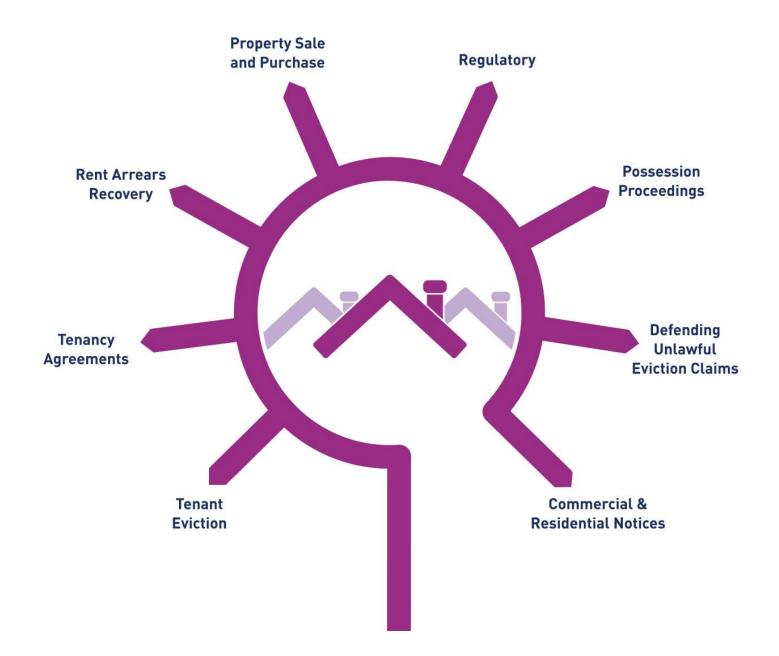
Professional advice for your legal journey ahead We Go Beyond



Landlord Checklist

We've got all your legal needs under one roof





Guiding You on Your Legal Journey

Property can be an exciting and profitable investment. However, dealing with the legal processes that accompany it can be complex and overwhelming.

The recent legislative changes have left many letting agents and landlords concerned and confused about their legal responsibilities.

Obtaining legal advice from the outset can help you to avoid timely and expensive errors. The right expertise can effectively assist you with your property investment and ongoing property management.

At Kirwans, we invest time to understand your needs and will advise you on the more complex areas that may arise.

The following checklist has been created by our team of landlord legal experts to provide guidance on the key legislative changes and legal responsibilities for landlords and agents.

Whether you are a new or an experienced landlord, let Kirwans guide you in the right direction and put your property investments on the right track.

For all your legal needs contact our team today

E: info@kirwans.co.uk

T: 0151 608 9078

www.kirwans.co.uk



The Assured Shorthold Tenancy Notices and Prescribed Requirements (England) Regulations 2015 and related sections of the Deregulation Act 2015 come into force, on 1st October 2015. These regulations brought with them a number of key changes which, if not complied with, could leave landlords and agents unable to recover possession of their property.

Evicting a tenant is never a decision to be taken lightly. However landlords may need to secure possession of their property for a wide range of reasons.

The legislative changes provide tenants with various new defences; in what until recently, has been an almost guaranteed possession claim.

As a landlord, protection is key to ensure you are not faced with potentially complex and expensive errors which can lead to notices served under Section 21 of the Housing Act 1988 being held as invalid by the Court and any ensuing possession claim being struck out.

1. Landlord Licensing Scheme

If your property is within a selective licensing area, all private landlords must obtain a licence for each of their rented properties.



The schemes are said to be an effort to ensure that licensed landlords are 'fit and proper' and that they are providing safe homes for their tenants.

Licensed landlords' properties must meet fire, electric and gas safety standards and be in a good state of repair. Landlords must also be able to deal effectively with any complaints about the property.

It is important to note that landlords will be unable to serve a Section 21 Notice if they do not have the required licence in place. They could also face fines and criminal sanctions for failing to obtain a licence.



