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A guide for landlords

## Lettings. It's what we do.

There are many reasons people choose to let property and become a landlord. By instructing Durrants as your letting agent, you can be assured of peace of mind throughout the process and with Durrants managing your tenant we remove the potential stress and reduce the risks you may otherwise encounter.

### Peace of mind

With Durrants' experience, professionalism and attention to detail working on your behalf, you can relax with peace of mind. There are numerous agents letting property but very few can offer the experience and breadth of service you will receive from us.

In the unlikely event that you should have a complaint, Durrants have a formal complaints procedure in place in accordance with RICS guidelines. Please contact any of our branches for full details. If you fail to resolve matters the Property Ombudsman Service is available.

### Licensed letting agents

Durrants are licensed agents and regulated by a number of professional bodies and abide by the strict codes of practice laid down by the following organisations:



Association of Residential Lettings Agents (ARLA)  
[www.arla.co.uk](http://www.arla.co.uk)



National Association of Estate Agents (NAEA)  
[www.naea.co.uk](http://www.naea.co.uk)



Royal Institution of Chartered Surveyors (RICS)  
[www.rics.org](http://www.rics.org)



The Property Ombudsman Scheme (TPO)  
[www.tpos.co.uk](http://www.tpos.co.uk)



Tenancy Deposit Scheme (TDS)  
[www.tenancydepositscheme.com](http://www.tenancydepositscheme.com)

# Regulations

There are a multitude of Acts and Regulations regarding the letting of residential property. By instructing Durrants you do not need to be an expert as we can do the work for you. However, Durrants insist all properties let through them comply with all current regulations.

## **General Data Protection Regulations**

There may be occasions where it is necessary to pass your information to third parties. By signing our contract of engagement you give your consent for this.

## **Anti-Money Laundering Regulations**

To comply with Anti-Money Laundering Regulations we are obliged to check your identity. This may be electronic or take the form of copying some photographic ID and a document proving your address.

## **Energy Performance Certificate**

Energy Performance Certificates (EPC) are a legal requirement for all rental properties with the exception of listed buildings. The EPC is valid for ten years. Durrants can arrange one on your behalf.

## **Minimum Energy Efficiency Standards (MEES)**

The Minimum Energy Efficiency Standards means, with a few exceptions, it is unlawful to let a property with an EPC rating of "F" or "G".

## **Furniture and furnishings**

In March 1993, the Furniture and Furnishings (Fire Safety) Act was introduced for furnished lettings. These regulations require upholstered furniture supplied in a furnished or part furnished let meet all fire resistant requirements of the regulations.

## Legionnaires' Disease

Health & Safety legislation requires landlords to carry out risk assessments for the Legionella bacteria which cause Legionnaires' Disease. Thereafter, the landlord needs to maintain control measures to minimise the risk. Most rental properties will be low risk but it is important to carry out regular assessments and introduce control measures.

Legionnaires' Disease is an pneumonia-like illness that can be fatal. The infection is caused by breathing in small droplets of contaminated water. It cannot be passed from person to person. The bacteria can grow in water systems and survive low temperatures, thrive at temperatures between 20-45c and are killed by temperatures of 60c or above. The risk assessment for a single dwelling with its own water supply can be carried out by the landlord if they:

- (a) Understand different types of water systems
- (b) Understand the factors which increase the risk of an outbreak
- (c) Understand the control measures which will reduce the risk of an outbreak

Before carrying out an assessment landlords are advised to familiarise themselves with the following:

- Legionnaires' disease - A brief guide for dutyholders
- Legionnaires' disease Part 2 - The control of the relevant part of Legionella in hot and cold water systems

If the landlord does not feel capable of undertaking the risk assessment, we recommend it is undertaken by a Legionnaires' assessor\* and Durrants are able to organise this for you. \*Charges will apply.

