

# Landlords Guide to Lettings

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#### About us

liane hanks residential ltd was established the Autumn of 2013. We are a small independent and local agent covering the City of Bath. With over 25 years experience in the property industry, liane hanks residential offers specialist advice on the letting of your property.

We have grown to become a leading firm of Residential Lettings for student and professional lets with a strong market presence in Bath.

We have our office in Moorland Road, Oldfield Park where we and our dedicated property management and administration team is based.

### **Guide to Lettings**

#### What we do

Our main focus is on the letting and management of our client's property.

Over the years we have dealt with hundreds of satisfied customers and have built a reputation for getting results in what remains a challenging market.

We use a wide variety of means to market your property. We advertise on websites like Zoopla, Rightmove and Primelocation to name a few and of course from our own high profile office.

#### Services we provide

We provide three different property management services designed to cater for all landlords whether you are a new landlord or somebody with an existing portfolio of buy to let properties.

#### Fully Managed

This is designed to offer an all-inclusive service for an initial payment of £380 plus VAT per tenancy and a monthly fee of 10% plus VAT from your total rental figure. We carry out all the work necessary to let and manage the property throughout the term of the tenancy.

This service is predominantly used by landlords who are not familiar with the lettings industry or simply do not wish to deal with the day to day running of the property.

#### **Tenant Find**

Tenant Find offers an easy solution for any landlord who wishes to use us to find vetted tenants and then manage the actual tenancy for themselves. The fee for this service is one month's rent and the VAT is inclusive of the rental figure.

Ideal for landlords who are experienced in managing their rental properties but need the marketing power liane hanks residential can offer to let your property quickly and efficiently.

#### Rent Collection

Rent Collection offers all the things we offer with our Tenant Find Service plus the peace of mind that comes with liane hanks residential collecting and monitoring the monthly rent payments. For an initial payment of £380 plus VAT per tenancy and a monthly fee of 8% plus VAT of the total rental figure.

## Gas safety installation and use regulations 1998

You are required to:

Ensure gas fittings and flues are maintained in a safe condition. Gas appliances should be serviced in accordance with the manufacturer's instructions. If these are not available it is recommended that they are serviced annually unless advised otherwise by a Gas Safe registered engineer.

Ensure an annual safety check is carried out on each gas appliance/flue. Before any new lease starts, you must make sure that these checks have been carried out within one year before the start of the lease date, unless the appliances in the property have been installed for less than 12 months, in which case they should be checked within 12 months of their installation date.

Have all installation, maintenance and safety checks carried out by a Gas Safe registered engineer.

Keep a record of each safety check for at least two years.

Issue a copy of the latest safety check record to existing tenants within 28 days of the check being completed, or to any new tenant before they move in (in certain cases there is an option to display the record).

The Regulations specify the gas safety matters to be covered. You should not assume that an annual service inspection meets the safety check requirement, or that a safety check will, on its own, be sufficient to provide effective maintenance. Ask the advice of a Gas Safe registered engineer where necessary.



# Electrical Safety Register incorporating







#### Electrical equipment (safety) regulations 1994

#### Regulations

There is no statutory obligation on landlords or agents to have professional checks carried out on the electrical system or appliances. However, under Common Law and various statutory regulations: The Landlord and Tenant Act 1985, The Housing Act 2004, The Electrical Equipment (Safety) Regulations 1994, and the Plugs and Sockets etc. (Safety) Regulations 1994, both of which come under the Consumer Protection Act 1987, there is an obligation to ensure that all electrical equipment is safe.

In January 2005 new legislation under Part P of the Building Regulations make it a requirement that for certain types of electrical work in dwellings, plus garages, sheds, greenhouses and outbuilding comply with the standards. This means a competent electrician must carry out the work. For DIY electrical work you must belong to one of the Government's approved Competent Person Self-Certification schemes or submit a building notice to the local authority before doing the work.

The regulations cover all mains voltage household electrical appliances including cookers, kettles, toasters, washing machines, immersion heaters and so on. All portable appliances must be Portable Appliance Tested (known as PAT testing) by a NICEIC qualified electrician.

#### Compliance

We strongly recommend that any Landlord, regardless of whether they see themselves as running a business or not, should make absolutely sure they are complying with these regulations to ensure schemes or submit a building notice to the local authority before doing the work.

We advise that all unnecessary electrical items are removed from the property.



## Furniture and furnishings Regulations 1998

It is the landlord's responsibility or agent of the let property to ensure that all upholstered furniture complies with the Furniture & Furnishings (Fire) (Safety) Regulations 1988.

These regulations set new levels of fire resistance for domestic upholstered furniture, furnishings and other products containing upholstery. Many domestic fires start with soft furnishings catching fire and many deaths are attributed to the highly poisonous fumes that are given off by the man-made foams and coverings.

The new regulations aim to improve the fire safety of materials used in the manufacturing of furniture by introducing two new standards of fire resistance.

Failure to comply is a criminal offence and the penalty is six months imprisonment and/or a fine of up to £5000.

#### Smoke alarms

The regulations make it compulsory for all landlords to fit smoke alarms in rented homes and, subject to Parliamentary approval, are expected to come into effect during October 2015.

Under new laws, which are expected to save hundreds of lives, smoke alarms must be fitted on every floor of the property as well as carbon monoxide alarms in properties which burn solid fuels. Landlords must check the alarms are working at the start of every new tenancy with potential penalties of up to £5,000 if they don't comply.

