

# LETTINGS

PROFESSIONAL  
RESIDENTIAL LETTING  
& MANAGEMENT  
SERVICES

CURRAN  PINNER  
curranpinner.co.uk



## Residential Letting & Management

Curran & Pinner have been helping people let and manage their properties for over 40 years. Daniel Curran and Warren Pinner have over 50 years combined experience in residential lettings and property management so you and your property really are in very safe hands.

We're completely committed to delivering a friendly professional, efficient service so you can relax knowing that everything is being taken care of.



**There are lots of rules and regulations that you'll need to be aware of when becoming a landlord. The following pages detail some of these. We hope it's useful. If you'd rather we looked after all of this for you, please ask about our comprehensive 'residential management' service.**

## Fire Regulations

It is essential that landlords be aware of the important statutory fire regulations concerning the supply of the furniture and furnishings when renting out accommodation.

### The following legislation applies:

- The Furniture and Furnished (Fire) (Safety) (Amendment) Regulations 1993.
- The Furniture and Furnished (Fire) (Safety) Regulations 1988
- Consumer Protection Act 1987

As from 1st March 1993 it is an offence to supply furniture in the course of business, which includes the letting of a property, which does not comply with the regulation concerning fire resistance. Essentially it covers all upholstery and upholstered furnishing, including loose fittings and permanent or loose covers. These must comply with the following three tests each of which measures the flame retardant qualities of the furnishings:-

1. Cigarette Test
2. Match Test
3. Ignitability Test

Section 46 of the Consumer Protection Act 1987 provides that where furnishings are hired or loaned to tenants in association with a letting agreement then such actions amounts to a "supply" and is therefore under the jurisdiction of the 1988 and 1993 regulations. A landlord can be held liable if there is a breach of the regulations inadvertently or otherwise. Failure to comply with the regulations can result in a fine, imprisonment or both. You should check all furnishings compatibility with the manufacturer or supplier and if necessary replace any furniture that does not comply.

Any newly purchased furniture must pass the Ignitability Test in accordance with BS5852. This standard has remained the same since the introduction of the fire regulations in 1988. You should check all furniture you purchase conforms to these standards.

## Gas Appliances – Keep Them Safe

Carbon monoxide can kill, without warning, in a matter of hours.

You can't see it, you can't taste it, you can't even smell it.

You are most vulnerable to carbon monoxide poisoning when you are asleep.

Carbon monoxide is produced when gas does not properly burn from appliances which are incorrectly installed or not regularly serviced.

### You are at risk of carbon monoxide poisoning if:-

- Your appliances were poorly installed
- Your appliance is not working properly
- Your appliance has not been regularly serviced
- There is not enough fresh air in the room
- Your chimney flue becomes blocked
- Unqualified engineers install or service your appliances

### You should:-

- Always use a Gas Safe registered installer to install, service and carry out any work on your appliances
- Always ensure your appliances are serviced at least once a year
- Never block or obstruct any vents, grilles, flue or air bricks on the appliances or in the room
- Never use an appliance if you think it is not working properly
- Fit audible carbon monoxide detectors (at least one per level of your property)

### The Gas Safety (Installation and Use) Regulations 1994 places a duty on landlords to ensure that:

- All work carried out on gas appliances must be by companies/engineers registered with the Gas Safe Register
- By law, Landlords are responsible for ensuring that appliances are maintained in good order and are checked for safety at least every 12 months.
- Any interested Party is provided with a copy of the Landlords Gas Safety Record

**NOTE:** Servicing alone may not be sufficient. The regulations cover all appliances and all types of gas i.e. Mains, Propane or Calor.

The Gas Appliances (Safety) Regulations 1995 and Gas Cooker Appliances (Safety) Regulations 1989 govern the supply of new gas appliances and second- hand gas cookers, and must also be complied with.

The Heating Appliances (Fire Guards) (Safety) Regulations 1991 require that fire guards on gas and oil heaters must comply with British Standards or the European equivalent.

