

## Landlord Handbook



## **Landlord Guidance Notes**

Thank you for choosing NGU Homelettings to manage your property. Our armchair property management service is designed to free up your time and take control of every aspect of the day to day running of your property. No one is more thorough at making sure that your property is safe and that your investment is sustainable for the long term.

We have produced this handbook to make you aware of the full range of services available to you from the NGU team.

It contains useful information about how to access these services and we also aim to give guidance on the standard of service you can expect from us.

We have tried to include as much information as possible, however, if you do not find what you are looking for, please don't hesitate to contact us.

All landlords are issued with a copy of the Landlord Handbook when we find you a new tenant but as the document is updated regularly aspects can change over time. If you have lost your copy, or require the latest version please contact us.

Kind regards,

The NGU Homelettings Team

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## How to Contact Us?

Please find below the NGU departments which will manage the different aspects of your property and tenant(s)

# 0191 491 0344

**Please Press:**

**Option 1 for New Lettings** related issues

(Monday-Thursday 8:30am-6.30pm, Friday 8:30am-5pm and Saturday 9am-2pm)

or email us on: [info@nguhomelettings.com](mailto:info@nguhomelettings.com)

**Members of the Team:**

- Katie Wybrant (New Lettings Manager)
- Jasmine Charlton (Letting Agent – Inbound)
- Abbey Clark (Letting Agent - Inbound)
  
- Chris Allott (Outbound Regional Manager – Newcastle, Northumberland & Gateshead)
- Mathew Jeffrey ( Outbound Regional Manager – Durham & Sunderland)
- Donna Halliday (Outbound Regional Manager – Stockton & Middlesbrough)

**Please Press:**

**Option 2 for Homesales** related issues

(Monday-Thursday 9am-6.30pm, Friday 9am-5pm and Saturday 9am-2pm)

or email us on: [info@nguhomesales.com](mailto:info@nguhomesales.com)

**Members of the Team:**

- Mike Bell (Head of Investments)
- Chantelle Chalmers (NGU Investments Property Consultant)

**Please Press:**

## **Option 3 for Maintenance** related issues

(Monday-Thursday 9am-5.30pm, Friday 9am-5pm). This number also includes a 24 hour emergency call out service. Our lines are open 24 hours a day, 7 days a week, and 365 days a year)

or email us on: [maintenance@nguhomelettings.com](mailto:maintenance@nguhomelettings.com)

### **Members of the Team:**

- Max Robinson (Maintenance Manager- Inbound)
- Sam Shanley (Maintenance Assistant – Inbound)
  
- Chris Allott (Outbound Regional Manager – Newcastle, Northumberland & Gateshead)
- Mathew Jeffrey ( Outbound Regional Manager – Durham & Sunderland)
- Donna Halliday (Outbound Regional Manager – Stockton & Middlesbrough)

**Please Press:**

## **Option 4 for Rent** related issues

(Monday-Thursday 9am-5.30pm, Friday 9am-5pm)

or email us on: [rent@nguhomelettings.com](mailto:rent@nguhomelettings.com)

### **Members of the Team:**

- Rachel Moody (Rental Account Manager- Inbound)
- Chris Allott (Outbound Regional Manager – Newcastle, Northumberland & Gateshead)
- Mathew Jeffrey ( Outbound Regional Manager – Durham & Sunderland)
- Donna Halliday (Outbound Regional Manager – Stockton & Middlesbrough)

**Please Press:**

## **Option 5 for Property Refurbishments** related issues

(Monday – Thursday 8.30am-5.30pm, Friday 8.30am – 5pm)

Or email us on: [info@ngupropertyrefurbishments.com](mailto:info@ngupropertyrefurbishments.com)

### **Members of the Team:**

- David Brown (Regional Property refurbishment Manager- Outbound)
- Anna Coxon (Property Refurbishments Administrator – Inbound)

**Operations Director Annelise Inglis** who heads up the maintenance and rent department

(Monday-Thursday 8:30am-5.30pm, Friday 8.30am-5pm)

or email on: [operationsmanager@nguhomelettings.com](mailto:operationsmanager@nguhomelettings.com)

**Alternatively you can also visit us directly at:**

NGU Homelettings, NGU Homesales  
469-471 Durham Road,  
Gateshead,  
NE9

**You can also contact us via our website:**

[www.nguhomelettings.com](http://www.nguhomelettings.com)

[www.nguhomesales.com](http://www.nguhomesales.com)

One of NGU Homelettings priorities is to provide a customer focused service. To help us do this we have developed a set of customer service standards which shows the level of service you can expect from us.

**All staff will:**

- Treat customers with courtesy and respect at all times
- Find out about customers needs and meet them where possible
- Give customers information about services including what they can expect and when
- Listen to customer's comments, suggestions and views

**Correspondence:**

- All letters will be clear and easy to understand
- Letters will be replied to within 5 working days. If this is not possible, an acknowledgement will be sent within 2 working days, providing a timescale for a full reply. We will send a further letter and explanation if this timescale subsequently slips
- All emails will be clear and easy to read
- We will give you alternative contact details in response to emails when the recipient is going to be out of the office for more than one working day
- Emails will be replied to within 2 working days. If this is not possible, an acknowledgement will be sent within 1 working day, providing a timescale for a full reply. We will send a further email and explanation if this timescale subsequently slips

**Telephone:**

- Messages will be responded to within one working day



## Housing benefits

Housing benefits are paid by the government if a person is unemployed or working. Usually only people on a low income or getting certain state benefits qualify for it.

