

# LANDLORDS GUIDE TO LETTING



## Preparing the Property

A well presented and maintained property in a good decorative order will achieve a higher rental figure and tenants are also more inclined to treat such a property with greater respect. Electrical, gas plumbing, waste, central heating and hot water systems must be safe, sound and in good working order. Interior decorations should be in good condition and preferably plain, light and neutral.

## Furniture & Furnishings

Your property can be let fully furnished, part furnished or unfurnished. We will be pleased to give you advice on whether to furnish, or not, and to what level. Upholstered furniture, furnishings and other products containing upholstery must meet Furniture and Furnishings (Fire Safety) Regulations 1988/1989, 1993 and 2010. The Landlord must allow for general wear and tear of furniture and furnishings. Personal possessions such as ornaments & pictures should be removed from the property and all cupboards, shelf space, loft areas and garages/sheds should be left clear for the Tenant's own use.

## Gardens

Gardens should be left neat & tidy 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 to make your own arrangements for the maintenance.

## 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.

## Repairs & maintenance

It is the landlord's responsibility to maintain the property and to carry out any necessary repairs to the building and services both internally and externally. Your duty to keep the property, its structure, installations, services, sanitary fittings and heating systems in order is an implied term of the tenancy. Whilst we are managing the property and any item breaks down through no fault of the tenant, we shall in the interest of good management seek your instructions on how to proceed. If we are unable to make contact with yourself, and we feel the repair is urgent, then we will arrange for repairs providing the anticipated cost is unlikely to exceed £200. We have access to a team of reputable tradesmen to cover for most emergencies. Should you prefer to use your own tradesmen then we must be notified of this so that maintenance issues can be passed on for your attention. If any equipment is covered by a service contract or guarantee we must have the details before the letting commences.

## Mortgage

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.

## Leaseholds

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

## Insurance

You should ensure that you are suitably covered for letting under both your buildings and contents insurance (if furnished). Failure to inform your insurers may invalidate your policies. It is the tenant's obligation to insure their own possessions within the property.

## Council tax & utilities

Council Tax and utility accounts will need to be transferred into the tenant's name(s). Meter readings will be taken at the hand-over of the property and the appropriate council and utility companies will be informed by Pad-2-Let on your behalf.

## Income tax

For Landlords residing in the UK, it is entirely your own responsibility to inform the Revenue & Customs of rental income received and to pay any tax due.

### Overseas Landlords

You must arrange for someone in the UK to be given Power of Attorney or authority (in writing) to act as proxy. When the property is managed on behalf of a Landlord who is overseas we, as their Agents become liable for the collection of the Tax due from rental income, and to this end we may deduct from the income before accounting to your bank sufficient to meet this tax. A Landlord may apply to the Inland Revenue to receive the income on a gross basis through the 'non-resident landlord scheme'. Further details can be found on the government website [www.gov.uk](http://www.gov.uk).

### Inventory

It is essential to prepare an inventory 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. As part of our management service, we will arrange for a written inventory to be prepared and a copy will be signed by the tenant and sent to the Landlord. We will also take photographs as additional evidence. Please note that for furnished properties we will charge a fee of £120 including V.A.T. which is payable each time the inventory is checked on change of tenancy.

### Marketing your property

In addition to our attractive eye-catching 'To Let' boards we will also advertise your property on our very successful website [www.pad-2-let.co.uk](http://www.pad-2-let.co.uk). Each property has its own individual colour brochure highlighting the features of the property, measurements of the rooms, photographs and a location map. We will also advertise your property on our Facebook page and also the extremely popular portals 'Rightmove' and 'On The Market'.

### Energy Performance

Since 1st October 2008 it has been mandatory for Landlords to make Energy Performance Certificates (EPCs) available to new tenants as part of the lettings process. From 1<sup>st</sup> April 2018 all rental properties must have a rating of E or above. Each EPC will last for 10 years and Pad-2-Let can arrange this with an approved contractor for a total of £65.00 (price includes an administration charge of £15.00 including VAT).

### Fire Safety

A minimum of one Smoke Detector per floor must be fitted and comply with BS 5446 Part 1 of the Smoke Detectors Act 1991. These must be tested and working prior to commencement of the tenancy.