The Gas Catalytic Heaters (Safety) Regulations 1984 prohibits the supply of those heaters that contain asbestos.

## Stamping

It is now the Tenant's responsibility to pay Stamp Duty Land Tax.

## Overseas Landlords Tax Implications

If you are travelling abroad, The 1995 Finance Act requires you to apply to the Inland Revenue to receive UK rental income with no tax deducted. Under these circumstances you should ask for an Inland Revenue Form NRL1 (copies are available via our Management Department)

Until we are in receipt of an approval letter from the Inland Revenue for each and every tax year and in the case of joint owners for each and every owner, under the current regulations we have to account to the Inland Revenue on a quarterly basis at the basic rate of tax for all overseas clients without Inland Revenue approval to receive rent payments gross. Under these circumstances it will be necessary for us to retain this money from monthly rents held until we are required to make payment to the Inland Revenue or an approval letter is received from the Inland Revenue confirming the retained monies may be released beyond a certain date. Once an approval letter is received no further monies will be deducted for tax liability unless your situation should change and the Inland Revenue approval is withdrawn and the tax becomes due and payable. If we are required to pay tax on your behalf, you will have to arrange to re-claim it from the Inland Revenue, if appropriate. We are not able to do this on your behalf.

You may obtain further information from the Inland Revenue Booklet IR140. We also recommend you instruct a UK based accountant.

## Energy Performance Certificates (EPC)

From 1st October 2008 landlords will need to provide an EPC (which will be valid for 10 years) to any prospective tenants.

### The EPC has to be carried out by an accredited energy assessor and will give information about:

- Suggested improvements (such as loft insulation)
- The approximate cost of suggested improvements
- Possible cost of savings per year if the suggested improvements are made.

Marketing of your property and agreeing terms with a prospective tenant are dependent on us having a current EPC on file. If you have an EPC you will need to make a copy available to us. If you would like us to arrange an EPC for you we can undertake this at a cost of £60.00 plus VAT.

There is a fixed penalty for failing to provide an EPC/make one available when required.

## Electrical Equipment (Safety) Regulations 1994

The Electrical Equipment (Safety) Regulations 1994 require that the electrical supply and any electrical appliances supplied by a landlord for a residential tenanted property must be safe.

The landlord's statutory duty of care obligations require that the electrical supply should be checked regularly and an electrical installation report prepared every five years unless the engineer doing the report suggests that a report should be carried out with greater frequency. Any recommendations should also be auctioned.

The landlord also has a statutory duty of care to ensure that all electrical equipment supplied is checked and an appropriate portable appliance test and report completed. The safe use of appliances also requires the appropriate instruction booklets to be provided for each and every electrical item/appliance provided. Any unsafe items should be replaced.

## Professional Residential Letting & Management Services

From 1st January 1997 all electrical equipment bought new and supplied in rented accommodation must be marked with the appropriate CE symbol. Appliances covered by the regulations include such items as cookers, kettles, toasters, electric blankets, washing machines, dishwashers, microwaves, immersion heaters, fridge & freezers, electric fires, fan heaters, extractor fans and irons etc.

## Plugs And Sockets Safety Regulations

As part of the Consumer Protection Act, the Plugs and Sockets Safety Regulations defines the standard of plugs, sockets, adaptors and extensions to appliances in all rented properties.

All appliances are required to have plugs which are undamaged, with insulating sleeves, the correct fuse and a working cord grip. Plugs must not be damaged, i.e show signs of browning, burning or cracking.

## Housing Act 2004

### HMO

The Housing Act 2004 has varied the definition of the houses in multiple occupancy (HMO). From the 6th April 2004, should a property be let to two or more households, it will be classified as an HMO. A household is defined as occupiers of the same family, including spouses, co-habitees, same sex couples and any blood relative. These households must occupy the premises as their sole residential dwelling, share or lack access to basic amenities.