If your tenant is on housing benefits, Local Housing Allowance (LHA) is used to work out how much housing benefits a tenant can get when renting a property or room from a private landlord. The amount of housing benefits a tenant will get depends on where the property is and who lives with them. LHA rates are set for different types of accommodation in each area. The rates range from a single room in a shared house, up to properties with four bedrooms.

NGU's new lettings team calculate the amount of benefits that your new tenant(s) is entitled to before granting a tenancy agreement. The amount of benefits your tenant(s) will be claiming will be in-line with the monthly rental figure. However, sometimes a tenant(s) has a contribution towards their rent because housing benefits does not cover the full amount. NGU Homelettings have a set rental criteria that allows a maximum contribution of £40.00-£60.00 that a tenant(s) can put towards their rent per calendar month depending on the size of their family. This has been put in place to prevent unmanageable rental contributions by the tenant(s).

### What paper work must the tenant(s) fill in if they are on housing benefits?

The tenant(s) has to complete an application form and provide information and proof of:

- Their income, and any savings
- Their identity and details of their immigration status in the UK if applicable
- The rent to be paid (usually a written tenancy agreement is sufficient)
- Name and address of the landlord/agent

NGU Homelettings will not allow a tenant(s) to take your property unless they have proof that the information required to process a housing benefits application has been given to the relevant council. This is achieved at the home visit stage where we see a prospective tenant(s) in their current property to confirm the condition that they are keeping it in and to complete either a change of address or a new LHA claim form. The tenant(s) is then given a sign off sheet that they must take to the council and get stamped to confirm all the relevant documents have been provided. We state that we will not move the tenant(s) into the property unless they can produce this stamped sign off sheet. We also call the local Job Centre Plus on behalf of the tenant(s) to arrange an appointment for the pending change of address. Following the move in, NGU Homelettings will send the tenancy agreement and any additional documents to the council to complete the claims process.

### How long does it take for the council to process a housing benefit claim?

Most local authorities aim to process housing benefit claims within 14 days from receipt of all the appropriate documentation they have requested. They cannot pay a claim until they have all the information they need. Regrettably, some local authorities fall short of the 14 day target.

Within our tenancy agreement we have a client authority form which allows us to find out about a tenant(s) LHA claim. On a weekly basis we have a member of staff who phones the council to find out at what stage a claim is at. This allows us to control the process and influence the overall decision.

### **Direct payment of LHA**

Direct payment of local housing allowance to NGU Homelettings will defiantly occur if your tenant(s) is classed as “vulnerable”. We will also look to obtain direct payment in-line with the changes in LHA which came into effect from April 2011.

In line with these changes, our tenancy agreements have a cover-note stating that we will not accept a tenant(s) unless LHA is paid direct to NGU Homelettings and the rent is affordable. While this generic approach often does work, ***direct payment is never guaranteed and success rates can vary council to council.*** In some cases our rental department may also have to provide additional information confirming why LHA should be paid direct to NGU Homelettings and not to the tenant(s). We have a specific department which has expertise in this and you will also be informed if we need to provide additional information.

### **What monies do we take up front from a housing benefit tenant(s)?**

When we source a Housing Benefit tenant(s) we ask the tenant(s) to pay one month's deposit and their expected monthly contribution towards the rent which is pro-rated. (i.e. the difference between the rent and the expected housing benefit, worked out on a monthly basis and then pro-rated depending on what date the tenant moves in). We are very strict with this policy and only deviate away from this when the property is classed as a “problem area property”. Our new lettings department will have confirmed with you, what money would be taken up front from a tenant(s) before marketing your property.

### **What monies do we take up front from a working tenant(s)?**

When we source a working tenant(s) we ask the tenant(s) to pay one month's deposit and one month's rent up front. Again we are very strict with this policy and only deviate away from this when the property is classed as a “problem area property”.

### **When do you receive your rent for a housing benefit tenant(s)?**

Housing benefits can be paid in two ways. If it is paid to the tenant(s) via the local authorities it will be paid fortnightly but if it is paid direct to the Landlord / Agent it is paid four weekly in line with that particular councils payment run.

Before the council can make any payments they have to process the claim and as previously mentioned this can take a number of weeks. When the claim is processed though the council will back pay any money due from the date the tenant(s) moved in.

In addition, a housing benefit tenant(s) may have a contribution towards their rent. This will be calculated on a monthly basis. The first payment will be paid as a pro-rata amount, based on the date the tenant(s) moved in. Following payments will be made on the FIRST of every month thereafter.

**Universal Credit tenants** – If your tenant is a claiming universal credit rather than housing benefits our lettings department will discuss this with you through the vetting process before a tenant is allowed to move into the property. Universal Credit differs to Housing Benefit in the sense that the tenant receives one lump sum payment once a month direct into their bank account combining all elements of their benefits including the housing element. To achieve direct payment the tenant has to be seen as vulnerable with substantial evidence required to prove it. As a result if your tenant does claim Universal Credit the likelihood is that direct payment will not be achieved. In such tenancies we will endeavour to set up a direct debit payment once a month to take the rent from the tenants bank the day after the funds are due to be received.

