



Landlords Guide



Leeds Building Society

Landlords; know your rights

From property repairs to securing a tenancy deposit, landlords have a number of responsibilities.

However, renting out a property is a two-way street, and you are entitled to expect a number of things in return from your tenants. Here are a few of the rights landlords can expect when renting a property.

1. Signing of a contract

Before the tenancy begins, it is advisable that both you and your tenants draw up an agreement.

An assured shorthold tenancy is one of the standard agreements used by the private rental sector. It outlines certain terms, such as the amount of rent to be paid, when it is due and the duration of the tenancy period.

Assured shorthold tenancy agreements are usually for a period of six or 12 month period, after which you can either create a new one or allow the tenancy to move onto a periodic 'rolling' tenancy.



2. Payment of rent

Tenants are obliged to pay any rent in full and on time, in line with the terms of the tenancy agreement.

If they fall behind you will need to seek legal advice to find out what your next steps should be.

3. Reasonable access to your property

While you cannot visit the property whenever you wish, your tenancy agreement should detail when you can visit the property and what notice you will need to provide.

4. Tenancy deposit

A deposit is taken at the start of the tenancy, to cover you in the case that rent goes unpaid or property is damaged. The deposit is usually the equivalent to one month's rent and must be held in an approved tenancy deposit scheme.

For more information visit Gov.uk

5. Reclaim cost of repairs

Outside of the usual 'wear and tear' that occurs during a period of occupancy, subject to the terms of the tenancy agreement, tenants can be required to pay for the things they damage or break.

It is a good idea to agree on the condition of the property by creating an inventory of possessions and their condition before the tenancy begins.



6. Ending the tenancy

At the end of the fixed term outlined in the tenancy agreement you may decide to allow the tenants to remain in the property by entering into a new tenancy agreement or allowing them to stay on a periodic 'rolling tenancy'. Alternatively, you may wish to terminate the tenancy agreement by providing the tenants with sufficient notice.

There are also a number of situations that may mean you want to end the tenancy before the fixed term period has expired, for example if the tenants fail to pay their rent. For further information on this you should seek independent legal advice.



Landlords; know your responsibilities

UK landlord responsibilities

A written agreement between you and your tenant should outline the basic rental rules, but a landlord's duties stretch far further than simply collecting rent.

Here are a few of the responsibilities you'll have as a landlord in the UK.

1. Ensure the property is safe

Various checks of appliances and fittings need to be completed before you rent out your property. You may also need a certificate to prove the work has been done to required standards. Certain checks and certificates need to be updated and renewed every year.

Visit [Gov.uk](https://www.gov.uk) for more information on landlord's safety responsibilities.



2. Prompt and proper repairs

You are responsible for exterior and structural repairs over the course of a tenancy, whether you choose to complete the maintenance yourself or hire a professional to do the job.

Landlords must also keep installations that supply water, gas, electricity, sanitation and heat in proper working order.

3. Request access

While you cannot visit the property whenever you wish, your tenancy agreement should detail when you can visit the property and what notice you will need to provide.

Subject to the terms of the tenancy agreement, in an emergency - such as a serious water or gas leak - you may be allowed instant access to carry out necessary work.



4. Respect their space

Tenants must be allowed full use of the property as, while they are staying there, this is their home. So unless otherwise agreed, they should be able to access and use all rooms and your belongings should not be stored there.

5. Protect the deposit

By law you are legally obliged to secure a tenant's deposit in a government-backed protection scheme within 30 days of receiving it.

Each of these schemes aim to help with any potential financial disputes.

At the end of a tenancy you must return the deposit within 10 days of agreeing the amount to be returned.

For more information, visit [Gov.uk](https://www.gov.uk)

6. Tenancy contract changes

Subject to the terms of the tenancy contract, you may not be able to change the terms of the tenancy contract – such as the amount of rent – during the fixed period of your agreement.

When the fixed period comes to an end you can agree a new contract with any changes you want included. Alternatively, if it is a periodic 'rolling' tenancy you should give the tenant a month's notice of any proposed changes.

7. Ending the tenancy

At the end of the fixed term outlined in the tenancy agreement you may decide to allow the tenants to remain in the property by entering into a new tenancy agreement or allowing them to stay on a periodic 'rolling tenancy'. Alternatively, you may wish to terminate the tenancy agreement by providing the tenants with proper written notice.

There are also a number of situations that may mean you want to end the tenancy before the fixed term period has expired, for example if the tenants fail to pay their rent. For further information on this you should seek legal advice.