A landlord will require to have a licence for the letting of a property as an HMO, should the property comprise of three or more storeys (including shops, offices or basements); building comprising of non-self-contained flats and houses converted into self-contained flats prior to 1991 and not in accordance with the 1991 building regulations, with less than two-thirds of the flats occupied by long leaseholders; the property is occupied by five or more people.

We are advised that this legislation, which is to be administered at local government level, is entirely open to interpretation by individual local councils and, until such time as case law produces definitive answers, there may be some confusion. It is essential that you take further advice and contact the relevant local authority. Further information is available from the Communities Local Government website [www.communities.gov.uk](http://www.communities.gov.uk).

### HHSRS

Housing Health and Safety Rating System is part of the 2004 Housing Act, and is a system for assessing the health and safety risks within a dwelling. Residential premises should provide a safe and healthy environment for potential occupiers/visitors. The HHSRS is a risk assessment process covering key health and safety risks of residential dwellings. Further information on landlord's responsibilities under the HHRS is available from the Communities Local Government website [www.communities.gov.uk](http://www.communities.gov.uk)

## Smoke Alarms

The 1991 Smoke Detectors Act made provisions for the mandatory fitting of mains powered alarms in new residential buildings with the minimum requirement being one smoke alarm on each level of the building.

Although the Smoke Detectors Act only applies to new buildings, the absence of smoke alarms in existing tenanted property would in all probability not meet the "duty of care" that might be reasonably expected of the landlord. Landlords currently run the risk of prosecution for failing to have smoke alarms if a tenant is injured or killed in a domestic fire. Furthermore, even if the landlord has opted to have a smoke alarms in their property they could be sued if the alarm is incorrectly installed/located, if there are not enough smoke alarms required for the property, where the power source is defective, the smoke alarm is damaged in any way or where the smoke alarm has been removed from the property.

If they have not already done so, landlords should take immediate steps to install a smoke alarm that conforms to BS5446 Part 1 in each of their rental properties. Failure to do so may be indefensible should a case come to court.

The duty rests clearly with the landlord and The 1991 Smoke Detector Act reinforces section 11 of The 1985 Landlord and Tenant Act. Landlords are obliged to keep all mains appliances in good repair and working order.

## General Product Safety

General Product Safety defines general safety principles by which all goods supplied In the course of business must comply. (The General Product Safety Regulations 1994).

For example, it is not recommended that furniture containing glass is supplied, as it is likely that this type of glass will not be safety glass.

It is also important to keep information supplied with any appliances, fixtures or fittings, as if it concerns the safe use of the item supplied, the tenant should be issued with a copy of it.

Any equipment supplied for babies should have very specific standards and comply with the variety of BS standards applying to this type of equipment.

Care should be taken to ensure that all electric heaters with open metal elements, electric heaters with silicone covered elements, and gas and oil heaters, which are supplied in a tenancy, should be fitted with the safety cover required by The Heating Appliance (Fire Guards) (Safety) Regulations 1991. Paraffin or oil heaters supplied should be compliant with the Oil Heaters (Safety) Regulations 1997.

Care should also be taken to ensure that all bunk beds, cabin beds and any sleeping surfaces over 800mm above the floor, conform with The Bunk Bed (Entrapment Hazard) (Safety) Regulations 1987.

Replacement glazing should be supplied to the Construction Products Regulations 1991 standards.

## Unfurnished Accommodation

Under the current Assured Shorthold Tenancy Regulations, tenants renting unfurnished accommodation DO NOT receive greater protection under the Act, unlike previous legislation. You can, therefore confidently consider an UNFURNISHED letting as the occasion arises.

Generally, however there is a lesser demand for furnished accommodation and as the market tends to swing towards unfurnished accommodation the rental figures achievable can on some occasions be greater.

## Obtaining consents

It is important that you gain authority from your mortgage company to let your property as per The Accommodation Agencies Act 1953 and, if your property is leasehold, similar consent may be required from the head lessor or freeholder. You should arrange to check your mortgagees and head/freeholder terms for letting your property. Curran & Pinner cannot take responsibility for action that your mortgagee or head lessor/freeholder may take against you if you do not obtain the relevant consents.