You will be given specific details of tenant(s) entitlement, contribution amounts and payment dates during the MOVE IN process by both the lettings and rental departments.

### Rent payments – Direct Debit System

At NGU we request all rent, pro-rata and contribution payments by direct debit. The reason for using direct debits rather than standing orders is:

- We get an email immediately if a payment does not come in from the tenant on the due date or if a tenant cancels an instruction - allowing us to act with urgency when contacting the tenant to chase down the outstanding amount.
- If rental increases are discussed with the tenant at annual reviews we can implement them immediately rather than relying on the tenant to change their payment amount.

### When do you receive your rent for a working tenant(s)?

As mentioned in the “what fees do we take up front from a working tenant(s)?” section, we ask this type of tenant(s) to pay one month’s rent up front. The next payment of rent that NGU Homelettings will collect is the ‘pro-rata’ payment. For a working tenant(s) rent is typically due on the first of the month, in advance. However as some professionals don’t always get paid on or around this date we do allow some flexibility if tenants would prefer to choose more suitable date based on when they get paid.

As a tenant(s) does not always move in on their chosen payment date, we have to work out a pro-rata payment to bring them in line with their chosen payment date.

Example given below is based on tenant(s) setting up their direct debit payment for the 1<sup>st</sup> but as stated above this could fluctuate slightly and the pro-rata calculation would be adjusted slightly to accommodate this:

- If your tenant(s) moved in on 16<sup>th</sup> March and the rent is £400.00; they will have already paid 1 month’s rent. This means that they have paid up until 15<sup>th</sup> April
- Based on NGU Homelettings procedure: rent is always due on the first of the month: the next rent due should be £400.00 on the 1st May. However this would mean that 16<sup>th</sup> April until 30<sup>th</sup> April would remain unpaid. This period is called a pro-rata payment
- Pro-rata is worked out as follows:  $\text{£Rent per month} \times 12 \text{ months} = \text{£yearly rent} / \text{divided by } 365 \text{ days} = \text{£daily rate}$   
 $\text{£Daily rate} \times \text{number of days owed}$

In the above example the pro rata is: £197.25

$£400.00 \times 12m = £4800.00 / 365 \text{ days} = £13.15 \text{ per day}$

From 16<sup>th</sup> April to 30<sup>th</sup> April = 15 days

$15 \text{ days} \times £13.15 = \underline{£197.25}$

Relating to this example, the pro-rata will be due on the 16<sup>th</sup> April, because rent is due upfront. Therefore the rent you should expect would be as follows:

- Move In Date – Full Month Rent (e.g. 16<sup>th</sup> March - £400.00)
- One Month after Move in Date – Pro rata (e.g. 16<sup>th</sup> April - £197.25)
- First of Month – Full Month Rent (e.g. 1<sup>st</sup> May - £400.00)
- First of Month Thereafter – Full Month Rent (e.g. 1<sup>st</sup> June - £400.00 & so on)

### How quickly do we transfer your rent to you?

We check the bank statements every morning for all payments received on the previous day. Direct debit payments typically take 2 days from leaving the tenants account to being received in our clients account. When we receive rent it is added to your rental statement and the statement is emailed over to you. This is your notification that we have got the rent payment and you should expect these funds to reach you within 5 working days, as a BACS payment will be made to you at the same time as the statement is sent. We are very conscious of a landlord's cash flow and this is the reason why we check our accounts daily to get your rent to you as quickly as possible.

A typical example of processing time is:

1st Sept 2015 (Tues) – Payment requested from tenant account

3rd Sept 2015 (Thurs) - DD received NGU – (2 working days)

4th Sept 2015 (Fri) - NGU process the rent and send the landlord statement – (1 working day)

8th Sept 2015 (Tues) - Rent received by the landlord – (2 working days)

**Total = 5 working days**

### Can the rent increase?

The amount of rent you ask from your tenant(s) is reviewed annually and will be assessed in an annual review where a member of our team will discuss this with you before visiting the tenant(s) at your property. We take into account the condition of the property, the tenant(s) circumstances and market rates to ascertain if a rental increase can be achieved. If rent is increased we have to give a tenant(s) one clear calendar months notice of any rent changes.

### How does a tenant(s) pay their rent?

We ask all tenant`s to pay their rent via a standing order.

## What happens if there are rental issues?

In the unfortunate event that we encounter rental problems, we have set procedures for recovering arrears:

- If the tenant(s) defaults on their rent we will send a rent recovery letter. If there is no answer to this we will then send a letter of entry which states that we will be coming to the property to discuss this matter. These external rent visits will be carried out by David Brown (Regional Outbound Accounts Manager) and are part of your monthly management fee
- At the letter of entry, David Brown will try and resolve the rental issue and if a repayment plan has to be set up, a 10% charge will be added to the rental account. This 10% charge will be paid to you along with the rent. All forms used at this stage will be saved on our lettings package to allow us to manage the process. David Brown will give you a call during or after the appointment to provide the relevant feedback as well.
- If an amicable solution cannot be reached, the relevant notice of possession will be served which is typically a section 8 or 21. NGU Homelettings will organise all of this paper work for you as part of the management fee
- If County Court or Bailiff charges are required, this fee will need to be paid by you, the landlord. A County Court charge is £175.00 and a Bailiff charge is £110.00
- If a member of NGU Homelettings team is required to attend court on behalf of the landlord there will be a charge of £30.00 plus VAT per hour plus reasonable expenses
- We will consult with you at every stage to confirm you are happy with the actions that we are carrying out

