bedroom property	175.00

All prices are plus Vat

Before letting your property

If your property is mortgaged, you should obtain your mortgagee's written consent to the letting. They may require additional clauses in the tenancy agreement of which you must inform us. If you are a leaseholder, you should check the terms of your lease, and obtain any necessary written consent before letting.

When resident in the UK, it is entirely the landlords responsibility to inform HM Revenue & Customs of rental income received, and to pay any tax due. Where the landlord is a resident outside the UK during a tenancy, they will require an exemption certificate from the Revenue & Customs before you can receive rental balances without deduction of tax.

Most tenancies will automatically be Assured Shorthold Tenancies (ASTs), provided the rent is under £100,000 a year and the property is let to a private individuals. Tenancies are usually granted for an initial fixed term of either 6 or 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.

Expectations

PAYMENT OF RENTAL

Rents are paid on a monthly basis, normally by standing order to our bank or by the tenant paying into our office direct, having received a monthly reminder from us, and on receipt are accounted over to you once a month. On your instructions deductions will be made from the monthly payment of rent for such items as repairs, insurances and other outgoings. The balance will then be paid into your bank account or as directed. Our commission and any other monies due to us are also deducted from monthly monies collected. A detailed computerised statement is sent to you once a month and a copy can be sent to any third party, such as your accountant, at your request. The payment of the balance of the rent into your bank account usually takes place approximately seven to ten working days after the date it is paid to us. The statement is sent to you to coincide with the payment into your bank. It is sensible on letting your property to create a float equivalent to two or maybe three months' mortgage repayments in the bank account through which your financial affairs should be paid on a monthly basis.

In normal circumstances we pay monies due to you by the BACS method (Banker's Services) so that the money is credited directly to your bank account. This ensures that you receive credits within 7-10 working days from the date the rent is received by us. It is worth noting that most banks charge less for a BACS receipt than they do for a cheque receipt where bank charges are in operation.

To prevent the possibility of creating a debit balance on individual Landlord's accounts with us, we usually retain the balance of the final month's rent pending a new letting; in the event that the existing tenant terminates the tenancy upon expiration, or pending the Landlord's return to the property and our preparation of a final account. The monies held will be used for any accounts incurred between tenancies, or pending a Landlord's return, i.e. gardening, general maintenance, draining down or refilling of water systems during the winter months, legal expenses which may be incurred in the event of a dispute with ex-tenants over dilapidation charges, or any other expenses as detailed in the Memorandum of Agreement.

INSURANCE

Quite clearly both property and contents insurance must be paid up to date at the time when the property is let and adequate provision must be made for continuing payment of premiums. During the period of our management we shall be happy to continue to pay renewal premiums on your behalf, subject to there being adequate funds in your management account with us to meet the premiums in question. We cannot, however, be responsible for the renewal of your insurance. In addition to this the amount of cover

offered by the policies must be adequate for the risk involved. It is important that any third party liability as a Landlord is covered and you must ensure you have adequate cover in this respect. A number of insurance companies vary cover when property is to be let and it may mean taking out a new policy to safeguard your liability. Usually the contents cover can continue but theft, other than forcible entry, may be excluded. Under all circumstances the insuring companies, as far as the house and contents are concerned, must be informed well in advance that the property is to be let and also notified of the proposed period of letting.

GENERAL CONDITION

Electric, gas plumbing, waste, central heating and hot water systems must be safe, sound and in good working order. Repairs and maintenance are at the landlords expense unless misuse can be established.

FURNISHINGS

Your property can be let fully furnished, part furnished or unfurnished. As a minimum, you will need to provide decent quality carpets, curtains and light fittings. Remember that there will be wear and tear on the property and any items provided.

PERSONAL ITEMS

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 owners risk. All cupboards and shelf space should be left clear for the tenants own use.

GARDENS

Gardens should be left neat, tidy rubbish free, with any lawns cut. Tenants are required to maintain the gardens to a reasonable standard and left in the same way as their inventory provided.

CLEANING

At the commencement of the tenancy the property must be in a thoroughly clean condition, and at the end of each tenancy it is the tenants responsibility to leave the property in the same condition. There they fail to do so, cleaning will be arranged at their expense.

TENANT INFORMATION

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

KEYS

You should provide one set of keys for each tenant. Where we will be managing the property we arrange duplicates cut as required. We will also keep a management set in the office for maintenance and inspection us.

BILLS

We recommend that you arrange for regular outgoings e.g. service charges, maintenance contracts etc. to be paid by standing order or direct debit. We will arrange for the transfer of Council Tax and utility accounts to the tenant. Meter readings will be taken, allowing your closing gas and electricity accounts to be drawn up.

HEALTH & SAFETY

GAS

Under the Gas Safety (installation and Use) Regulations 1998 all the 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.

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

Regulations propose that, from 1 July 2020, all new private tenancies in England will need to ensure that electrical installations are inspected and tested by a qualified person before the tenancy begins. This includes yearly PAT testing on electrical appliances supplied by the landlord . The landlord will then need to ensure that the installation is inspected and tested at least every five years – and more often if the most recent safety report requires it.

For existing tenancies, an electrical safety test will need to be carried out by 1 April 2021, with regular tests following this as outlined above.

The regulations will apply to all properties across the private rented sector, including houses in multiple occupation (HMOs), although lodger arrangements where the tenant shares accommodation or amenities with the landlord or their family are excluded. These regulations will replace the existing requirements for HMOs regarding electrical installation testing and inspection.