## Insurance

During the period of the tenancy it will be necessary for you to advise your insurers of the change of status and to continue to insure your rented property adequately for buildings and contents risks.

## Rent Guarantee Schemes and Legal Expenses Insurance

Curran & Pinner are approved agents for FCC Paragon, who offer a variety of insurance schemes geared for landlords or residential property. These include building insurances, contents insurance, legal expenses and rent guarantee schemes.

Further advice is available upon request from the Curran & Pinner Letting Department.

## Third Party Liability Insurance

It is recommended that landlords consider taking Third Party Liability Insurance to cover any claims made from a tenant or anyone who might be affected by a defect which results in danger or personal injury to an individual.

## Possession

In the event that you have to seek possession of your property prior to the end of the tenancy term due to breach of obligation by the Tenant, you will be required, if advised, to take legal advice from a solicitor to ascertain the options open to you at that time under Sections 8 and possibly Section 21 of The Housing Act 1998.

Curran & Pinner, its partners, staff and agents, take no responsibility for any action taken against a landlord or any loss suffered by any person acting on or refraining from advice contained in this brochure in relation to all landlord statutory and contractual obligations. Some, but by no means all, of which are mentioned in this brochure are accompanied/ associated literature/correspondence. Curran & Pinner, its partners, staff and agents are not responsible for continually updating landlords with any legislation changes that may take affect in the process of letting and managing a property. It is a landlord's responsibility to familiarise themselves with any legislation that may affect the process of letting a property, and to continually update themselves with changes to existing legislation and any new/future legislation. Curran & Pinner, its partners, staff and agents cannot be held responsible for a landlord that does not follow this advice and ensures that his/her knowledge of all his/her obligations is relevant, correct and continually updated.

## When A Tenant Is Found

Once a suitable tenant is introduced and terms agreed, your consents, subject to references are requested, to proceed further with the letting process. Terms are confirmed in writing to both parties, a fee of intent is requested and references applied for. The initial tenancy term will be agreed, normally for not less than six months and not more than thirty six months. Changes in legislation to the Housing Act 1988 effective from March 1997 have ended the restriction to an initial letting for a minimum term of six months, however, because of the statutory landlord's notice obligations, we do not recommend or organise tenancies for less than an initial six month period.

References received are forwarded to the landlord for approval and consent is requested to proceed with the relevant agreements for the signature by both landlord and tenant.

Prior to the tenant's occupation the landlord must ensure his compliance with all the statutory obligations as detailed within this brochure. Landlords should also keep themselves updated with any changes in legislation that affect these obligations. Terms specific to this letting must be completed by the landlord and the landlord must ensure the property is let in a clean and tenantable repair with operational fixtures and appliances.

## After The Tenancy Commences

On the completion of the letting by us as introducing agents, you will need to consider the management of the property.

You may wish to retain control of the property's management and collect monthly rents yourself.

You will be responsible for the ongoing day to day management of the property. This includes chasing outstanding rent, arranging any repairs, inspecting the property on a regular basis and handling the tenant's queries.

Should you retain control of the property's management, depending on your preference we will either bond the deposit with the DPS or you will be forwarded the tenant's deposit upon the commencement of the tenancy. Under the 2004 Housing Act, from the 6th April 2007, you as a landlord must ensure that you comply with the tenancy deposit protection scheme.