## **Repairs and Improvements - 0191 491 0344 option 3**

### **Maintenance service levels**

We use outside contractors for our reactive maintenance. To be an approved contractor for maintenance work we check the contractors:

- Public liability is valid
- VAT registration (where applicable)
- Relevant professional qualifications

### **Before any work can go ahead**

Before instructing any work we check what maintenance spend you have agreed to. On your management agreement you would have ticked that you must authorise all maintenance before it can go ahead or you will have authorised up to a spend of £200.00. If we need authorisation first, our service levels will only be as good as your availability. For example, if we get a call on the weekend regarding a water leak and we cannot get hold of you, we will not be able to organise any maintenance until we receive authorisation from you. It is therefore key that you think through your level of authorised maintenance spend.

### **Maintenance history and warranties**

We check the service log on our lettings package for any previous maintenance history, any warranties, guarantees or service contracts that may be relevant for this work. If we have no record of any warranties, guarantees or service contracts we will instruct a tradesman from our list of approved contractors. It is therefore important that you provide these and tell us of any changes if applicable.

### **Once authorised how does reactive maintenance work?**

For re-active maintenance authorised by you, we will:

- Arrange for a contractor from our approved contractor list to carry out the work in line with your instructions
- Progress the work until completion
- Charge your rental account for the cost of the work
- Pay the contractors invoice from your rental account

Please note that if the maintenance work is above one month`s rent we must take 50% of the total balance upfront and the remaining payment is due upon completion of the work. In addition, if any development work is above £5,000 we must take 50% of the payment up front.

### **Agreed time frames**

All of our approved contractors have agreed to our service levels and must carry out the following tasks within the agreed time frames:

- Gas and water - The contractor must go to the job within 24 hours of it being given
- Roof leaks - The contractor must go to the job within 24 hours of it being given
- Non-emergency jobs - The contractor must book in the job within 7 working days of it been given

### **Maintenance spend (£500.00 & above)**

If the work costs more than £500.00 it will be inspected by a member of the NGU Homelettings in-house maintenance team providing it fits into one of the following categories:

- Roofs – Visited after work has been completed (alternatively, if the cost is over £1,250.00 then a visit will be done before and after)
- Windows – A visit before and after the work has been complete
- Damp, condensation and mould
  - Step 1) - A call will be made from re-active maintenance to fact find over the phone and an information booklet regarding keeping your home free from damp, condensation and mould will be sent out to the tenant via post/email
  - Step 2) - The tenant will be asked to provide photographic evidence before any quotations or work takes place
  - Step 3) - There may be a before and after visit dependent on the tradesman`s suggestions and quote
- Structural – A visit before and after the work has been complete
- Fences – A visit after the work has been complete

- Plastering – A visit after the work has been complete
- Boilers – A visit after the work is complete if a new heating system has been fitted (this does not apply to a simple boiler swap)
- Electrics – A visit before and after work is complete if a full or part rewire is required

### **What things must you get fixed by law?**

Section 11 of the Landlord and Tenant Act 1985 states that a landlord shall keep in repair:

- The structure and exterior of the dwelling
- The installations for the supply of water, gas, electricity and sanitation
- The installations for the supply of space heating and water heating and the communal areas and installations associated with the dwelling (section 11 as amended by section 116 of the Housing Act 1988), where these are controlled by the landlord

In simple terms, if a tenant(s) has a heating system that is not working, toilet or washing facilities and you do not authorise to fix them, you are breaking the law and it is a criminal offence.

## Tenant(s) Living in Your Property

### **Gas and electricity suppliers**

As part of NGU Homelettings utility management policy, pre-tenancy we will set up the electricity and/or gas supply, council tax and water supply in the new tenant's name to ensure accurate billing. We will also take readings on the move out stage which will be provided to the relevant companies.

### **Pets**

Tenant(s) must not keep any animals, reptiles, insects or other such pets in your property without written consent from NGU Homelettings. We will inform you if a tenant(s) wants to get a pet. The introduction of pets without consent is considered as a direct breach of a tenant(s) obligation which could result in notice being served on a tenant(s). If pets are approved a statutory top up of a tenant(s) deposit is required through a one off payment of £135.00 which will be lodged with the Deposit Protection Service (DPS). Please note-we do not allow more than 3 pets per household. If a tenant(s) wants to get a pet which does not fit in the following categories it will not be approved and we will not ask your permission as a landlord for this:

- Domestic pet including a dog, cat, fish, small bird, a rodent, a rabbit, non-venomous insect or small non-venomous reptile
- If a tenant lives in a property which has a shared entrance, the tenant(s) are not allowed to keep cats and dogs

### **Business and trade**

The tenancy agreement makes it clear that a tenant(s) must not run a trade or business from your property.

### **Noise**

- A tenant(s) is not allowed to play musical instruments or any form of audio media in a way that will cause nuisance, annoy neighbours or be heard outside the property between 11:00pm and 7:30am.
- A tenant(s) cannot carry out noisy repairs to your property before 8am and after 9pm

### **Parking**

A tenant(s) may only park on a properly built driveway. If a tenant(s) wants to build a driveway, they must first get written permission.

