

Useful links:

Data Protection Act 1998

http://www.opsi.gov.uk/acts/acts1998/ukpga_19980029_en_1

Tenancy Deposit Schemes

http://www.direct.gov.uk/en/tenancydeposit/dg_066383

Energy Performance Certificates

<http://www.communities.gov.uk/planningandbuilding/theenvironment/energyperformance/>

The Cancellation of Contracts made in a Consumer's Home or Place of Work etc. Regulations 2008

http://www.opsi.gov.uk/si/si2008/uksi_20081816_en_1

The Consumer Protection from Unfair Trading Regulations 2008

http://www.opsi.gov.uk/si/si2008/draft/ukdsi_9780110811574_en_1

Notes:



GCL01



Guidance for Consumers (Landlords)

This guide highlights the most important matters to be considered and to be aware of when dealing with letting agents when you are intending to rent out your property.



All agents displaying The Property Ombudsman logo will be following a comprehensive set of standards laid down in the TPO Code of Practice, a copy of which can be obtained from any member agent or from the website at www.tpos.co.uk. A copy can also be obtained from the Ombudsman's office (telephone 01722 333306) where further assistance can be given if you feel you have been disadvantaged by an agent.

A general guide for consumers (Consumer Guide) is also available from the same sources.

You should also understand that there may be several different people with whom you will have contact whilst a tenant is being found. They are:

- **The Letting Agent** – he works for you in finding a suitable tenant. He will show prospective tenants around the property and will deal with the formalities of referencing and compiling the tenancy agreement. He may also offer to manage the property for you.
- **The Referencing Agent** – he might be employed by the letting agent to carry out the checks on the prospective tenants. He will provide a report to the letting agent as to the suitability or otherwise of the prospective tenant based on the checks he has carried out.
- **The Energy Assessor** – by law any property that is to be let has to have an Energy Performance Certificate. The agent might assist you to find an Assessor or you can arrange it yourself.
- **The Tenancy Deposit Protection Scheme** – by law any deposit taken in relation to what is called an Assured Shorthold Tenancy, the commonest form of tenancy, must be protected by a government approved deposit protection scheme. The agent should advise you which

scheme he is registered with or whether you have to make arrangements yourself.

When dealing with an agent you should ensure that you understand:

- The basis of the agreement you have entered into with him. This might be for the agent to simply find you a tenant, carry out referencing and set up the tenancy agreement and arrange an inventory; or it might be for the agent also to manage the property on your behalf.
- How long the agency agreement runs for and how you can terminate it and with what period of notice, and whether you will have any continuing liability for any costs if you do terminate the agreement.
- The fees that will be charged for the services that the agent is carrying out for you. The fees might be collected as a single amount at the start of the tenancy or as a monthly deduction from rent received. Generally, costs associated with the tenancy agreement (such as referencing) are charged to the prospective tenant.
- The nature and frequency of visits that will be made by the agent to inspect the property. This will only apply if you have a property management agreement with the agent.

- What will happen about any 'To Let' boards and whether the agent will carry out viewings or he is expecting you to do them.
- Precisely what references have been obtained in relation to the tenant and whether any conditions were attached to the approval. The agent may be restricted on the detail he can provide because of Data Protection legislation but he should reveal to you any adverse comments from the referencing process to

enable you to make an informed decision on whether or not to proceed.

- How and where the tenancy deposit will be held.
- What legal obligations you have as landlord in regard to gas safety and electrical installations. The agent can advise you but it is your responsibility to ensure that the property is safe.

In particular you should:

- Understand that passing the referencing process does not guarantee that a tenant will always pay the rent and not cause damage to the property.
- Understand that the tenancy agreement is between you and the tenant and any breach of that agreement by the tenant, such as non-payment of rent, is a matter between you and the tenant. The agent should explain to you the limitations he has in regard to ensuring the tenant meets the tenancy obligations.
- Be aware that although the agent may receive and hold the tenancy deposit (and have it protected) you as landlord are, in law, responsible for repayment (subject to agreed deductions) at the end of the tenancy.
- Realise that when you sign the agent's agreement you are entering into a legally binding agreement under which you will incur a financial commitment.
- Ensure that you have read and understood the terms of the agreement and the commitments you have entered into with the agent. Do not feel pressured into simply signing it and be aware that if you sign the document in your home or at your place of work you are entitled to cancel it within 7 days.
- Make sure that you receive copies of all relevant documents such as the agreements with the agent and the tenant.