### You will have three options:-

1. Should you wish to hold the deposit yourself, you must become a member of Tenancy Deposits Solutions (TDS). This will involve an initial joining fee, a further fee per deposit that you hold, and a further yearly renewal fee. Further information on their charges are available on the company's website [www.mydeposits.co.uk](http://www.mydeposits.co.uk). Should there be a dispute between landlord and the out-going tenant, the disputed amount of the deposit will be forwarded to Tenancy Deposits Solutions who will appoint an arbitrator to reach a decision. They will thus apportion the disputed amount according to their ruling. Further information and membership is available on their website as detailed above.
2. The second option is for a landlord to join the Deposit Protection Service (DPS). You will forward the deposit to them upon commencement of the tenancy for their safe keeping. There are no charges levied to the landlord. DPS will be involved in disputes, if required at the termination of the tenancy. Further information and membership is available on their website [www.depositprotection.com](http://www.depositprotection.com).
3. The third option is to let Curran & Pinner take the strain and bond the deposit with the DPS, for which we don't charge.

Landlords are required to notify the tenant, in writing, within 30 days of the deposit being paid where, by whom and how the deposit is held and which scheme the landlord is a member of. This notification may have to be in the form of a Prescribed Information notice.

You will also be responsible for checking the tenants out of the property at the end of the tenancy term, negotiating any damages or dilapidations, and arranging the return of the deposit. You will also be responsible for making your case to the arbitrator of the relevant deposit protection scheme, if there is a dispute with regards to the deposit's return to the tenants.

If you decide to manage the property yourself and hold the deposit, you must register it with a relevant scheme within 30 days of receipt, if the tenancy is an Assured Shorthold Tenancy. If you fail to do so, the tenant can take legal action against you in the county court. The county court will make an order stating you must pay the deposit back to the tenant or lodge it with the custodial scheme which is known as the Deposit Protection Scheme. In addition, a further order will be made requiring you to pay compensation to the tenant of an amount equal to 3 times the deposit. Any Section 21 Notice served will be unenforceable until you comply with the above conditions, and the court will not grant you a possession order.

We will require a copy of the Prescribed Information on the tenant, confirming in which scheme you have safeguarded the deposit. In the case of the Tenancy Deposit Solutions Scheme, proof of membership and a copy of the insurance policy are also required. We have no liability for any loss suffered if you fail to comply.

Needless to say, the administration and legal obligations upon landlords managing themselves is continually increasing and thus landlords may consider it a wise decision to utilise Curran & Pinner's services as managing agents.

**Professional Residential Letting  
& Management Services**

# Residential Management

If you wish Curran & Pinner to manage your property whilst tenanted, we would be happy to discuss this further and, if required, tailor a management service to take account of the property and your individual requirements. Our Management Service should particularly be considered if you live some distance from the property, are travelling abroad or wish to take a more detached role in the day to day running of the tenancy.

As your managing agent, whilst assisting you to ensure that your contractual and statutory obligations to the tenancy are met, Curran & Pinner will provide a comprehensive service to manage your property throughout the tenancy term. We offer the following services:-

- Rental collection
- Statement preparation
- BACs payment of residual funds
- Arrears chasing
- Handling tenants enquiries
- Organisation of property maintenance and repairs where required
- Holding the tenant's/tenants' deposit as a stakeholder in accordance with the Deposit Protection Service rules & regulations
- Overseeing the end of the tenancy arrangements, inventory check and return of the tenant's deposit in accordance with the Deposit Protection Service regulations and the rules of DPS.
- Arranging for the independent inventory clerk to attend the property periodically to carry out a detailed inspection against the original ingoing inventory at our entire expense.

## Services that can be arranged which are not covered by our monthly management fees include:-

Legal case work, court attendance fees, accountancy or tax services work, postal re-direction, excess postal charges, arranging any type of insurance, arranging property refurbishment, and any administration costs associated with this list or any other administration costs that are involved in the management of the property whilst tenanted.

Any such work will be charged at a rate of £75.00 per hour plus VAT with the exception of arranging postal re-directions and excess postal charges which will be charged at the cost.

The arranging of property refurbishments will be charged at the

rate of 10% of the quoted project price, subject to a minimum of £250.00 plus VAT.