### **Repairing vehicles outside your property**

We do not mind a tenant(s) carrying out repairs to vehicles outside your property occasionally, as long as the tenant(s) is repairing their own vehicle or a vehicle that belongs to someone who lives at your property. However, a tenant(s) should not be carrying out these repairs for profit.

### **Caravans**

A tenant(s) is not allowed to park a caravan on your property or outside of it.



## Overcrowding

A tenant(s) must not allow extra people to move into your property without getting permission.

## The garden

The conditions of the tenancy agreement make it clear that it is a tenant(s) responsibility to look after the garden, hedges and trees. Gardens must be kept tidy and free from rubbish. A tenant(s) must ask for permission to remove any fence, hedge or tree.

## Trampolines

Trampolines can cause damage to gardens due to restricting sunlight reaching the grass under the trampoline. If a tenant(s) want to get a trampoline they must plan an area of the garden where the trampoline can go that has the most direct sunlight allowing the sun to penetrate the trampoline bed or rotate the trampoline position. The conditions of gardens are the tenant(s) responsibility and must be returned in the same condition as the start of a tenancy agreement. If grass dies as a result of a trampoline a tenant(s) will liable for the damage.

## Sheds

If a tenant(s) wants to put up a shed or outbuildings in your garden, they must get written permission beforehand.

## What improvements can the tenant(s) make?

We are happy as I am sure you will be for the tenant(s) to improve your property but they must put in writing what improvements they plan to make and get authorisation back from us before doing them. We will obviously consult with you before giving authorisation.

## Taking care of your property

The tenant(s) is responsible for keeping the inside of your property in good and clean condition. Examples of the type of repairs they are responsible for include the following:

- Maintaining their own appliances
- Filling in small cracks in plaster
- Replacing broken windows
- Other minor repairs to your property, such as replacing light bulbs and fitting a plug or chain to baths and sinks
- Internal doors, locks and handles, cupboard doors and catches
- Replacement of a bath panel if it breaks, unless stated on the inventory that there was a problem with it when the tenant(s) moved into the property
- Wall, floor and fireplace tiles
- Cleaning of carpets
- Keeping laminate floor dry to prevent excessive wear and tear
- Toilet seats

- Preventing your kitchen and bathroom pipe work from becoming blocked. The tenant(s) is not to pour grease down sinks or put nappies or wipes down the toilet. (If a tradesman has to come out to unblock pipe work or drains as a result of a tenant(s) actions, the tenant(s) will be charged for this)
- Cleaning external windows and frames

### **Communal areas**

If a tenant(s) shares facilities outside your property with other people (for example, a staircase, landing or driveway), the tenant(s) also shares the responsibility for keeping these shared areas clean, tidy and free from obstructions.

### **Pest control**

As a general rule, it is a tenant(s) responsibility to deal with pests in your property unless the pests are getting in through an open hole on or in your property.

## **Landlords Obligations**

## Gas safety records

If your property has a gas installation and/or appliances then in accordance with the Gas Safety (Installation & Use) Regulations, the Gas Safety record must be renewed annually (CP12). The cost for this is £59.00 including all fees and VAT. We will automatically organise this if you have ticked in your management agreement that you would like us to carry out the CP12 on your behalf or if your agreed maintenance spend without permission is above £59.00. The cost of which will be taken out of your rental account. If you have not ticked that you would like us to carry out the CP12 on your behalf or you have £0 maintenance spend we will still contact you to confirm what your arrangements are since we must have a valid CP12 on file.

If any remedial work is required to pass the CP12 we will contact you before it is carried out. We ask our gas engineers when completing a CP12 to also report any additional items of note regarding your boiler at the same time. Additional items of note detail the sustainability and condition of your boiler which allows us to make an informed decision on how much to spend on a boiler in the future. E.g. if a boiler is 25 years old and the additional notes state it is not worth fixing if it breaks down again we will inform you of this if any subsequent remedial work is required. These notes will be given to you and recorded on our service maintenance log.

We recommend that all gas appliances have an annual service at the same time as the CP12.

Please supply copies of instruction books for appliances and heating installations. If no books are available, please write out simple operating instructions (how to switch on, how to switch off, how to regulate). We will provide this information to the tenant(s) when they move in and we will also enter this on our service maintenance log to give to the tenant(s) if they phone up during their time at the property. Failure to supply operational instructions may result in a call out charge that you could be liable to pay and maybe avoidable.

## Carrying out gas safety checks prior to a tenant moving in where the property has pre-payment meters

Pre-payment gas and electricity meters provide us with additional challenges as often the gas and electricity supply is not working when our gas engineer visits the property to carry out the checks prior to a pending tenant move in date. If the meters are in debt (with no working keys/cards), damaged/not working or missing entirely our engineer will have no other option but to cap off the gas until the tenant can rectify the issue. Ever increasingly energy suppliers will not wipe debt, repair or replace meters unless a tenant is moved into the property. As a result - in the event of this happening with your property we will give the tenant(s) clear instructions to rectify the issue once the keys have been handed across at the move in appointment. The gas will be capped off at source and a certificate will be issued to state the property is fit for inhabitation in the interim period. The tenant will be given a rent free period until the meters are re-established as working. Once the tenant has confirmed the meters are working our gas engineer will revisit the property to uncap the gas and sign off on the new gas safety record. At this point the tenants will become liable to start paying the rent.