#### Fire safety

All upholstered furniture and furnishings included in rented accommodation must comply with all the fire resistance requirements.

The regulations apply to:

- Beds, headboards of beds and mattresses
- Sofa-beds, futons and other convertibles
- Nursery furniture
- Garden furniture which is suitable for use in the dwelling
- Scatter cushions and seat pads
- Pillows
- Loose and stretch covers for furniture

#### They do not apply to:

- Furniture made before 1950
- Bedclothes including duvets
- Loose covers for mattresses
- Pillow cases
- Curtains
- Carpets
- Sleeping bags

#### What to look for

Each item of furniture or furnishings will have a label attached to it stating compliance with the regulations. All new furniture must carry a display label at the point of sale. Furniture which has no permanent label or a permanent label which is not in one of these types should be assumed not to comply.

Certain articles do not require all the above information to be given. For example, loose covers, pillows, cushions and seat pads will have a label with a caution, the name and postal code of the first UK supplier and a description of filling or covering materials.

Mattresses and bed bases should have a label showing that they meet BS 7177. Remember that supplying furniture and furnishings which are prohibited by the regulations constitutes an offence under the Consumer Protection Act 1987

You should be aware of other items that come within the General Product (Safety) Regulations 1994, and which have implications for furnished accommodation.

For example:

Furniture incorporating glass, should comply with BS7449:1991 (covers the use of glass in all furniture including cabinets, shelving systems and wall hangings, such as free standing mirrors) or BS73 76: 1990 (which covers tables and trolleys).

Lampshades which should state the maximum wattage of the bulb which can be used safely.

There are other, miscellaneous items within let accommodation that are covered by different legislation. If you require further information on this and any of the above you should contact the local district council.

## Housing, HMO and Additional Licensing

A House in Multiple Occupation (HMO) is defined by the Housing Act 2004 as:
A house or flat which is let to 3 or more unrelated tenants who share a kitchen, bathroom: or toilets.

For example, properties let to students or bedsits; or

- A building which is converted into non self contained flats; or
- A building which is converted entirely into self-contained flats and the conversion does not meet the standards of the 1991 Building Regulations and more than one third of the flats are let on short-term tenancies.

The Housing Act 2004 allows local housing authorities, like Bath and North East Somerset Council, to specify that landlords of some or all houses in multiple occupation (HMOs) must apply for a license if they want to let to tenants.

# Bath & North East Somerset Council



#### **Income Tax**

Any rent received from letting a property is deemed to be income and is therefore liable to tax.

If you are moving abroad for more than six months of the year you will be classed as an overseas resident landlord and by law we are required to deduct income tax at the standard rate from the net rental income. To avoid this you will need to complete an NRL1 which you can get from your local tax office or you are able to fill in online at the www.gov.uk/government/publications/non-resident-landlord website.

Once you have completed this and sent it to HMRC they will decide if you can be made exempt from the scheme. If so you will receive an exemption certificate and you will need to forward a copy to us along with the issued tax code.

#### **Insurance**

The property and the contents included in the Inventory and Schedule of condition must be adequately insured and that your insurers are aware that the property is let. Failure to do so may invalidate your insurance.

#### **Tenancy Deposit Schemes**

#### Housing Act 2004

What are Tenancy Deposit Schemes?

There are two types of tenancy deposit schemes available for landlords and letting agents (insurance-based schemes and custodial schemes). All schemes provide a free dispute resolution service.

The schemes allow tenants to get all or part of their deposit back when they are entitled to it and encourage tenants and landlords to make a clear agreement from the start on the condition of the property and all fixtures and fittings.

Liane hanks residential uses the Deposit Protection Scheme (DPS) which is a custodial scheme endorsed by the government. We do not hold the tenants' deposit, rather it is passed over to the DPS for safe keeping. This we feel offers the strongest possible security to all parties concerned.

How does the DPS work in practice?

The tenant pays the deposit to the landlord or agent then the landlord or agent pays the deposit into the scheme where it is held for the duration of the tenancy.

The landlord or agent must pay the deposit into a Deposit Scheme within 30 days within receipt of the monies. At that time the tenants must be given contact details of the scheme where their deposit is registered, the landlord or agents' contact details and details explaining how the scheme works.



## The Deposit Protection Service

Details of schemes that landlords or agents can use;

The Deposit Protection Service (DPS)

www.depositprotection.com

My Deposits

www.mydeposits.co.uk

**Tenancy Deposit Scheme (TDS)** 

www.tds.gb.com

#### Inventory

We strongly advise a Landlord to have a full Inventory and Schedule of Condition carried out at the start of the tenancy and this should then be updated at the end of every tenancy.

If you have no record of the condition of the property including the fixtures and fittings you will be unable to claim for the costs of any repairs or replacements.

liane hanks residential use an independent professional inventory company to draw up all our inventories. That way any deposit protection scheme and the courts can see that a landlord has been reasonable in their approach to the condition of the property from the start. Therefore you are more likely to succeed in any claim you may need to make on the deposit.

#### Legal part

Please note that the information provided in this guide is given in good faith and as a summary to assist you in understanding the various acts that cover letting a property and the regulations they impose. It is not an authoritative interpretation but we would be happy to discuss your particular circumstances and needs with you.

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