## Curran & Pinner is a member of the Deposit Protection Scheme, which is administered by:

The Deposit Protection Service

The Pavilions, Bridgwater Road, Bristol BS99 6AA

Tel: 0844 4727 000

If Curran & Pinner is instructed by you to bond the deposit with the Deposit Protection Service, we shall do so under the terms of the Deposit Protection Service. The Agent holds/bonds the tenancy deposits as Stakeholders.

## At the end of the tenancy covered by the Deposit Protection Service;

1. If there is no dispute, we will allocate any amounts agreed to your account and settle relevant deductions where expenditure has been incurred on behalf of the Landlord from the same and authorise the DPS to repay the whole of the balance of the deposit to the tenant.
2. If, after 10 working days following notification of a dispute to the Agent when reasonable attempts have been made in that time to resolve any differences of opinion, there remains an unresolved dispute between the Landlord and the Tenant over the allocation of the deposit it will (subject to item 3 below) be submitted to the Independent Case Examiner (ICE) for adjudication. All parties agree to co-operate with any adjudication.
3. When the amount in dispute is over £5,000 the Landlord and the Tenant will agree by signing the Tenancy Agreement to submit the dispute to formal arbitration through the engagement of an arbitrator appointed by the Independent Case Examiner although, with written consent of both parties, The Independent Case Examiner may at his discretion accept the dispute for adjudication. The appointment of an arbitrator will incur an administration fee, to be fixed by the Board of The Disputes Service Ltd from time to time, shared equally between the Landlord and the Tenant. The liability

for any subsequent costs will be dependent upon the award made by the arbitrator.

4. The statutory rights of either you or the Tenant(s) to take legal action against the other party remain unaffected.
5. It is not compulsory for the parties to refer the dispute to the Independent Case Examiner for adjudication. The parties may, if either party chooses to do so, seek the decision of the Court. However, this process may take longer and may incur further costs.
6. We must co-operate with the Independent Case Examiner in the adjudication of the dispute and follow any recommendations concerning the method of the resolution of the dispute.

The Landlord warrants that all the information he has provided to the agent is correct to the best of his knowledge and belief.

In the event that the Landlord provides incorrect information to the agent which causes the Agent to suffer loss or causes legal proceedings to be taken, the Landlord agrees to reimburse and compensate the Agent for all losses suffered.

## Fees

On completion of the Tenancy Agreement our fees are due as detailed and confirmed with you previously and below. The fees are calculated at a rate of 10% (unless otherwise agreed in writing) of the rent due under the tenancy term and are due on the tenancy commencement date. The fees due are deducted from the monies collected on your behalf. Under no circumstances are fees refundable.

If the tenancy is subject to a break-clause, a proportional credit will be allowed against any further letting term.

If a tenancy is extended, an agreed renewal fee will be due on the date of this renewal. The renewal fee is calculated at a rate of 10% (unless otherwise agreed in writing) of the rent due under the tenancy term. Should this renewal occur within the first 12 months of the tenancy term from when the original tenancy commenced. From Month 13 and beyond, renewal fees are charged at the rate of 10% (unless otherwise agreed in writing) of the rent due under the tenancy term plus VAT for the remainder of the term.

Management fees vary dependant on the individual circumstances of the landlord and tenancy between 2.00% (Rent Collection Service) and 8.00% (Overseas Management Service) of the cleared monthly rent received plus VAT and are charged in addition to the introductory letting fee.

Our hourly fee rate for work outside our normal terms of operation is £75.00 per hour plus VAT. Any such work would also be subject to any travelling costs incurred.

## Example:

A: **£750.00 pcm (monthly rent) x 12 months (term) = £9,000.00 per annum (annual rent)**

Multiplied by 10% (Letting Fee) = £900.00

£900 (Letting Fee) + VAT = £1,080.00

for the initial 12 month term.

B: **£750.00 pcm (monthly rent) x 24 months (term) = £18,000.00 per annum (annual rent)**

Multiplied by 10% (Letting Fee) = £1,800.00

£1,800.00 (Letting Fee) + VAT = £2,160.00

for the initial 24 month term.

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