2. Right to Rent

It is compulsory for landlords or letting agents to carry out checks to ensure new potential occupants have the right to reside in the UK. The changes are part of the *Immigration Act* 2014.



The new legislation applies to the majority of private landlords in England, including those who sub-let or take in lodgers. It is important to identify who is responsible for these checks, be it the landlord or the letting agent, as failure to comply with the legislation can result in a criminal conviction and penalty fines of up to £3,000 per occupant.

The legislation can appear daunting but the checks are relatively simple once broken down. See our <u>'Right to Rent' guide</u> for further information.

3. Tenancy Agreement

1

It is important to have a written assured shorthold tenancy agreement (AST) in place. This is the contract which governs the rights and responsibilities of the landlord and tenant. The most common form of tenancy agreement is an AST for an initial fixed term of six months.

You should seek professional advice from a Solicitor as to the wording of the AST to ensure that your rights are fully protected.

4. Insurance



Landlords are usually responsible for insuring the building and structure, with tenants required to take out a separate policy to cover their contents. Don't always assume that this will be the case.

It's important to check the terms of the individual AST to determine the scope of liability for each party to ensure that you have adequate protection in place.



5. Tenancy Deposit



Deposits paid by tenants must be protected with a Government approved scheme. This is a strict requirement with severe financial consequences if not complied with.

Under the Housing Act 2004, the landlord or agent must protect the deposit and issue the relevant "prescribed information" to the tenant within 30 days of receipt. For more information visit <u>https://www.depositprotection.com/legislation</u>

6. Energy Performance Certificate



It is the responsibility of a landlord to provide tenants with an Energy Performance Certificate (EPC) for the rented property at the start of the tenancy agreement.

This certificate must be free of charge to the tenant.

As of April 2018, landlords won't be able to let a property or renew an existing tenancy if the property in question has an EPC rating of F or G.

7. Gas Safety Certificate



A Gas Safety Certificate must be provided to the tenant at the commencement of the tenancy. Failure to do so is criminal offence. In addition, failing to provide a Gas Safety Certificate will prevent valid Section 21 notices from being served.

For further guidance please visit, <u>https://www.gassaferegister.co.uk/help-and-advice/renting-a-property/information-for-landlords/</u>



8. Electrical Safety

Landlords should ensure that;



- ✓ All electrical systems are safe. For example, sockets and light fittings; and
- ✓ All electrical appliances are safe. For example, cookers and kettles.

Landlords should keep records of all electrical inspections; which are recommended every five years. It is best practice to send copies of electrical inspection reports to the tenants for their records.

9. Smoke and Carbon Monoxide Detectors



The Smoke and Carbon Monoxide Alarm (England) Regulations came into effect on 1st October 2015. It is now a legal requirement for smoke alarms to be fitted on **every** floor of **every** rented property. This applies to all existing tenancies as well as new tenancies. Landlords can face fines and even criminal prosecutions for non-compliance.

10. Repairs



One of the more significant changes is the concept of "retaliation evictions". Landlords must provide an "adequate response" to any written complaints about the condition of the property. The law details that responses must be made within 14 days.

If the complaint is not dealt with properly, and is escalated to the Local Authority, the landlord will not be permitted to serve a Section 21 Notice for a period of six months.



11. Government's "How to Rent" Booklet



It is essential that the latest version of the Government published "How To Rent" booklet is served upon new tenants on the commencement of an AST and also whenever an AST is renewed. Failure to do so could leave landlords unable to recover possession of their property later down the line.

The latest version can be downloaded at https://www.gov.uk/government/publications/how-to-rent

Please note that the above information is not an exhaustive list.

Some of the above requirements only apply to ASTs commenced on or after 1st October 2015. It is important to seek advice on your obligations depending on the latest AST start date.

From 1st October 2018, the requirements will apply to all ASTs across the board.

Important Notice

The information in this guide is based upon current law of England and Wales and HM Revenue & Customs, which is subject to change. We cannot accept responsibility for any liability that may arise as a result of any action taken or not taken as a result of this information.

This guide does not constitute legal or tax advice.