



A GUIDE TO RENTING OUT YOUR HOME

The Key to Peace of Mind

Renting out your property may seem like an easy source of income, but it can also be a legal minefield. If there are disagreements between you and your tenants, it can quickly become a drain on your time and resources. The best way to avoid this is to take the right legal advice at the start.

We can deal with all areas of Landlord and Tenant Law and are skilled in settling disagreements. But prevention is better than cure. Before you even look for a tenant, Scott Rowe can help you decide what the terms of the tenancy will be and can build these terms into a written tenancy agreement tailored to your needs.

Tenancy agreements

A tenancy agreement is a contract between you and your tenant. This contract can be written or verbal. In England and Wales there is no law to say that landlords have to provide a written tenancy agreement, but it is a good idea to do so. Otherwise, if you have a dispute with your tenant about the terms of the agreement, it is your word against theirs as to what was agreed.

The main advantage of having a written tenancy agreement is that it sets out your rights and responsibilities as a landlord in a way that is legally enforceable. This keeps disagreements to a minimum because both sides know where they stand.

There are several types of tenancy agreement. Of these, the two most common types are the “assured shorthold” tenancy and the “assured” tenancy.

Assured shorthold tenancy

This is normally for at least six months and the tenant has fewer rights to stay at the end of the tenancy period agreed.

Assured tenancy

This is used mostly by housing associations and registered social landlords but occasionally by private landlords too. It sets out in what circumstances you can end the tenancy and gives the tenant far greater rights to stay on at the end of the tenancy period agreed.

Getting advice

Ideally, you should contact us as soon as you start thinking about renting your property out. This will give you a clear idea of the terms to offer to any tenant you are considering.

We can:

- explain the different types of tenancy agreement and identify the one most suitable for you;
- draw up or check a tenancy agreement for you;
- highlight the essential requirements and terms of your tenancy agreement;
- explain any related legal issues;
- warn you of any pitfalls, including advice on how to end an agreement; and
- give you advice on the type of tenant references to ask for.

Drawing up your agreement

Once you have instructed us we will explain your rights and responsibilities as a landlord. You then have the opportunity to explain your specific needs and concerns. This will help us to draw up a tenancy agreement that is tailor-made to your needs. During this process, we will cover the following issues with you.

Length and type of tenancy

What type of tenancy do you want? How many tenants will live in the property? What notice will you or the tenant need to give to end the tenancy? How long will the tenancy last?

Restrictions

What restrictions do you want to place on your tenants about keeping pets or playing loud music?

Rent

How much rent can you charge? When must the tenant pay the rent? What penalties are there for paying late? When can you increase the rent? Are Council Tax and fuel included in the rent?

Deposits

What deposit must the tenant pay? Is the property furnished? If so, will the agreement include a list of furnishings and fittings? When should you return the deposit and in what circumstances can you keep it? You should be aware that the law changed in April 2007 to require all deposits taken by landlords to be protected in a government-authorized tenancy deposit scheme. You are required to provide your tenant with details of the scheme within 14 days of receiving it, and any disputes about the return of the deposit are resolved by the scheme in question. Please contact us for more information on this recent change in the law

Service charges and repairs

Will you provide any services such as laundry, maintenance or meals? Will you be making separate service charges for these? What are your duties to make repairs?

Access

What are your rights to enter the property?

It is a good idea to give all these issues some thought before you come to see us, and to bring along any documents which may be relevant.

Using the agreement

Once you have a tenancy agreement, make sure that both you and your tenant sign it at the start of the tenancy. You must give your tenant a copy of the agreement if they ask for it.

Energy Performance Certificates (EPC's)

All rental properties now have to have a valid Energy Performance Certificate when being let out. This will give you and potential tenants an idea of how energy efficient the house is and subsequently how much it is likely to cost to run in terms of fuel. It will also give suggestions as to how to make any improvements. Rental EPC's are valid for up to 10 years and cost under £100 including VAT. We can organise an inspector to come and assess all your rental properties and there are savings available if more than one property can be inspected on the same day.

Related matters

We can also give you advice on some of the broader issues involved in being a landlord, such as tax liability and what to do if the property you want to rent out is mortgaged.

Disagreements

If you do have a disagreement with your tenants, there are several ways we can help. Whether it's a simple case of checking your legal rights, or something more complicated such as adapting your tenancy agreement, negotiating a solution or even going to court, we have the knowledge and experience to support you. We can also help you with the dispute resolution scheme of your tenancy deposit scheme provider if you and your tenant cannot reach agreement about how much of the deposit should be returned.

Costs

Charges vary depending on how much advice or help is needed and the complexity of the matter. Seeing a solicitor provides valuable protection but it is important for clients to know how much the service is likely to cost. We will be happy to give you a written quotation and discuss any concerns with you.

How to contact us

We welcome enquiries and consultations by telephone, letter and e-mail, or why not call in to one of our offices and ask for further information.



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