

A Landlord's Guide to Letting



Flick & Son
Coast and Country

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We have had the benefit of Helen Brewster looking after our rented properties over a number of years. She has contributed much to the success and smooth running of the letting which comes from knowledge of the local market, and managing the lets with a close eye. Apart from being efficient she is a pleasure to deal with. Five star service!

Chris Keeble

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Flick & Son has the largest residential lettings department on Suffolk's Heritage Coast.

We act for more than 350 Landlords with a selection of properties that are second to none.

Our portfolio includes apartments, cottages, larger family homes and farmhouses in town, coastal and countryside locations, making us the first port of call for any potential Tenant. Based at our Saxmundham office, the Lettings Department maintains close contact with the other Flick & Son offices in Suffolk to provide our Landlords and Tenants with a friendly and comprehensive service.

We are members of **ARLA (The Association of Residential Lettings Agents)**, **RICS (The Royal Institution of Chartered Surveyors)**, and **The Property Ombudsman for Letting**, which confirms we conform to The Code Of Practice for Residential Lettings Agents, to enable us to strive to provide our Landlords with complete and professional assistance in the letting and/or management of their properties.

We offer either a **Full Management Service**, a **Letting and Rent Collection Service** or a **Lettings Only Service** to ensure our clients can select a service which best suits their requirements.

Therefore, whatever your reasons for letting, we will be pleased to look after the property on your behalf.

If you require any advice or would like to arrange for an open market rental valuation of your property, please do not hesitate to contact Helen Brewster Director for Lettings & Management at our Saxmundham office.

Tel: 01728 633773 | E-mail: lettings@flickandson.co.uk





PRE-MARKET APPRAISAL

We offer a free appraisal of your property prior to letting. Following our initial visit, we will offer advice on anything which we feel requires attention and provide an honest opinion of an achievable market rental.

We thoroughly recommend that your property is presented in the best possible condition, with a clean, serviceable kitchen and bathroom, a sound central heating system and fresh, neutral décor.

Obviously, no two houses are the same and valuations will differ from property to property. We have to take all manner of things into consideration – location, size, parking, heating, presentation etc., but we will strive to ensure that your property works as hard as possible for you.

LANDLORD'S RESPONSIBILITIES

In accordance with The Housing Act 1985, every Landlord is obliged to ensure that the accommodation they offer meets a certain standard of fitness for occupation. The house should be kept in good repair, free from damp, structurally stable and have adequate heating, lighting and ventilation.

The Landlord is responsible for repairs to the structure and exterior of the property, baths, sinks and other sanitary installations, heating and hot water services, the supply of water, gas (if applicable) and electricity and the drainage system.

Under Section 11 of the Landlord and Tenant Act 1985, there is a covenant in every tenancy agreement covering the Landlord's obligations to maintain and repair. As Landlord, you will also be responsible for the maintenance and repair of any equipment within the house – cooker, fridge, washing machine, dishwasher, water softener etc. (should you choose to supply them).

All Landlords of private rental accommodation in England are required to carry out Right to Rent checks for new tenancy agreements to determine whether all occupiers aged 18 and over have the right to live in the UK legally.

We are not tax advisors and we are unable to deal with income tax assessments for Landlords. We recommend that any Landlord who is residing abroad should appoint an accountant in the country to deal with their tax affairs.

REGULATIONS CURRENTLY AFFECTING PRIVATE RENTAL ACCOMMODATION

GAS SAFETY REGULATIONS 1998 (AMENDED 2005)

It is a legal requirement that every gas appliance within a rental property is inspected and serviced on an annual basis by a Gas Safe Registered Engineer (formerly Corgi) and a safety certificate is issued. This affects all gas appliances - gas boilers, oven and hobs and room heaters run on both mains gas and LPG. We are unable to proceed with a tenancy until this obligation is fulfilled and we hold a current safety certificate on file. We can arrange for servicing on your behalf if you require.

ENERGY PERFORMANCE REGULATIONS 2007

With effect from 1st October 2008 when a property is to be rented out, the Landlord is responsible for ensuring a valid Energy Performance Certificate is made available to all prospective Tenants. The EPC and recommendation report must be made available free of charge by a Landlord to a prospective Tenant at the earliest opportunity and no later than:

When any written information about the building is provided in response to a request for information received from the prospective Tenant; or when a viewing is conducted; or if neither of those occur, before entering into a contract to let.