There are simple control measures that help manage the risk from Legionella and these should be regularly maintained and include:

- (a) Where a property has not been used or stood empty, run all outlets for at least two minutes to flush out the water system
- (b) Make sure cold water tanks have a tight fitting lid to avoid debris getting into the system
- (c) Set controls so hot water is heated to and stored at a minimum of 60c
- (d) Regularly clean, descale and disinfect shower heads

**Please note:** Landlords can be prosecuted if there is an exposure to risk without anyone actually being taken ill. Further details can be obtained from [www.hse.gov.uk/legionnaires](http://www.hse.gov.uk/legionnaires)

### **Gas Safety Certificate**

Since the introduction of The Gas Safety (Installation and Use) Regulations 1994, it is a legal requirement to have all appliances checked and serviced every year. This must be undertaken by a Gas Safe registered engineer. This applies to all mains and bottled gas appliances and heating systems.

### **Electrical Installation Condition Report (EICR)**

An EICR provides landlords with a summary of the condition of the electrics in the rental property and recommend any observations or remedial action required in order to ensure that the electrical installation is in a satisfactory condition for continued service, compliant with the current British Standard for electrical safety (BS 7671). An EICR needs to be completed every 5 years. It is a legal requirement to have a valid EICR on a property prior to a tenant moving in.

### **Electrical equipment**

The Low Voltage Electrical Equipment (Safety) Regulation 1989, Electricity at Work Regulation 1989 and the Health and Safety at Work Act 1974 place a responsibility on the landlord and managing agent to ensure all electrical installations or appliances are maintained so as to prevent danger to tenants in rented property. As responsible agents, Durrants require regular checks by qualified electricians.

### **2004 Housing Act**

The 2004 Housing Act was introduced as a way to assess and regulate the condition of rental accommodation. Within the Act, the Housing Health and Safety Rating System (HHSRS) is a risk assessment approach to assess hazards to health and safety in dwellings. Durrants recognise these standards and require properties to comply. Further details can be obtained from [www.odpm.gov.uk](http://www.odpm.gov.uk).

### **Tenant Deposits**

Since April 2007, all deposits have to be held in accordance with one of the three schemes authorised by HM Government. Durrants are members of The Dispute Service. All deposits paid to Durrants are held in accordance with the rules of the scheme. If you as a landlord hold your deposits we require proof of the scheme you belong to and will give this information to your tenant.

### **Discrimination**

Durrants comply with the Sex Discrimination Act 1975, Discrimination Act 1995, Race Relations Act 1976 and any other applicable legislation and reserve the right to immediately withdraw the property from their books if they feel any instructions would put them in breach of any such legislation.

### **Smoke Detectors/Carbon Monoxide Detectors**

The Department of Environment has introduced new regulations governing the installation of smoke detectors in new homes which are incorporated into Building Regulations 1991.

All homes built after June 1992 must be fitted with mains operated smoke detectors which must be installed on each floor and interlinking.

Regardless of the property age, it is a legal requirement to have smoke detectors installed on all floors.

It is a legal requirement to install carbon monoxide detectors in all 'at risk' areas. This includes all gas appliances, open fires, wood burners and oil-fired boilers. Detectors should be marked to standard EN50291 with the British Standard Kitemark or another European approval organisation. Where gas is installed, the detectors will then form part of the annual safety check.

### **Flood and Water Management Act 2010**

This became law on 1st October 2010 and places an obligation on the landlord to provide the tenants' forwarding address for any outstanding water bills at the end of the tenancy. Failure to do so will leave the landlord responsible for outstanding payments. Where Durrants manage a property we will do our best to obtain the necessary information but cannot accept liability.

### **Consumer Protection Regulations 2008**

The Consumer Protection for Unfair Trading regulations came into force on the 26th May 2008. The regulations introduce a general duty not to trade unfairly and seek to ensure traders act honestly and fairly towards their customers. In simple terms, a landlord and their agent must disclose anything within their knowledge that would affect the transactional decision of the average consumer.

### **Homes (Fitness for Human Habitation and Liability for Housing Standards) Bill**

This is to ensure all properties meet basic standards and Health and Safety requirements. It gives the tenant the right, without having to refer to any authority, to take action in the courts if a landlord fails to let and maintain a property in appropriate condition.