### Carbon Monoxide Alarms

A Carbon Monoxide Alarm must be fitted in all rooms containing a solid fuel burning appliance in accordance with The Smoke and Carbon Monoxide Alarm (England) Regulations 2015.

### Gas Appliances

All Gas appliances must be inspected for safety purposes every 12 months by a competent 'Gas Safe' registered technician (previously known as 'Corgi'). A Landlord Gas Safety Inspection (LGSI) must be given to the tenant before occupying the property under Gas Safety (Installation & Use) Regulations 1994 as amended. Pad-2-Let work closely with local plumbers and can arrange this on your behalf if required. This is an additional cost and will depend upon the amount of gas appliances in the property (approximately between £50 and £90). If you do not comply with the gas safety regulations you can be fined up to £5,000 and be sentenced to imprisonment.

### Chimney

Under Section 11 of the Landlord and Tenant Act 1985, the Landlord is legally responsible for ensuring the safety, working and servicing of all heating and hot water installations. This also refers to open fires, Rayburn's, Aga's, coal and multi-fuel stoves. This responsibility includes all flues and ventilation, therefore under this Act, all chimneys must be swept annually and a certificate provided for the tenant's benefit. Pad-2-Let can arrange this on your behalf, if required, and the cost starts from around £65, however any blockages which require extra labour to remove, will incur an additional charge.

### Electrical

'Electrical Safety Standards in the Private Rented Sector (England) Regulations' became law in 2020. Any new or renewed tenancy after 1<sup>st</sup> July 2020 require an electrical inspection performed by a qualified person (existing tenancies will apply from 1<sup>st</sup> April 2021). This must be renewed every 5 years. Non-compliance with the new regulations will mean the local authority will supply the Landlord with an 'enforcement notice'. If a Landlord fails to act upon this, the local authority can enforce it by having the repairs completed (and billing the Landlord) or even impose a fine of up to £30,000. Pad-2-Let can arrange the electrical check, if required, with an approved electrician and prices will start from approximately £90 (for a small 1 bed cottage) plus an arrangement fee of £15.00 including VAT. Please note that the electrician's cost will increase if the property is larger (approximately £110 for a 2 bed terrace, approximately £130 for a 3 bed terrace). Whilst carrying out the inspection the electrician would make any small repairs if necessary (which will be chargeable). If further work is required then you would be provided with a quotation. Once completed a written condition report would be submitted and copies sent to both yourself and the tenant.

### Mail

Please arrange for your post to be re-directed by Royal Mail. They will charge a small fee for this service but it will guarantee that you receive your post at your correct address.

### Keys

We will require 2 sets of keys. One set will be given to the tenant and one set will be held by Pad-2-Let for emergency access.

### Rent

Pad-2-Let will make arrangements with the tenant to collect rental payments by standing order each month (on 'fully managed' properties). The tenant cannot challenge the agreed rent during the period of an Assured Tenancy Agreement. After the initial period of the tenancy agreement the tenant can refer any increase of rent to a Rent Assessment Committee. Correct procedures must be followed to increase rent.

### Bond

A refundable bond is payable by the tenant at the commencement of tenancy. The amount of this bond is capped at an amount equivalent to 5 week's rent in accordance with the Tenant Fees Act 2019. Pad-2-Let will ensure this bond is paid to The Deposit Protection Service (DPS) within 14 days of the commencement of tenancy. At the end of the tenancy Pad-2-Let will request for the bond to be refunded to the tenant providing there has been no breach of contract.

### Approving a tenant

Prospective tenants will be put through a referencing process which will require them to submit a completed application form, 3 months bank statements, 3 months wage slips, photographic ID, proof of residency, Landlord references (if currently renting), personal character references and employment references. Their financial status is also checked through a credit referencing company. Once a tenant has been approved you will be notified of the successful applicant and the date they wish to commence the tenancy. The Assured Shorthold Tenancy Agreement will then be drawn up and the tenant asked to sign and pay the bond (deposit).

### What is an Assured Shorthold Tenancy?

Most tenancies will automatically be Assured Shorthold Tenancy Agreements (ASTs), provided the rent is under £25,000 a year and the property is let to private individuals. The tenancy is usually granted for an initial fixed term of 6 months after which rolls on from month to month.