## Energy Performance Certificate

Since the 1<sup>st</sup> October 2008, an Energy Performance Certificate (EPC) is required when a property is let to a new tenant(s). The purpose of the EPC is to show a prospective tenant(s) the energy performance of the dwelling they are considering renting.

The EPC shows two things; the energy efficiency rating (relating to running costs) and the environmental impact rating (relating to the carbon dioxide emissions) of a dwelling.

Once an EPC is obtained it is valid for 10 years unless the property is sold and a new EPC must be obtained at this point. It is not a requirement to provide an EPC if only a single room in a house is being let or if a house is let room by room on separate contracts.

### **Smoke Alarms**

From the 1<sup>st</sup> October 2015 all new tenancies requires a smoke detector to be installed on every floor of a property. Smoke detectors will be installed at the move in appointment at a cost of £10 +VAT per detector.

### **Carbon Monoxide Alarms**

From the 1<sup>st</sup> October 2015 all new tenancies requires a carbon monoxide detector to be installed in any room which contains a solid fuel burning combustion appliance. This applies to any kind of wood burning stove or an open coal fire.

NGU Homelettings has taken the stance to install a Carbon Monoxide detector in any area that has a combi boiler in a living room or a bedroom and any area that has a gas fire. Carbon Monoxide detectors will be installed at the move in appointment at a cost of £25 +VAT per detector.

### **Buildings insurance**

Buildings insurance covers the risk of damage to the structure and permanent fixtures and fittings of a building, for example, as a result of fire. If you have a mortgage outstanding on your property, it is a legal requirement that you have taken out buildings insurance. It is essential that you check that you do have buildings insurance and you are aware of the terms and conditions of it. If you require a quote for buildings insurance, please contact the maintenance department who will be able to organise you a quote. Our buildings insurance provider, Endsleigh Insurance, have **guaranteed to beat any renewal quote.**

### **Contents insurance**

A tenant(s) is usually responsible for providing their own contents insurance to cover their personal belongings. The landlord should take out contents insurance to cover loss or damage to household goods that have been supplied by them, e.g. white goods, curtains and in case of furnished lets other furniture and fittings. Again we have a relationship with Endsleigh Insurance, so please phone our new lettings department if you would like a quote.

### **House in Multiple Occupation (HMO)**

If the property is classed as a HMO you must ensure that the property is registered and the necessary licence is obtained from the local housing authority. Further information can be obtained at [www.propertylicence.gov.uk](http://www.propertylicence.gov.uk)

## Keys

We must have 3 sets of keys to your property. If these are not provided, we will get 3 sets of keys cut on your behalf and a fee of £5+VAT per key will be charged to you for this service.

## Tax

If you are a new landlord it is your responsibility to notify the HM Revenue and Customs (HMRC) of the new source of income which you are receiving. The tax is computed through an annual tax return sent to HMRC.

Income tax is payable on profits made from the property rent by computing the total of rents receivable less expenses. A tenant(s) deposit does not count as an income. Typical expenses which can be deducted include:

- Repairs and maintenance (not initial expenditure needed to bring the property up to a letting standard, or improvements)
- Gardening, cleaning, ground rents, service charges, contents and building insurance, management agents fees, legal fees for tenancy agreements, advertising, HMO licence costs, interest (not the capital repayments) on loans used to buy or improve the property, water rates, council tax, heating, lighting, security, accountancy fees, subscription to a landlord's association, motor and travelling expenses for visiting the property and for attending to matters relating To Let properties
- A special wear and tear allowance of approximately 10% of the rents received can be claimed if the property is let furnished.
- This list is not exhaustive and can vary in individual circumstances.

A special tax allowance exists if the landlord undertakes certain improvements to the property to increase energy efficiency, known as the Landlords Energy Saving Allowance (LESA). Further details can be obtained from [www.hmrc.gov.uk/manuals/primmanual/pim2072.htm](http://www.hmrc.gov.uk/manuals/primmanual/pim2072.htm)

## Access to your property

As per the tenancy agreement given to your new tenant(s), NGU Homelettings (or people authorised by us) have the right to access the property for the purpose of viewing its condition and state of repair. Access can only be at reasonable times of the day and after giving the tenant(s) not less than 24 hours notice in writing. Entering a property for the purpose of viewing its condition and state of repair does not extend to actually carrying out the repairs. The right to enter for the repair would be an implied term, as the law says the landlord must do the repair, it is implied s/he has the right to enter to do it.

If the tenant(s) refuse access to NGU Homelettings, (subject to notice being given) to carry out the repairs, the tenant(s) will not be in a position to complain about the property or to claim for damages for disrepair or for personal injury caused by the disrepair.

## Housing Health and Safety

The Housing Health and Safety Rating System: Guide for Landlords and Property Related Professionals was produced by the government in 2006. (HHSRS) operating guidance guide can be accessed at [www.communities.gov.uk/documents/housing/pdf/142631.pdf](http://www.communities.gov.uk/documents/housing/pdf/142631.pdf)

## HHSRS enforcement

Local authorities have statutory duties and powers to take enforcement action to deal with properties containing hazards identified under the HHSRS. Under the HHSRS local authorities have a duty to take appropriate enforcement action in relation to category 1 hazards, and discretion to act in relation to category 2 hazards.