## Matters to consider

As well as the various regulations already mentioned there are a number of matters all landlords need to consider. Listed below are things to be aware of:

### **Mortgaged properties**

If your property is mortgaged you will need to obtain written permission from your mortgage lender to let. They may insist on certain clauses in your tenancy agreement which Durrants need to be made aware of.

### **Leasehold properties**

When letting a leasehold property it is vital Durrants know you have the right to do so and have written authority from the Head Lessor/freeholder. Durrants will also require a copy of your lease.

### **Building and Contents Insurance**

Landlords should contact their existing insurance companies to ensure they will be covered and advise Durrants if their insurers make any restrictions. Whilst landlords are responsible for building insurance they are also recommended to maintain some contents cover as well. The tenants will require a copy of your buildings insurance policy.

### **Overseas landlords**

Durrants or your tenants, if not managed, are required by law to deduct income tax at the current standard rate from net income, unless an exemption certificate has been issued by the Revenue. In the case of joint owners – all parties must complete Form NRL1 and gain exemption. Failure to do so will result in tax being deducted from income on a proportional basis. The tax deducted is paid to the HM Revenue and Customs on a quarterly basis. The charge for this is £36.00 including VAT per quarter.

Please note Durrants will supply full details of income and expenditure on your account, but are unable to complete any returns necessary.

Details and the relevant forms are available at [www.hmrc.gov.uk/cnr](http://www.hmrc.gov.uk/cnr)

## **Income Tax**

Rent received from the letting of property is deemed to be 'income' and as such is usually taxable. Various costs, including our fees, can be set off against tax payable. In respect of tax affairs we recommend landlords consult with an accountant. This is particularly important to landlords who reside overseas.

## **Housing Benefit**

For tenants who are in receipt of Housing Benefit, payment is made in arrears by the local authorities. The authorities also have the right to reclaim payments made in error or claimed fraudulently and the landlords are legally bound to repay such monies on demand.

## **Property condition**

All properties offered by Durrants must be left in a clean, tidy, habitable and safe condition. This will enhance the quality of the tenant interested in the property and set a precedent for the condition of the property when the tenants vacate. All contents, in particular the appliances, must be in good and safe working order. It is the landlord's duty to declare their knowledge of any major building works or other conditions etc. that would prevent a tenant taking the property. Any such works, conditions etc. should be declared before the tenant makes a commitment or is involved in any costs. Should any appliances left in the property breakdown and need repair or replacement, it is the responsibility of the landlord at his or her cost to rectify the situation, unless this arises out of the tenant's misuse. If Durrants are instructed to manage the property under our **Let and Manage** service, the management team will make full arrangements for such repairs.

Where landlords have the property professionally cleaned there can be a clause entered in the agreement requiring the tenants to do likewise prior to vacating.

If you have any service agreements or guarantees, please provide Durrants with the details.

## **Register my appliance**

We recommend all appliances left at the property are registered with this website should the manufacturer need to inform you of safety repairs or product recalls.

[www.registermyappliance.org.uk](http://www.registermyappliance.org.uk)



### **Content of the property**

There is no specific criteria in relation to contents that should be left in a property that is rented out. As you would imagine, prospective tenants will often have contents to bring to the property. However we recommend that carpets, curtain fittings, light fittings and cooker are provided as minimum.

It is important to let us know if any appliances are covered by guarantees or insurance warranties. Likewise, we need to know the approximate age of fittings and appliances when preparing the Schedule of Condition and inventory.

### **Garden**

Due to the specialised knowledge required, we do not provide an inventory noting trees and shrubs individually, or their age or condition. Only a summary and photo of the general presentation of the garden is possible. Tenants are not necessarily 'green-fingered' and can only reasonably be expected to cut lawns, trim hedges and weed borders.

Landlords who are concerned about the upkeep of well-stocked gardens may wish to employ a gardener to regularly maintain the garden. This may of course be reflected in the rental charged.

## **Utilities**

The utility services, water authorities and the local authority should be contacted in writing at the commencement of the term notifying them of the change of occupier. We advise that Durrants are unable to enter into a contract for the supply of utilities on behalf of a third party. The contract is between the occupier and the utility company.