An Energy Performance Certificate does not have to be made available if the Landlord believes that the prospective Tenant is unlikely to have sufficient funds to rent the property or is not genuinely interested in renting that type of property; or the Landlord is unlikely to be prepared to rent out the property to the prospective or Tenant (although this does not authorise unlawful discrimination).

An EPC for rented property is valid for ten years and the only person who is able to produce an Energy Performance Certificate is an accredited energy assessor. Failure to have an EPC on your rental property could result in a £200 fine.

As part of our comprehensive lettings service, Flick & Son can produce an EPC together with a floorplan at a competitive price at the commencement of your letting as part of our **Full Management, Letting and Rent Collection** and **Letting Only** services, sparing you time and worry.

ELECTRICAL SAFETY REGULATIONS

Whilst at present there are no statutory requirements to have electrical appliances tested on an annual basis, we thoroughly recommend that an electrical safety check is carried out prior to the letting of your property. This ensures that wiring, sockets, light fittings etc. are sound and that all hard wired fixtures and fittings like showers, electric cookers, immersion heaters etc. are deemed safe. The tests also ensure that all earthing and cross bonding is present and in good order and that the fuse boards meet modern standards. We can arrange for a NICEIC qualified electrician to carry out this inspection on your behalf and any subsequent certificate of safety should be valid for approximately 5 years.

In January 2005, the government introduced new legislation which affects electrical work carried out on any residential property. 'Part P' states that all new electrical work must now be certified by a qualified electrician, whether he has carried out a complete re-wire or has been called in to check your DIY work.

FURNITURE AND FURNISHINGS – FIRE AND SAFETY REGULATIONS 1988

If you plan to leave any furniture in your rental property, you have a duty to ensure that it complies with the current regulations. All soft furnishings must bear a manufacturer's label verifying that it complies with the above legislation. This will either be a written label or it will show a picture of a smoking cigarette or a flaming match. This ensures that the furniture has been made between 1958 and 1988 and as well as having basic fire retardant properties, it does not have any fillings which produce toxic fumes when on fire. Unfortunately, even if your furniture is modern, if it does not display the appropriate labels, it cannot be left within the property.

FIRE SAFETY IN THE HOME

From the 1 October 2015 Landlords will have to ensure that a smoke alarm is fitted on every floor of their property where there is a room used wholly or partly as living accommodation. They will also have to put a carbon monoxide alarm in any room where a solid fuel is burnt, such as wood, coal or biomass and includes open fires. It does not include gas, oil or LPG.

If your property benefits from an open fire, we suggest that a rigid, properly sized spark guard is provided, preferably with small clips to hold it in place.

Current regulations controlling the installation of wood burning stoves and open fires insist that there is a minimum of 18" of hearth in front of the fire doors/fire opening.

Although polystyrene ceiling tiles have been very popular in home improvements in the past, they are on the point of being made illegal due to the hazard they create during a house fire. Therefore, we recommend that all polystyrene ceiling tiles are removed and the ceilings made good prior to letting.

LEGIONELLA RISK ASSESSMENT LEGISLATION

Following a recent update to HSE Regulations, Landlords and Letting Agents are required by law to carry out a risk assessment on hot and cold water systems in all residential let properties to ascertain the threat of legionella and to ensure Tenants and visitors to the property are protected from any risk.

A Legionella Risk Assessment will assess whether or not conditions could be present which may allow bacteria to thrive, as well as identifying and inspecting areas of stagnant water, infrequently used outlets, debris in the systems and thermostatic mixing valves, and make any recommendations necessary. This will be reviewed every two years or earlier if there are any changes within the property.

Legionella is a potentially fatal illness like pneumonia which can be caught by inhaling bacteria generated by hot and cold water heating systems including storage tanks which are not functioning properly or have been stagnant for some time. The Health & Safety at Work Act 1974 and the control of Substances Hazardous to Health 1999 have recently changed and the Control of Legionella bacteria in Water Systems Approved Code of Practice ("ACOP L8"), now applies to domestic living. It is mandatory that all Landlords of residential rental properties have a Legionella Risk Assessment completed and reviewed every two years or earlier if there are any changes, to comply with the law.