If a hazard prevents a severe threat to health or safety it is known as a category 1 hazard. If a local authority considers that a category 1 hazard exists on any residential premises, they must take the appropriate enforcement action in relation to the hazard.

Less severe threats to health and safety are known as category 2 hazards and a local authority may take appropriate enforcement action to reduce the hazard to an acceptable level. The circumstances in which local authorities will take action over category 2 hazards will vary and will depend on the individual local authority's enforcement policy.

## Keeping Your Property Safe

### Smoke alarms

Please ensure that smoke alarms are installed at your property. As per the management agreement, if these are not provided, we will install smoke alarms at the property and a fee of £7.50 + VAT per smoke alarm will be charged to you for this service.

### Electrical safety and goods

Legislation places obligations on landlords to ensure that all electrical appliances supplied by the landlord are safe at the date of supply. Although there is no statutory requirement to have annual safety checks on electrical installations as there is with gas, The Institution of Electrical Engineers recommends a formal periodic inspection and test being carried out on the installation at least once every 10 years or on a change of tenancy.

There is, however a statutory requirement that all HMO`s (both licensable and not licensable) must have their mains installation inspected every five years, by a person qualified to undertake such inspection and testing and a certificate provided by that person specifying the results of the test.

### Building regulations Part P

The design, installation, inspection and testing of electrical installations is controlled under Part P of the Building Regulations which applies to houses and flats and includes gardens and outbuildings such as sheds, garages and greenhouses.

All work that involves adding a new circuit or is to be carried out in bathrooms and kitchens will need to be either carried out by an installer registered with a government approved competent person scheme or alternatively notified to building control before the work takes place. Generally, small jobs such as the provision of a socket-outlet or a light switch on an existing circuit will not be notified to the local authority building control.

High-risk areas such as bathrooms, kitchens and outside areas are exceptions. All work that involves adding a new circuit or in bathrooms and kitchens will need to be either notified to building control with a building regulations application, or carried out by a competent person who is registered with a Part P self-certification scheme.

### Safety of furniture

Furniture and furnishings supplied in rental accommodation must comply with The Furniture and Furnishings (Fire) (Safety) Regulations 1988.

Some materials used to fill or cover furniture, particularly older and second hand furniture may be a fire risk and often produces poisonous gases when burning, such as cyanide or carbon monoxide.

There are severe penalties for non-compliance.

If you let your residential property furnished you must ensure that certain types of furniture and furnishings provided meet the current safety regulations - failure to comply with the regulations is a criminal offence and may result in:

- A fine of £5,000 per item not complying
- Six months imprisonment
- Possible manslaughter charges in the event of death
- The tenant may also sue you for civil damages
- Your property insurance may be invalidated

These regulations are enforced by local Trading Standards Officers

### **366 point inventory**

We perform a 366 point inventory document that rates every internal and external aspect of the property and is conducted with the tenant(s) at the commencement of the tenancy with dated photos. This level of detail adds an element of control throughout the tenancy and ensures protection against damage.

### **Bi-annual inspections**

NGU Homelettings can carry out bi-annual inspections of your property as part of the requirements of your property management agreement. This involves confirming the gas check is up to date to ensure the gas appliances are safe, ensuring the property has been fitted with smoke alarms or performed an inspection to confirm that they are working, performing an inspection to ensure the property is well kept (cleanliness and tidiness) and to discuss an annual rent review if applicable.

If a property fails an inspection on cleanliness or damage, then a further additional inspection will take place to confirm the property has been brought back up to standard. The guarantor will be sent a copy of the feedback and/or pictures and must be present for the second visit. If a property fails a second inspection a tenant is at risk of losing the property and the tenancy being ended.

### **Bi-annual inspection checklist guide**

- It is the responsibility of the tenant(s) to ensure that all rooms are adequately heated and vented as appropriate to avoid damage by dampness, especially in those rooms where there are frequent periods of high humidity (i.e. kitchens, bathrooms, en-suite shower rooms and laundry/utility rooms)
- The tenant(s) must ensure that all grounds/gardens are regularly maintained and kept to the appropriate standard that they were found at the commencement of the agreement
- The most common charges incurred by a tenant(s) following a MOVE OUT are a result of deficient cleaning. Tenant(s) must keep the premises in a clean and tidy condition and in tenable repair for the duration of the tenancy until it expires (cleaning must be carried out to all areas and be conducted regularly to a high standard)

Detailed feedback is provided to all landlords via telephone and email following all inspections (detailed reports include dated photos).

As part of your ongoing monthly management fee, NGU Homelettings will conduct a 12 month review/inspection for free. The 6 month inspection will be carried out at a cost of £60.00 +VAT. You would



have ticked in your management agreement if you require us to carry out a 6 monthly inspection. The cost of this will be taken out of your rental account. **NGU Homelettings strongly recommends 6 month inspections in order to ensure that your property is being maintained to the appropriate standard.**

## **Ending the Tenancy Agreement and Deposits**

### **A periodic tenancy**

All tenant(s) are given a 6 month assured short hold tenancy agreement by NGU Homelettings. We do not provide a longer tenancy agreement than this because we want to minimise the risk to you as a landlord. By offering a new tenant(s) a longer tenancy without us having direct history of what type of tenant they will be, in our experience increases your risk when it can be avoided.

