



SUSSEX **PROPERTY** **MANAGEMENT**

Information for landlords

The company was formed in 2003 by Sue Baxter. Sue realised right from the start that it was important to understand the complexity of lettings law. That's why she studied for a CRLM qualification and why she continues her development each year by attending the Legal Update training courses offered by Training for Professionals.

Over the years it has become more and more important to stay informed. The number of new pieces of lettings legislation passed has been challenging to landlords, which is why a well-informed agent can help to steer you clear of any legal pitfalls you could come across by operating independently.

We have loyal landlords who recommend us to their friends and family. We pride ourselves in offering a personal and friendly service whilst at the same time maintaining a high standard of competence and professionalism. We have been ARLA, NAEA and TFP trained since the company was formed. We are now proud to hold membership of Private Rented Sector Professionals (PRSP).

Over the years we have gained a reputation for caring. We know that we are dealing with people's lives and livelihoods. Our clients have lives and do not need to worry about their rental property.

We are a local independent firm specialising in residential lettings and property management. As specialists we are fully focused on the priorities and needs of landlords and tenants and, unlike estate agents, our loyalties are not divided by dealing with property sales and mortgages.

We've heard too many stories over the years about agents who just don't take an interest and who don't seek the best solutions for their clients. Agents who will not be careful about referencing because they need to let the property as soon as possible for their own profits are not likely to find you the right tenant. We don't have corporate offices to maintain, staff to pay, pensions and overheads to meet. What that means is we can take the time and trouble to ensure that the best possible fit happens.

Happy landlords, happy tenants. That's our aim.

We have a superb team of contractors who have been with us for a long time. This ensures that families are not being left without heating in a cold winter, or waiting on washing machine / dishwasher / fridge repairs or replacements. It's not fair on tenants who are paying rent and it simply isn't what we are about. We endeavour to get our contractors on site as soon as possible to enable your tenants to get on their lives as soon as possible and with the least possible stress involved. Your tenant would receive a call from the contractor to set up a suitable day and time for them to gain access to repair/replace. Our dedicated property manager takes care of all of this.

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When we fully manage a property for you we will give your tenants direct numbers for emergency repairs to gas or electric heating. There is a button on the website to report repairs needed or property maintenance issues. This goes straight to our property manager, and there's a mobile number to call as well if your tenants are not able to go online.

We can fit a key safe to your property with your permission and can give the contractor an access number to it. It would only be with the tenant's permission to use this for access. Once the repair is made and the key returned our property manager will inspect the repair and change the key safe number to ensure safety. Only we at Sussex Property Management will ever know the number of the key safe.

When we perform the rent collection service for you it will be you the landlord who will be responsible for any repairs/maintenance of the property. You can always call us for recommendations if you are not able to find a suitable contractor.

If you decide that you only want a tenant found for you then you will be responsible for rent collection and for any repairs/maintenance of the property. If you belong to a deposit scheme we will ensure that the tenancy agreement reflects this. If you don't belong to a deposit scheme we can

lodge the tenant's deposit with MyDeposits on your behalf. We would of course ensure that the tenancy agreement we write up for you will reflect the deposit scheme used for the tenant's deposit and of course will include the scheme's prescribed information as legally required.

The law changed in 2019 with the introduction of the Tenant Fees Act.

The aim of the Act is to reduce the costs that tenants can face at the outset and throughout a tenancy. Tenants will be able to see, at a glance, what a given property will cost them in the advertised rent with no hidden costs.

The party that contracts the service (the landlord) will be responsible for paying for that service. Our fees show clearly what the costs of referencing, tenancy agreement and Inventory & Schedule of Conditions are plus any other charges made.

What are you paying?

Remember when you are comparing prices that agents charge to always look at the added fees. It's not just the monthly commission that you will pay. We do offer an all-inclusive fully managed option where you only pay commission, it's at a higher rate but if you'd prefer to just pay monthly and not get any 'surprises' that you hadn't budgeted for this could be the option for you. If you want to pay a lower commission rate please look at our fees schedule for the items included and items charged for.

The Consumer Rights Act 2015 made it a legal requirement for letting and management agents to display a list of all fees, charges or penalties (however expressed) payable by landlords and tenants for any letting agency or property management service. Remember – **it's a legal requirement to display all fees chargeable**. If you can't find the fees displayed at every marketing point (offices/websites) how will you know what you'll be paying?

The Tenant Fees Act 2019 passed into law in June 2019 and made it illegal to charge tenants any fees towards a new or renewed tenancy. There have been many and varied creative options for agents to recoup the considerable fees they were earning previously. We don't add an extra monthly charge in lieu of these missing fees because we don't have corporate overheads to meet. Our tenant fees were always low so the ban of charging fees hasn't affected us too much.

Our terms are fully laid out within our Agency Agreement, we don't lock you in to an agreement demanding notice. If you no longer want to work with us we won't make you pay. We hope this won't happen but there are no penalties in our Agency Agreement should you decide to leave us. It's like a no quibble guarantee.

You can alter the level of your service at any time. You may ask us just to find you a tenant and later realise that you haven't the time to manage your rental property. You can change up to other service levels. You may take us on to manage your property and later decide that you now have time to do this yourself. You can then change down to that level of service. With no penalties.

Buildings Insurance – landlords are responsible for the Property being adequately insured and that the insurance policy covers the situation where the Property is let. We are able to recommend Buildings and Contents Insurance policies as well as Legal Expenses and Rent Guarantee policies on which we earn commission. The Agent would not normally be responsible for the administration of any claims arising during the period of any Tenancy. See our void property service for what we can provide when the property is not let.