## **Post**

Tenants will be asked to redirect post, but in order to ensure safe and speedy passage we recommend that landlords make arrangements with Royal Mail to have all post redirected. It is not Durrants responsibility to redirect mail.

## **Pets**

Many families have pets so you will need to decide if you are prepared to accept them or not. Should you decide to allow pets, Durrants recommend we advertise as 'pets considered' thereby allowing us to find out more detail regarding the pets before you reach a decision.

If allowing pets it may be on the condition to have the property cleaned by a professional company to guarantee against infestation.

## **Instruction manuals and useful information**

When letting it is helpful to leave any instruction manuals relating to the heating and any appliances that are remaining. Where possible it is best to leave copies and retain the original.

Think of putting them in a folder together with useful information such as nearest doctors, the day the bins are emptied and location of the stopcocks etc.



## Landlord obligations

The Housing Act 2004 has been introduced to regulate and assess the condition of rental property. It is based on a risk assessment approach and outlines 29 general hazards. In essence the property must be secure, adequately heated and properly maintained with sanitary appliances in a clean and working order. It is therefore the landlords responsibility to maintain the property, repair promptly and respond quickly to matters arising.

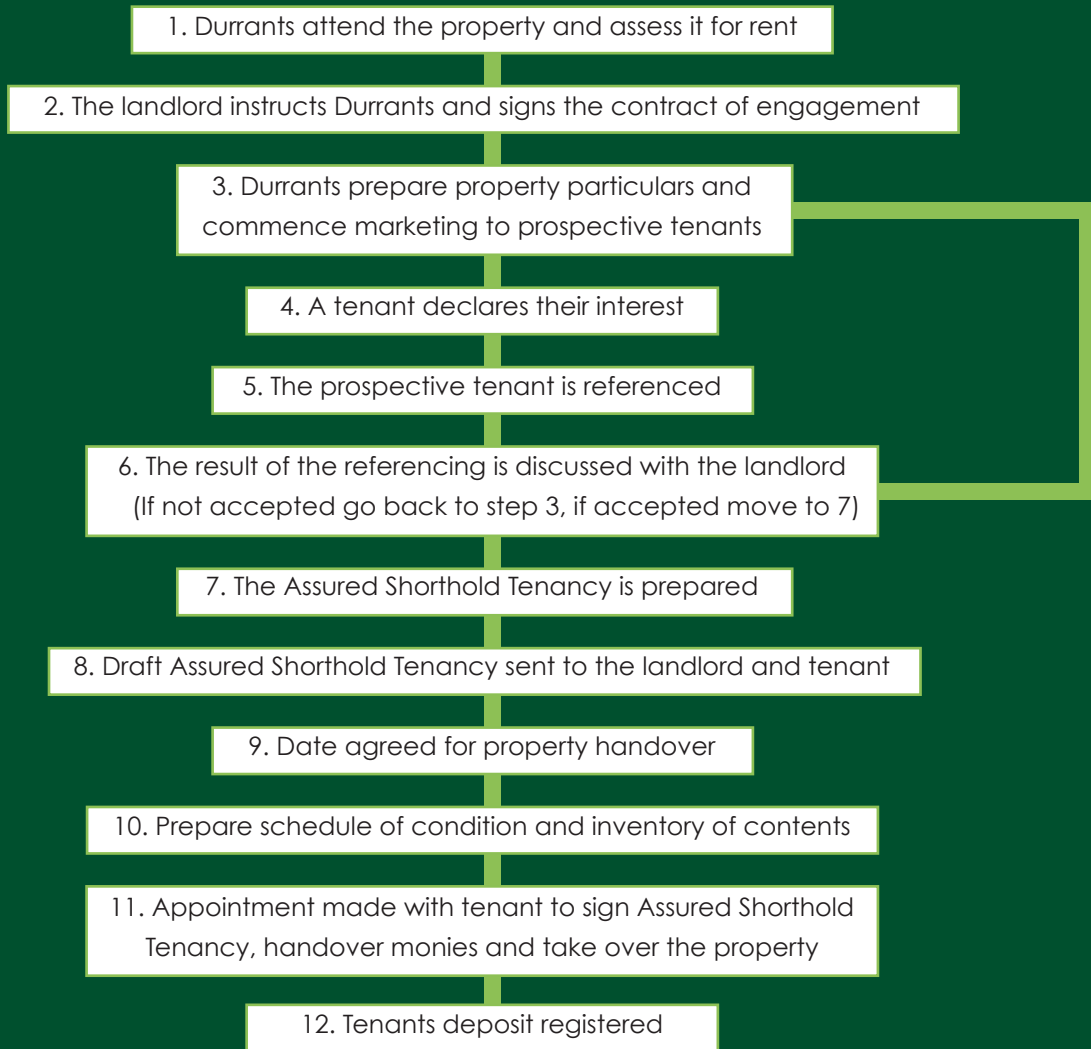
The tenant should be given at least 24 hours notice in writing if the landlord wishes to gain access to the property to make any repairs excluding emergencies. If the tenant refuses access then neither the landlord nor Durrants, as agents, can enter the premises.

