



## Letting a property

**Whether you're purchasing a property to let or considering become a landlord following moving in with a partner, or getting married, it can be an effective way of generating an income. However, with ever-changing legal and financial requirements, getting it right can take expert advice. In this need to know document we provide a summary of the key points.**

### Being a landlord – your responsibilities

As a landlord you have a number of responsibilities, primarily relating to the safety of your tenants and their visitors, within your property. These include:

- having gas appliances checked every 12 months by a Gas Safe registered engineer;
- ensuring that electrical appliances are safe; and
- ensuring that upholstered furniture and furnishings meet fire resistance standards.

For advice on this you can talk to an experienced letting agent or specialist. They will be able to check the property as well as arrange regular inspections to maintain upkeep.

Good recordkeeping is important to ensure that you can demonstrate that you have taken reasonable safety precautions.

You should note that in some cases letting your property out for multiple occupancy (for example bedsits or student accommodation) may require a specific licence from your local authority, as well as additional safety measures (for example those concerning fire safety)

### Dealing with your tenants day-to-day

Depending on your situation you may wish to deal with your tenants yourself, or use a letting agent. Most agents offer two options at the point you put the property on the rental market with them: let-only (where they market the property and secure a tenant) or fully maintained (where they handle everything, day-to-day once the property is let also). Before making a decision it's important that you read the small print, understand what you're getting for your money and check the costs (the % of your rental income that they will take for a full maintained package).

The sort of tasks that you will need to manage (or pay your agents to manage for you) include:

- Credit checks on new tenants.
- Getting references on new tenants.
- Making sure your legal agreements are correct (for example, your Assured Shorthold Tenancy Agreement) and signed.
- Taking a deposit and ensuring that it is protected by an authorized tenancy deposit scheme.
- Organising an inventory of the property and its contents for the tenant to sign, prior to taking up the tenancy.
- Organising or completing periodic inspections on the property, to check against the inventory and upkeep agreement.
- Arranging for rent to be collected on time, as well as chasing any late payment.
- Carrying out (or arranging for) any maintenance or repairs needed.
- Dealing with day-to-day enquiries and complaints from tenants.
- Organising matters at the end of a tenancy including managing the deposit and any disputes.
- Carrying out (or arranging for) cleaning and repairs to take place, prior to remarketing (if applicable) the property.

Of course, during this process, there is no substitute for professional, legal advice. In particular, when organising tenancy agreements or dealing with disputes it's important that you seek advice from a qualified solicitor.

### Ending a tenancy

The term of the Tenancy Agreement will depend on the Tenancy Agreement you have entered into with your Tenant. If you wish to bring the Tenancy

Agreement to an end, either at the expiry of the fixed term or afterwards, it is extremely important that the correct procedure is followed in order to ensure that it is possible to recover your property from the tenant in the event that they refuse to leave.

A Notice in the correct form must be served on your tenant and there are strict requirements as to the content of the Notice. We recommend that you take specialist legal advice before serving Notice on your tenants in order to avoid future difficulties.

In some circumstances, it is necessary to specify a date after which possession is required and getting this date wrong, even it allows the tenant an extra day in the property, can be fatal to obtaining an Order for Possession of the property should it be necessary.

Taking expert advice at an early stage therefore can ensure that the correct procedure is followed, to enable steps to be taken more smoothly to obtain possession of the property if difficulties arise.

### **Dealing with difficult tenants**

Whilst most properties are let to tenants without any difficulty, it is inevitable that sometimes problems do arise, for example, if the tenant fails to pay their rent or breaches other terms of the Tenancy Agreement.

Depending on the circumstances, there are two different ways of using Court proceedings to obtain an Order for possession of your property.

You should note that, if a tenant does not leave the property voluntarily, then it is necessary to obtain an Order for Possession through the Court.

Where property is let on an Assured Shorthold Tenancy, provided certain criteria are met, it is usually possible to use accelerated possession proceedings in order to obtain an Order for possession.

It is not possible to include any other claim, for example, a money claim for rent arrears, using the accelerated procedure and therefore if appropriate, a money claim for arrears of rent would need to be brought in addition.

The accelerated procedure has the advantage of being quicker and more cost effective as generally

the Court will consider the matter on the papers alone without the need for a Court Hearing and provided the matter is straightforward, would generally make an Order for possession on the basis of the papers.

Where a tenant has arrears of rent and you wish to take steps to remove them from the property, it is possible to use the standard proceedings for possession although in these circumstances, the Court will hold a hearing and the procedure take slightly longer.

If you find yourself in the position of needing to take steps to remove a difficult tenant then it is important to take early advice and Wards have experts across our offices to assist.

### **The perils of not adhering to the Tenancy Deposit Scheme requirements**

On 6th April 2007, it became compulsory for landlords receiving tenancy deposits to pay them into a protection scheme within 14 days of receipt, and to notify the tenant of the details of the scheme.

If a court becomes aware that a deposit is not held in a scheme, it may order the landlord to pay three times the amount of the deposit to a tenant. Also, any s21 notice served by the landlord will be invalid.

As a consequence, the need to protect the deposit in this fashion has come as an unwelcome and expensive shock to certain landlords when they have taken tenants to court for not paying the rent, or for possession of the property.

Doubtless there will still be some landlords who ignore the scheme and fail to take any legal advice on the way to court – and who thus face a rude awakening to this legislation from the District Judge.

For more information about purchasing a buy-to-let property follow the link [wards.uk.com/moving-home](http://wards.uk.com/moving-home) or contact Rebecca Stuart on 01454 204899.

For more information about letting a property please follow the link [wards.uk.com/person/ian-williamson](http://wards.uk.com/person/ian-williamson) or contact Ian Williamson on 0117 9292811.