A 'qualified person' for the purposes of these regulations is a person competent to undertake the inspection and testing required and any further investigative or remedial work in accordance with the electrical safety standards.

Local authorities can impose a financial penalty of up to £30,000 for a breach of the regulations. Where there are multiple breaches, the local authority can impose multiple penalties.

Electrical safety reports

Once the electrical installation has been tested, the landlord must:

- Ensure they receive a written report from the person conducting the inspection, which includes the results and the required date for the next inspection
- Supply a copy of this report to each existing tenant living in the property within 28 days of the inspection
- Supply a copy within seven days to the local authority, if they request a copy
- Keep a copy of the report until the next inspection, and give a copy to the person undertaking the next inspection.

For new tenancies, the landlord must:

- Give a copy of the most recent report to a new tenant before the tenant occupies the property
- Give a copy of the most recent report to any prospective new tenant who requests the report in writing, within 28 days of receiving such a request.

Remedying any faults

If the electrical safety report identifies a fault or potential fault, which the landlord must either investigate further or repair, the landlord must ensure further investigations or repairs are completed by a qualified person within 28 days of the inspection, or within the timeframe set out in the report if this is shorter.

Following these further investigations or repairs, the landlord must ensure they receive written confirmation that these have been carried out and that either the electrical safety standards are met, or further work is required.

This confirmation must be supplied to each existing tenant and to the local housing authority within 28 days of the work being undertaken, along with the original report identifying further work is required.

This process must be repeated until the electrical installation is found to be compliant

FIRE

The furniture and Furnishings (Fire) (Safety) Regulations 1988 (amended 1989 & 1993) provided that specified items supplied in the course of letting property must meet minimum fire resistance standards. The regulations apply to all upholstered furniture, 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, bedcovers including duvets, loose covers for mattresses, pillowcases, curtains, carpet or sleeping bags. Items which comply will have a suitable permanent label attached. Non-compliant items must be removed before a tenancy commences.

SMOKE ALARMS

All properties built since June 1992 must have been fitted with mains powered smoke detector alarms from new. Properties are required to supply one alarm on each floor.

Legal Information

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. For further information visit your local authority website.

Tenancy Deposit Protection

Since 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 is supported by an alternative dispute resolution service (ADR). Landlords and letting agents can choose between two types of scheme; a single custodial scheme and two insurance-based schemes. Learn more on your local authority website

If we are not providing our Full Management Service we will normally transfer the tenancy deposit to you within 5 days of receiving it. You must then register it with a TDP Scheme within a further 25 days if the tenancy is an AST. If you fail to do so a tenant can take legal action against you.

Legislation requires that certain information must be given to the tenant within 14 days of a deposit being taken. Whether you use the DPS, or the TDSL scheme, only some of the information is provided to the tenants by the scheme administration. The remainder must be provided by the landlord. A special 'Tenancy Deposit' – Prescribed information form has been designed for this purpose, and a copy is available from this agency. It is very important that the form is completed fully and accurately and that you attach to it printed version of the relevant scheme's Terms and Conditions. These can be downloaded from their respective websites on the following links:

DPS: <http://www.depositprotection.com/>

TDS: <https://www.tds.gb.com/>

My Deposits : <http://www.mydeposits.co.uk>

It is also important that under paragraph 7 of the form you include the exact terms in the tenancy agreement that permit deductions from the deposit. It is recommended that a signed copy of the form is given to each tenant individually. You should also retain a single copy signed by every tenant, in order to prove that the information has been given. Where we are providing our Full Managed service we will handle all of this for you as part of the service.

The Disability Discrimination Act 2005

The DAA 2005 addresses the limitations of current legislation by extending disabled peoples rights in respect of premises that are let or to be let and commonhold premises. Landlords and managers of the 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.

The Energy Performance of Buildings

Since 1st October 2008 landlords offering a property for sale or let have been required by law to provide prospective tenants with an Energy Performance Certificate for their property. A new certificate will not be required on each let since, in the case of rental property, EPC's will be valid for 10 years.

EPC's must be provided free either when(or before) any written information about the property is provided to prospective tenants or a viewing is conducted. We have a database of registered energy assessors, and we will be pleased to arrange an EPC inspection and assessment on your property upon request.

As from the 1st April 2018 there will be a requirement for any properties rented out in the private rented sector to normally have a minimum energy performance rating of E on an Energy Performance Certificate (EPC).

The regulations will come into force for new lets and renewals of tenancies with effect from 1st April 2018 and for all existing tenancies on 1st April 2020. It will be unlawful to rent a property which breaches the requirement for a minimum E rating, unless there is an applicable exemption. A civil penalty of up to £4,000 will be imposed for breaches. This guidance summarizes the regulations. There are separate regulations effective from 1st April 2016 under which a tenant can apply for consent to carry out energy efficiency improvements in privately rented properties.

Landlord's Duties For Legionella Management

Landlords of residential accommodation have responsibilities for combatting Legionnaires disease. We can provide further information on request. You will also find more information on your local authority website. More detailed advice is available on the Health & safety Executive's website. As a landlord you are legally required to manage your property so as not to expose tenants, residents and visitors to risk. Heavy fines or even imprisonment can be imposed especially if someone were to unfortunately die. You can be prosecuted even if there is an exposure to risk without anyone actually becoming ill.

Charges

Energy Performance Certificate	£75+Vat
Gas Safety Certificate	£75+Vat
Court attendance fee	£250+Vat
Tenancy renewal fee	£90+Vat
Addition property inspections Inspections carried out every four months on Managed properties	£50 + Vat per visit