## Tenant obligations

The main obligations are that the tenant pays rent on time and keeps the property to the same standard as they received it, allowing for fair wear and tear, abiding by the conditions of the tenancy agreement. In return they have the quiet enjoyment of the property.

## The letting process

The main steps in the process are as follows:



## Our services and fees

All landlords have different needs, so at Durrants we offer two main levels of service so you can choose the one that best suits your requirements.

### **Let Only - Only available to landlords who are members of a recognised deposit scheme**

**Letting Fee:** One month's rent plus VAT (subject to a minimum fee of £480 inclusive of VAT)

**Our Service:** Inclusive within our terms we will:

- Inspect the property and advise regarding the rental to be charged
- Prepare particulars of letting
- Market the property and erect a 'to let' board if required
- Take up references as appropriate from prospective tenants
- Prepare a tenancy agreement
- Provide the tenant with your contact details
- Hold a deposit on behalf of the tenant if required
- Prepare a Schedule of Condition

## Let and Manage

**Letting Fee:** One month's rent inclusive of VAT (subject to a minimum fee of £480 inclusive of VAT).

**Management Fee:** 12% inclusive of VAT = (10% plus VAT) charged monthly from the gross rent.

**Our Service:** In addition to our let only service, we will:

- Hold a deposit on behalf of the tenant
- Prepare a Schedule of Condition
- Check the tenant(s) in and out of the property against the Schedule of Condition
- Collect rent at the appropriate agreed rental intervals
- Send statements at the appropriate agreed rental intervals
- Handle any queries raised by the tenant(s)
- Liaise with contractors and client
- Make mid-term inspections and report accordingly
- Advise client regarding safety compliance e.g. gas safety
- Advise client when notice should be served
- Retain copy of tenancy agreement
- Retain a set of keys

Durrants have an extensive list of approved, trusted and certified contractors who will be used for any maintenance or repair issues on your property.

If you have a particular tradesperson not on our list that you wish to use, they will have to apply for approved contractor status. There is no charge for this.

Please note if you currently have a property let and would like Durrants to manage it for you, we will be pleased to discuss this and quote for our service.



## Individual services and charges

- Prepare a Schedule of Condition for properties up to a rental value £1,500 per calendar month: £360.
- Prepare a Schedule of Condition for properties of a rental value of £1,500 per calendar month or over: Time charged at £60 per hour.
- Prepare Inventory of Contents for furnished/unfurnished properties: Time charged at £60 per hour.
- Arrange Legionnaires' assessment: Assessor's fee plus admin Fee.
- Arrange Electrical test: Electrician's fee plus admin fee.
- Arrange Energy Performance Certificate (EPC): Assessor's fee plus admin fee.
- Arrange Gas Safety inspection: Engineer's fee plus admin fee.
- Provide Copy Documents: Admin fee.

Our standard admin fee is £24 inclusive of VAT.

Admin fees are not charged on our **Let and Manage** service

# Property. Land. Auctions.

It's what we do.

## Beccles office

10 New Market  
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