### **A tenancy can be ended in at least one of the following ways**

- A tenant(s) breaks any conditions of the tenancy agreement. We will always try to sort out matters before taking legal action but, if a tenant(s) continues to break the terms of the tenancy agreement, we may have no option but to take possession of the property
- The tenant(s) abandons your property or lives permanently at another address
- The landlord may end the tenancy by giving not less than two months' notice in writing at any time after the full term of the initial tenancy agreement
- There is legal ground for possession under the Housing Act 1985, the Housing Act 1996 or any other law
- We are granted a county court order to evict the tenant(s)

### **Examples of when we may try to evict the tenant(s)**

- A tenant(s) has broken one or more of the tenancy conditions
- A tenant(s) has got behind with their rent
- If a tenant(s) or anyone living in your property causes a serious nuisance
- If a tenant(s) or anyone living in your property has been convicted of using your property for illegal purposes
- The tenant(s) seriously neglects or damages your property or shared area
- The tenant(s) gets a tenancy because they have deliberately given us false information

### **If a tenant(s) want to give notice and move out of the property as per the tenancy agreement the following applies**

If the tenant(s) intends to terminate the tenancy on the expiry of the fixed term, notice must be received in writing at least 28 days before the tenancy end date (If notice is late or not received the tenant(s) will become liable for a further 28 days from the date the notice is received or the tenancy end date)

If the tenancy continues as a periodic tenancy after the expiry of the initial fixed term, following the expiry of the initial fixed term the tenant(s) may terminate the tenancy by serving at least one clear calendar month's written notice.

## How does NGU Homelettings control the move out process?

If the tenant(s) gives notice an initial pre-handover inspection is booked where we clearly point out expectations to a tenant(s) for when they move out and what is required in order for them to get their deposit back. This is in line with the original guidelines the tenant(s) were given at the start of the tenancy and at the 6 and 12 month inspections. We will then organise a final move out appointment (We will notify you of the date and times of these appointments).

As a result of the move-in and subsequent inspections, there should be no surprises to the tenant(s) if money is taken from their deposit. The property will be checked against the initial 366 inventory check-list and we will compile a schedule of damage and unreasonable wear and tear.

If remedial work is satisfactory the deposit repayment to the tenant(s) is organised. If not, work is carried out by NGU and any remaining deposit (after deductions) is repaid to the tenant(s). Our detailed 366 point inventories and dated photos ensure we have the correct information for any deposit disputes.

These appointments will be carried out by the regional managers who will keep you up to date with this process and will provide a detailed report for this two stage move out approach and dated photos for once the property has been vacated.

## Deposit

Deposits can cover:

- Damaged items
- Outstanding debts attached to the property
- Failure of the tenant(s) to carry out obligations set out in the tenancy agreement such as cleaning
- Non payment of rent
- Other breaches of the tenancy

In assessing any damage, allowance must be made for 'fair' wear and tear, the cost of which is not deductible from the deposit. Fair wear and tear is paid for in the rent charged. Wear and tear arises from normal living at a property. Landlords should not expect to receive a property back in the same condition it was let at the start of the tenancy agreement. Tenant(s) should be expected to return the property in a clean and tidy condition.

At the end of the tenancy the inventory will be checked and an assessment made of the condition of the property- the landlord should take into account reasonable wear and tear.

## How long does it take to get a deposit repaid to a landlord if it is due?

The tenant(s) deposit for a property is lodged with the Deposit Protection Service (DPS). As long as there are no disputes and the tenant(s) has provided us with the 5 digit repayment ID code, the deposit repayment can be processed quickly. All deposits are repaid within 10 calendar days of the correct acceptance forms being received by the DPS. NGU Homelettings will provide the necessary information within 1 working day of the final move out to the DPS. The repayment of the deposit should therefore take in total 11 calendar days to process if all the necessary information has been received by the DPS.

This deposit money will be used against any work that may be required as a result of damages caused by the tenant(s) during the tenancy. If the 5 digit ID code is not provided at the final move out appointment or the tenant(s) is not present, it will greatly increase the delay in the deposit being repaid back to you.

**What happens if there is a delay in the deposit being paid back or it doesn't cover the damage?**

In this instance, any maintenance work which is required must have a 25% payment upfront before the work is started and the remaining balance is paid upon completion.

## Complaints

### Complaints procedure

We always try to get things right first time but appreciate that this doesn't always happen. As a first step it is often best to contact the person who dealt with the enquiry. They will know most about the matter and it may be possible to sort out the problem straight away. If you are not satisfied with our first response please contact the Operations Director, Annelise Inglis by emailing: [operationsmanager@nguhomelettings.com](mailto:operationsmanager@nguhomelettings.com)

If you find this matter has still not been resolved, please contact the Managing Director Chris Fitzakerley via email [christopherfitzakerley@nguhomebuyers.com](mailto:christopherfitzakerley@nguhomebuyers.com)

### When we get it right

We would also like to know if you are pleased with us. Our team take pride in their work, so it means a lot to us when someone tells us that we got it right. This helps us to find out which parts of our service work well.