Using a letting agent or doing it yourself

Being a landlord can be a full time job – especially if you have more than one property. You need to be aware of all the rules and regulations governing rental properties, make time to advertise the property and show around prospective tenants and then do all the necessary background checks. You'll also have to be on call if things go wrong.

It's a lot to manage on your own so you might choose to use a professional letting agent. Here we look at five ways that a letting agent can potentially make managing your property portfolio easier. Of course, you should always check with the letting agent to make sure they meet your needs and you're clear on any costs associated with using their services.

1. The legalities

A letting agency should be up to date with all the latest property and tenancy legislation, so they could help if you are unfamiliar with the law.



2. Professional paperwork

They should also be able to take care of your tenancy agreement which define the responsibilities of both you and your tenant and need to cover every possible eventuality.

They may also be able to handle things like property inventories, offer advice on landlords' insurance and public liability and transfer bills for services that the tenant is responsible for into their name.

3. Tenant screening

A good letting agency can be relied upon to carry out tenant-vetting processes and reference checks.

They will also be able to collect your tenants' deposit and rent, as well as handling any day-to-day queries.



4. Property maintenance

Your letting agency could help by suggesting handymen, plumbers, electricians, gardeners and other trades people to sort out any problems that might occur.

They will be the contact point for your tenants, meaning you don't have to be on call if anything happens.



5. Efficient lettings

Established letting agencies will know the best ways to get your property on the market and how to find the best potential tenants. They'll be able to do this efficiently through placing adverts on property letting websites, as well as putting up house rental specifications at their office. They'll also be practiced at taking promotional photographs that will show your property in the best light, and creating engaging, effective advertisements.

Finally, making sure the letting agent you choose is accredited by the UK Association of Letting Agents (UKALA), the National Landlords Association (NLA) or the National Approved Letting Scheme (NALS) should provide some valuable peace of mind.



Tenancy agreements under the microscope

The changes in Tenancy Agreements over time

From knowing when you can expect rent to be paid to who is responsible for repairs, a tenancy agreement is key when renting out a buy-to-let property. Setting down your rights and those of your tenants is the best way to ensure a hassle-free tenancy.

We've taken a look at how tenancy agreements and the legislation around them have changed over the years.



Protected Tenancy

Tenancy agreements entered into before January 1989 are commonly known as protected, or regulated tenancies, giving the tenant the most protection against evictions or rent increases. Under a Protected Tenancy, a Landlord must set a fair rent by registering it with the Rent Assessment Committee. Any rent increase must be agreed in advance. As a landlord you may be able to increase the rent where you have improved your tenants' living arrangements, for example by renovating the property.

Assured Tenancy

Properties let between January 1989 and February 1997 were generally let under an Assured Tenancy Agreement, which protects tenants from eviction as no expiry date is cited by the landlord in the agreement. An assured tenant can continue to reside in the property as long as they do not breach any terms of the Assured Tenancy Agreement and can object to any changes proposed by a landlord who wishes to change the terms of the tenancy agreement.

An Assured Tenancy Agreement is also typical for properties let by housing associations.

Assured Shorthold Tenancy (AST)

Assured shorthold tenancies usually last for 6 or 12 months (but they can be for any term). They give the tenant the right to have their deposit protected and be given notice of eviction. An AST is now one of the most common types of tenancy. Most new tenancies fall into this category, but they must meet certain criteria (see below).

AST Agreement

You can create an Agreement if:

- You're a private landlord or housing association;
- The rent is more than £250 a year but less than £100,000 a year;
- You don't live in or habitually use the property;
- It is your tenants' main home.



Tenancy Deposit Protection Scheme

When you enter into an AST Agreement you may require your tenants to pay a deposit which you are legally required to put in a Tenancy Deposit Protection scheme (TDPS) within a month of receipt.

If your tenants breach the AST Agreement such as failing to pay utility bills or causing unreasonable damage to the property you may be able to keep the full deposit or a proportion of this at the end of the tenancy.

The TDPS offers an arbitration service if you are unable to come to an agreement and the money will remain in the TDPS until a decision is reached if there is a dispute.



This guide is intended as a summary only and does not constitute legal advice given by Leeds Building Society. No reliance should be placed on this guide and you must make your own decisions, we recommend that you seek legal and/or financial advice if you have any questions or queries.

WARNING: IF YOU FAIL TO KEEP UP WITH PAYMENTS ON YOUR MORTGAGE A 'RECEIVER OF RENT' MAY BE APPOINTED AND/OR YOUR RENTAL PROPERTY MAY BE REPOSSESSED.

Buy to Let mortgages which are for business purposes are exempt from FCA Rules.

Mortgage applicants must be 18 years or over. Mortgages are subject to eligibility, status and financial standing.

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