



LANDLORD GUIDE

We've put together this short guide to take you through some key points when considering letting your property. Call us for a chat if you have any questions. We're here to help you!

1. Before letting your property

Letting with a mortgage

If you are planning to let your property with an existing owner-occupier mortgage you will need to gain consent from your mortgage lender and insurance provider.

If you are purchasing an investment property your mortgage advisor will ensure you have the correct mortgage in place. If you require help or advice on mortgages we can point you in the right direction.

Insurance

As a landlord it is your responsibility to have the necessary insurance in place to insure the building and the contents of the property. This needs to include cover for fire, flood, theft or any other potential hazards.

Tax obligations

Letting a property can increase your income and you may be taxed. This may also impact any benefits that you receive.

- **Non residential landlords**

If you live abroad for 6 months or more per year, you're classed as a 'non-resident landlord' by HM Revenue and Customs (HMRC) - even if you're a UK Resident for tax purposes.

This tax is collected using the non residential landlord scheme.

Therefore we are obliged by HMRC to deduct basic rate tax from the rental income and pay this to HMRC.

To apply for a dispensation you will need to complete a NRL1 form.

2. Getting your property ready

Legal requirements

Prior to letting your property you will need to ensure that it meets legal requirements. You are required to obtain the following:

- Gas Safety Certificate
- Electrical Certificate
- Energy Performance Certificate
- Smoke and Carbon Monoxide Alarms
- Hooks and Cleats (for blinds & blind cords)

As a landlord you are responsible for paying for these items. If your property is managed, we will make sure that throughout the tenancy these are up to date and in line with the current legislation.

If you decide to manage the property yourself you must ensure these are kept up to date throughout the tenancy.

- **Gas Safety Certificate**

All rented properties in England require a Gas Safe registered engineer to ensure the gas appliances within a property are safe and fit for purpose. The engineer will produce a landlord gas safety certificate.

This will need to be carried out annually.

- **Electrical Certificate**

In July 2020 new electrical testing regulations came into place for all new tenancies. The changes then extended to all existing tenancies from 1st April 2021. All rented properties now require an electrical certificate from an NICR registered electrician.

The certificate lasts for 5 years.

- **Energy Performance Certificate**

You as the landlord are required to have an energy performance certificate for your rented property which lasts 10 years. The certificate has a grade from A to G. This rating grades the buildings energy efficiency. The current minimum grade acceptable to let out your property is E.

- **Smoke and carbon monoxide alarms**

As a landlord you are responsible for fitting smoke alarms on every floor and carbon monoxide alarms in rooms with appliances using solid fuels, such as coal and wood and make sure they are working at the start of a tenancy.

- **Blinds and blind cords**

To prevent accidents associated with blinds and cords, blinds should be safe by design and have hooks for loose cords or cleats fitted.

Furniture

If you are offering your rented property as furnished or part furnished you need to make sure all soft furnishing comply with the 1988 The Furniture and Furnishings (Fire Safety) Regulations.

- All furniture must be manufactured from fire resistant materials.
- All items must have one permanent manufacturer's label attached, which cannot be removed. This will give you information on the materials used to make the item.
- Upholstered items must have a filling which is fire resistant.
- All furnishings must pass the 'match resilience test' and the 'cigarette test'.
- Mattresses and bed bases must have a label that shows that they meet BS7177 – a safety standard set down by law.

Legionnaires Disease risk assessment

It is good practice if your rented property has been empty or not lived in for some time to have a legionnaires risk assessment carried out.

Fitness for habitation

The "Fitness for Habitation Act" came into force in March 2019.

It is designed to ensure that all rented properties are fit for human habitation and for landlords to fulfil their legal obligation to keep their properties safe.

For more information please contact us to discuss this further.

The contents of this guide have in part been sourced from "How to Let: a guide for current and prospective private residential landlords in England". HM Government, last updated July 2021.

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