Taxation – if you are UK resident income tax on rental from the Property is entirely the Landlord's responsibility. We are asked annually to communicate with the Inland Revenue and may be subject to an Inland Revenue audit. We have to complete an annual report on all landlords, properties let and amount of rent earned.

When letting property and receiving rents for Non Resident Landlords (NRL) i.e. Landlords living overseas we are obliged by the Income and Corporation Taxes Act 1988 and the Taxation of Income from Land (Non-Residents) Regulations 1995 to deduct tax (at the basic tax rate) to cover any tax liability, unless the Landlord has been authorised in writing by the H M Revenue and Customs (HMRC) to receive rent gross. We are registered with the NRL tax waiver scheme. If this is your option, once you are registered the scheme will link you to us.

Smoke and CO alarms – it is a legal requirement to have these fitted in a rental property and we can arrange fitting if not already in the property.

Energy Performance Certificate (EPC) – It's been a legal obligation for over 10 years to provide this certificate prior to the property being marketed and give a copy to your applicant. If this isn't given to your tenant you'll invalidate the service of a Section 21 notice if required.

Electrical Safety Condition Report (EICR) - From 1st June 2020, private landlords in England will be required to have the electrical installation in their rental properties checked by a qualified electrician to ensure that they are safe. This means that electrical installations must be inspected and tested prior to the start of a new tenancy from 1st July 2020. *Note if you already have a tenancy in place this certificate must be carried out by 1st April 2021*

These checks must then be carried out on a five yearly basis. A copy of the most recent electrical safety condition report (EICR) must be provided to both new and retained tenants. Our contracted electrician will carry out a survey to either complete this report and will check for any updates to the system that need to be carried out to bring your electrical system to compliance – this is chargeable by our contractor. If works need to be carried out you are at liberty to obtain quotes from other electricians or give us the go ahead to have works carried out at contractor quoted rates to ensure compliance.

Gas Safety Record – This is an annual safety check that must be carried out by a Gas Safe registered engineer. It ensures all gas appliances as well the gas boiler are compliant. If this isn't given to your tenant you'll invalidate the service of a Section 21 notice if required.

Referencing – We use a professional referencing company to carry out credit checks, previous landlord references and affordability of applicants to rent your property. We are introducers to Rent Guard who also work with our referencing company which ensure that policies they offer for rent guarantee will be available to you should you wish to buy one.

Tenancy agreement – Our tenancy agreement is written by professionals at TFP. This ensures it is always as up to date and secure as possible. It includes the prescribed information required by either of the deposit schemes we are members of.

Tenant's deposit - we will take a dilapidations deposit from the tenant(s) in addition to any rents due. The purpose of this deposit is to protect the Landlord against loss of rent or damage to the Property during the tenancy itself. This deposit will be kept in a separate and secure client deposit account ready for refunding (less any charges due) at the end of the Tenancy. The maximum amount of deposit currently amounts to the equivalent of five weeks rent.

More information on the requirements of the deposit protection schemes are available on the following web site and Landlords are strongly urged to familiarise themselves with their legal responsibilities. www.direct.gov.uk

Deposit reconciliation - we will attempt, by negotiation, to resolve any deposit disputes between the Landlord and the tenant at the end of a tenancy. Usually this is about cleaning, décor or even gardening.

Where the deposit is subject to statutory tenancy deposit protection, and a dispute cannot be resolved between the parties then it will be necessary to submit the claim to the tenancy deposit administrators for adjudication under an alternative dispute resolution (ADR) process. This is why we insist on a professional inventory and check in to agree the condition of your property before the tenancy commences.

Inventory – The deposit protection schemes established under the terms of the Housing Act 2004 require that all Landlords need to be protected by good inventory and condition reports from the outset.

The standard inventory will include all removable items in the Property (except those of negligible value) plus, carpets, paintwork, wall coverings, curtains, mirrors, sanitary ware and other articles that, in our opinion need regular checking. It does not include attics, cellars, garden sheds and garages.

You should not leave any articles of exceptional value in your rental property without prior arrangement with the Agent. The standard inventory service includes a full schedule of condition (condition, colour and decoration of ceilings, walls, doors and door fittings etc.) Evidence of condition or damage (i.e. photography) will be prepared too.

Customised services

Void property package. If your property is empty it will have to be visited regularly or your insurance policy will be null and void. You don't want that. But not all landlords are able to make visits themselves so I would do a weekly visit for you, collecting post to be forwarded or returned, checking the plumbing for leaks or burst pipes in cold weather, and making sure the property is well heated and ventilated. Kitchens and bathrooms will be checked for mould and any found will be treated with a proprietary spray. All for £30 inc. VAT per week if within the locale of Storrington. If it's further afield and reachable within the hour we offer the service at £60 inc. VAT

Home care service. Ask us about how we can incorporate managed services and void services as well as returning your home to you in tip top condition. This package is suitable for landlords who have been living abroad and want to return to their homes safe in the knowledge that it is still their home and in the condition they expect it to be. We can organise redecoration and new flooring for your return. We charge a 10% surcharge on all contractor invoices for this service.

Out of area rentals. We are able to help you advertise, shortlist applicants and arrange viewings or pass on details for you to arrange your own viewings. We have successfully let properties in London in this way as well as more locally in Worthing. If it's an option you'd like to pursue contact us. We charge a commission of 5% of the rent plus VAT of the fixed term of the tenancy. If you want us to draw up paperwork see our fees schedule.

Sussex Property Management Limited has client money protection and our provider is Client Money Protect. www.clientmoneyprotect.co.uk



Private Rented Sector Professionals

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