MORTGAGES

If the property you plan to let is subject to a mortgage, you must inform your mortgage lender and obtain written permission from them before any Tenant moves into the accommodation. We will require a copy of this permission letter.

Some lenders will ask to see a copy of the agreement the Tenant will be asked to sign and we will be pleased to provide them with this. Your lender may make a small charge or adjustment in your mortgage rate to cover their administration costs.

LEASEHOLD PROPERTIES

If your property is leased, you will require written permission from the head Leaseholder.

INSURANCE

As Landlord, it is your responsibility to ensure that your property is adequately insured. As buildings insurance will not cover you for damage to carpets etc. we also recommend that contents insurance is put in place. We recommend you speak to your Insurance Company to ensure that you are covered for all eventualities, including malicious damage caused by the Tenant. Adequate Public Liability Insurance cover should be an essential part of your policy. Your insurance company will need to be advised that the property is to be rented and this may affect your policy or premium.

Your Tenant is responsible for ensuring that all their possessions are covered and we recommend to them that they take out basic cover on your contents, fixtures and fittings in case of accidental damage.

RENTAL AND INCOME TAX

If you instruct us to manage the letting of your property, we will provide you with monthly statements of account. You will need to keep an accurate record of all income and expenditure in connection with the letting of your property for the completion of your annual self assessment tax return.

Landlords could once claim a 10% Wear and Tear Allowance on improvements and general maintenance of the property to reduce the tax they paid. As of April 2016 Landlords are only allowed to deduct the costs they actually incur for replacing furnishings in their rental properties.

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As overseas landlords, we rely on Helen and the team at Flick & Son to manage our property and they always go the extra mile to sort out problems or prevent them happening in the first place. Helen has been a tower of strength as our house has been put together after a flood, managing every aspect of the process, handling all the renovations, insurance claims and putting the house back together for us. It's now as good as new!

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Fiona

On an annual basis, we have to report to the Inland Revenue detailing income achieved on all our rental properties: your assessment will initially be based on that gross figure without any allowances and it will be up to you to claim relevant expenses and relief.

We are not tax advisors and we cannot deal with income tax assessments for Landlords.

We recommend that any Landlord who is residing abroad should appoint an accountant in the country to deal with their tax affairs.

OVERSEAS LANDLORDS

When a private Landlord is residing or travelling abroad, including military duty, there is a strictly imposed statutory obligation upon the person who collects the rental to pay the income tax which arises on that rent. This could necessitate the retention of funds equivalent to the basic rate of income tax from your monthly income, which we are legally obliged to forward to the Inland Revenue on a quarterly basis.

In order to avoid this deduction at source, we strongly recommend you apply for a CNR number from the department within the Inland Revenue which deals with overseas Landlords. We have a supply of these CNR forms in the office. Once the Revenue has approved your application, they will issue us with an exemption certificate and we will be permitted to release your net rental in full.



EFFECTIVE ADVERTISING AND MARKETING

When the property is made available, you will need to consider the type of Tenant you require.

Although every Landlord's ideal Tenant is a professionally employed, non-smoking couple with no children or pets, too many restrictions will severely limit your accommodation on the open market.

WWW.FLICKANDSON.CO.UK

Once you have instructed Flick & Son to seek suitable Tenants, we will advertise your property in our five offices and market it through our website www.flickandson.co.uk.

Our website is responsive which means it automatically optimises the display to work and look good on all smartphones and tablets. This gives your rental property the highest possible online exposure, whichever device your potential Tenant uses.

Location is a primary factor for people when choosing somewhere to rent and our online property particulars include map and street views and local area information on many towns and villages in Suffolk.

NATIONAL AND LOCAL ADVERTISING

Your property will also feature on the national websites **Zoopla**, **Rightmove**, **Find a Property** and several local sites.

As your agent we are responsible for the cost of local advertising in the **East Anglian Daily Times** and **Ipswich Star** where we run a display advert every two weeks, together with periodic features in the special property supplements. Should you request any national advertising, the costs will be invoiced to you separately.

REGULAR E-NEWSLETTERS

Our online marketing activity includes social media through our Facebook pages and Twitter account and we supplement this with our monthly newsletter.