### Right-to-Rent checks

Pad-2-Let will carry out the Government's Right-to-Rent checks on all applicants in accordance with the Immigration Act 2014. This is to ensure that all potential tenants have the right to rent a property in this country.

### Completion

After the hand-over of the property to the tenant, we will forward copies of all the documentation including the Assured Shorthold Tenancy Agreement (AST), written inventory including meter readings, tenant contact details, completion letter and your statement. The initial payment and any future rental payments (less any fees and expenses) will be paid directly into your bank account.

### Recovery of Possession

When the fixed term has expired the Landlord is able to regain possession of the property provided two months notice is given to the tenant in writing (eg, this can be initiated at month 4 if the tenancy agreement is a 6 month term). This notice can be used for a non-fault possession, for example if you need to put the property up for sale. If however the tenant fails to vacate the property after the notice has expired, then you will need to start possession proceedings through the courts.

### Inspections

Pad-2-Let will carry out periodic inspections on 'fully managed' properties to check the condition of the property, ensure smoke alarms are working and check if the tenants have any problems with the property.

### Landlords Identification

The proceeds of Crime Act 2002 places a requirement for all companies such as ourselves to obtain and retain evidence of identity and address for all people with whom we have a business relationship. In order that we can comply with the current legislation we will require photographic ID (passport or driving licence) and evidence of your address (utility bill, bank statement or mortgage statement). These must be original documents and will be returned by recorded delivery if sent by post.

<b>Pad-2-Let Services &amp; Fees</b>	<b>Fully Managed Service</b>	<b>Tenant Find Service</b>
<b>Marketing</b>		
Initial rental appraisal & advice	Y	Y
Advertising on Pad-2-Let web site with full PDF brochure & professional photographs	Y	Y
Advertising on Rightmove, On the Market & Facebook	Y	Y
Advertising within Pad-2-Let office / window display	Y	Y
<b>Administration</b>		
Accompanied viewings of property	Y	Y
Processing tenant applications & registering the bond with The Deposit Protection Service (DPS)	Y	Y
Prepare Assured Shorthold Tenancy (AST) agreement & other legal documents	Y	Y
Provide a detailed property inventory including photographs	Y	Y
Provide tenants with copies of the Energy Performance Certificate (EPC), Electrical Certificate (EICR), Government How to rent guide and a valid gas certificate	Y	Y
Handover of keys	Y	Y
Take meter readings & inform utility companies of change of occupier	Y	Y
Inform local council of change of occupier	Y	Y
Provide account statements showing a breakdown of any fees/commission/tradesmen's invoices, etc.	Y	Y
Serving Section 21 notice to quit (if required)	Y	
Rent collection and day-to-day administration	Y	
Organising property repairs	Y	
Periodic property inspections	Y	
Moving tenants out at end of tenancy	Y	
Property sourcing for landlords	Y	Y
Project managing renovations	Y	
<b>Fees</b>		
<b>Initial set-up fees</b>	£210.00 inc. V.A.T. (A deposit of £100 is payable in advance)	£480.00 inc. V.A.T. (A deposit of £100 is payable in advance)
<b>Commission</b>	12% inc. V.A.T.	N/A
<b>Miscellaneous</b>		
Re-marketing the property for rental at change of tenancy. Includes advertising, to-let board, viewings, verifying new tenants and all necessary paperwork such as tenancy agreement, inventory, bond protection etc..	£120.00 inc. V.A.T.	Full costs re-apply. £480.00 inc. V.A.T.
Provide a Gas Safe certificate every 12 months (if required)	Prices start from £60.00	N/A
Provide a Chimney Sweep certificate every 12 months (if required)	Prices start from £65.00	N/A
Provide an Energy Performance Certificate (EPC) (if required)	£65.00 (includes an administration charge of £15.00 inc. VAT)	£65.00 (includes an administration charge of £15.00 inc. VAT)
Provide a periodic electrical safety certificate (if required)	Price dependent on size of property (plus an administration charge of £15.00 inc. VAT)	Price dependent on size of property (plus an administration charge of £15.00 inc. VAT)

V.A.T.

All of our prices are **inclusive of V.A.T.** at the current rate of **20%**. Please note that under the Consumer Rights Act 2015 it is now a legal requirement for all Letting Agents to publicise details of their fees online and in their offices. Please remember this when comparing to other Agencies who may not advertise their fees in accordance with the law.