Each month we send an e-newsletter to everyone on our extensive database which includes prospective Tenants as well as those looking to buy a property. The newsletter features the latest market news as well as featured properties to let and for sales.

SOCIAL MEDIA

Our online marketing activity is supplemented with social media through our Facebook pages and Twitter account - all to help ensure we get your property details out there.

TO LET BOARDS

We will seek your instructions with regard to the erection of a 'To Let' board outside your property.

Flick & Son's professional services are tailored to the needs of each individual Landlord, from a simple letting service to full property management.



TENANTS AND REFERENCES

Finding the right Tenant for a property is vital. Not only must the person applying for the rental meet your criteria with regard to children, pets and smokers, as far as possible, they must fit into the neighborhood.

Once someone we feel is suitable for the property applies for a tenancy, we make a stringent check to include employer and personal references, previous Landlord's reference and a financial profile check which is carried out by a specialist company called 'Homelet'.

When you opt for our **Full Management** or **Letting and Rent Collection** service, upon the collection of satisfactory references, we put a Rent & Legal Guarantee in place for the initial six months of the first tenancy agreement.

Upon taking your instructions, we would normally expect to receive three sets of keys – two sets for the eventual Tenant and one set for our retention. Unless you specifically wish to meet people wanting to see your property personally, we will accompany all viewings.

THE TENANCY

Prior to the commencement of every tenancy, it is very important to prepare an Inventory and Schedule of Condition. Even if your property is being offered on an unfurnished basis, the existence of a properly prepared and agreed inventory can be invaluable in the case of a dispute when the Tenants vacate.

Legislation introduced in April 2007 is intended to safeguard Tenants' money, by ensuring that all deposits are held in government approved schemes. As an approved member of the Tenancy Deposit Scheme (TDS), Flick & Son can hold Tenants' money in a dedicated Clients' Deposit Account. However, Let Only Landlords will no longer be able to hold their Tenant's deposit unless they too have subscribed to one of the government approved schemes. Full details can be found on www.tds.gb.com.

We prepare a detailed inventory as part of our **Full Management** and **Letting and Rent Collection** services and this version of the inventory, as agreed by the Tenants at the commencement of the letting, can be used to finalise the tenancy when the time arises. If you opt for our **Letting Only** service, we can prepare an initial inventory and schedule of condition and carry out the final inspection and inventory check at the end of the tenancy, but there will be additional charges for these services.

Before the start of every tenancy, we read the meters (where possible) at the property for our records. We request that the Tenant informs all the utility companies of the start of their tenancy and we would suggest that you also contact them to finalise your accounts.

The vast majority of new tenancies begin with a six month Assured Shorthold Tenancy. The agreement is a legally binding contract, which has been prepared by specialist solicitors, in conjunction with ARLA and RICS. The Tenants sign on one part and we, as your Agents, sign the other part. If you decide to take our **Letting Only** service, these agreements will be forwarded to you for your signature.

At the time the tenancy agreement is signed, we put in place a standing order mandate so the rental is paid directly from the Tenant's account. Once the agreements are signed, and the first month's rental and the deposit have been paid in cleared funds, we will hand over the keys to the property.

If you opt for our **Lettings Only** service, we hand over to you a signed copy of the tenancy agreement and the Tenant's contact details. The Tenant will pay the rental direct into your account and you will be responsible for the day to day management of the property.

Should you choose our **Letting and Rent Collection** service, prior to the tenancy starting we shall compile a fully comprehensive inventory and schedule of condition for you and after the Tenants have moved in, we hand over to you the tenancy agreement and the Tenant's contact details for management purposes. Tenants pay the monthly rental to us, usually by standing order and after a small delay to allow for clearance and accounting purposes, our fees are deducted and the balance is credited to your account together with a full statement of account.

As part of our **Full Management** service, we ensure that the tenancy runs smoothly on a month to month basis. Tenants pay the monthly rental to us, usually by standing order, and after a small delay to allow for clearance and accounting purposes, our fees and any necessary repair charges are deducted before the balance is credited to your account.



Also as part of our **Full Management** service we carry out regular inspection visits; the first one being made after the initial two months of the lease and then thereafter as we feel necessary – usually at four to six month intervals. These visits allow us to develop a working relationship with the Tenant, to check that they are looking after the accommodation and to view the condition of the fabric of the property. We compile a simple report to you following each visit. Every property at some point will need maintenance carried out and when the Tenant contacts us to report a problem, we try to get the matter resolved as soon as possible.

We do have a list of contractors whom we use on a regular basis, although we can contact your preferred maintenance people if you require. We will always try to advise you of a problem, although in the case of an emergency, we do reserve the right to authorise repairs immediately. In addition we also include a full 24 hour (7 days a week) emergency service to ensure every eventuality is covered.

Bearing in mind that all contractors these days have a call out charge, it is not practical or economically viable to arrange quotes for relatively minor repairs. Therefore, in order to avoid unnecessary delays and upset for your Tenant, we usually suggest that you provide us with authority to instigate genuine repairs up to a cost of approximately £200 + VAT.

At the end of the initial fixed term of the tenancy (usually six or twelve months), the Tenant can elect to extend their lease, usually as a Periodic Tenancy, which runs on a month to month basis under the same terms and conditions of the original agreement. Should the Tenant wish to vacate the property, they have to provide us with one clear month's notice of their intention to coincide with the anniversary date of their tenancy. If you require possession of the property, a clear two month's notice must be served on the Tenants to coincide with the anniversary date of the tenancy.

Once the tenancy comes to an end, we make arrangements to finalise the agreement and we visit the property to check the inventory and schedule of condition. If, in our opinion, there is any work necessary to return the property to the condition it was in at the commencement of the tenancy, we will put this in hand immediately.

Any end of tenancy costs or rental debts are deducted from the deposit before the balance is forwarded to the Tenants at their new address. If, for any reason, there is a dispute over any retention made from the deposit that cannot be resolved, we are registered members of the Tenancy Deposit Scheme whom we will contact for a unbiased and prompt adjudication.

EMPTY PROPERTY

When a vacant property is being advertised as available for letting, we normally expect to visit it on a regular basis with accompanied viewings. However, we are not responsible for the property for the periods when it is vacant.



Flick & Son offers Landlords a choice of three different levels of service. The option you choose will depend on how hands-on you want to be, the level of risk you are prepared to accept, and the time and energy you have available to manage your property investment and tenancy.

SELECT THE SERVICE LEVEL TO SUIT YOU

1 FULL MANAGEMENT

Perfect for Landlords that want a hassle free, smooth running tenancy, knowing all aspects of day-to-day property management is covered from start to finish.

2 LETTING AND RENT COLLECTION

Perfect for Landlords who wish to manage the tenancy themselves, with the added bonus of a fully comprehensive inventory and schedule of condition and peace of mind knowing we are collecting the rent on their behalf and accounting to them each month.

3 LETTING ONLY

Perfect for Landlords who are local or may wish to manage the tenancy themselves but would like to us to start the process with the initial paperwork.

Any level of service can be tailor-made to suit your needs, simply contact us to discuss your requirements.

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Offering a free market evaluation and discussing rental and presentation	✓	✓	✓
Advertising the property	✓	✓	✓
Promoting the property and finding a suitable Tenant	✓	✓	✓
Taking up references and credit checks	✓	✓	✓
Preparing an invoice for the Landlord for our fees once Tenant has been approved	✓	✓	✓
Creating the appropriate tenancy agreement	✓	✓	✓
Collecting the first month's rental and deposit	✓	✓	✓
Advising on options available for the holding of the Tenant's deposit	✓	✓	✓
Holding the Tenant's deposit securely in the TDS in accordance with current legislation	✓	✓	✓
Putting into place a complimentary insurance policy for the first six months	✓	✓	
Monthly rent collection and payment to Landlord with a monthly detailed statement	✓	✓	
Prepare a full inventory and schedule of condition, to include photographs	✓	✓	
Carrying out regular inspection visits to the property and preparing a written report	✓		
Day-to-day management of the property and instigating repairs and maintenance	✓		
Dealing with the Tenant's notice and finalising the tenancy	✓		
Oversee Tenant check-out	✓		
End of tenancy inspection and preparation of the property for reletting	✓		
Arrange return of the Tenant's deposit	✓	✓	✓
Remarketing at end of tenancy	✓	✓	✓

Flick & Son

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