

LANDLORD GUIDE

We understand that letting your property may be a new venture for you but we hope that this guide will be helpful for both new and existing landlords. The following information is intended as a useful reference point and a guide to the services that Patrick Gardner & Co Lettings Limited (PGCLL) provide and is to be read in-conjunction with our Terms of Business.

If there are any items that are not covered or that you would like to discuss in greater detail, please do not hesitate to contact us:

Patrick Gardner & Co Lettings

- *Leading independent company with four local branches*
- Professional and experienced advisors we have over fifty years lettings experience in our Leatherhead office alone
- Qualified members of ARLA (Association of Residential Lettings Agents)
- Member of the Property Ombudsman Redress Scheme
- Trusted property management providers with a network of reliable local tradesmen



LETTING YOUR PROPERTY

How do we appraise your property?

After an individual market appraisal, a rental figure will be agreed based on the size, condition, and location of your property, taking into account current market conditions. We can also advise on any improvements or alterations that could be made to help maximise your property's rental potential.

How do we market your property?

Our highly effective marketing service offers:

- Four local offices, with prominent windows and dedicated lettings staff
- To Let boards (where appropriate)
- Property details with colour photographs, detailed descriptions, measurements and floorplans
- Internet advertising – our own website and the major property portals
- Well established links with local employers and relocation agents
- Large database of applicants

What levels of service do you offer?

There are different levels of service that can be offered, depending on the landlords' individual requirements.

- Let only
- Let with rent collection
- Full management

This list is, of course, not exhaustive and we are happy to tailor our service to each landlord's individual requirements. The fee charged is dependent on the level of service chosen. See Schedule of Fees attached.

Are viewings accompanied?

We are always available to accompany viewings or where appropriate organise a mutually convenient time for applicants to view outside office hours.

How do I ensure I get the best tenants for the property?

This begins with an initial registration interview with the prospective tenant where we can assess both their suitability and their requirements. Once an applicant has registered an interest in your property we will negotiate terms on your behalf to maximise your rental income. When agreement has been reached, a credit check and comprehensive tenant's reference will be carried out by an independent company and a written report issued. We will advise where additional security is required and can arrange for a guarantor to also be credit referenced. The cost of these checks is borne by the Landlord. As part of the referencing process we will also carry out the Government's Right to Rent checks which involves checking passports, any visas/biometric residence permits and proof of address against Home Office requirements.

What sort of tenancy agreement will I require?

Once a satisfactory credit reference is in place the tenancy agreement (TA) will be drawn up. Tenancy agreements vary and we will advise as to the most appropriate agreement for each tenancy and ensure it is up to date with current legislation. Whilst we do everything that we can to tailor the TA to your requirements we are property professionals, not lawyers and there may be occasions where we recommend you obtain your own specialist legal advice.

Assured Shorthold Tenancy Agreement (AST)

ASTs are applicable for most tenancies with an annual rent of less than £100,000 per annum. The tenancies are heavily regulated and there are a number of statutory requirements to be aware of.

High Rent Tenancy

A contract outside the statutory regimes and is instead governed by Common Law where the annual rent is in excess of £100,000 per annum.

Company Let

A Company let is also outside the Housing Act and regulated under Common Law usually for the occupation of a company employee. The company is referenced rather than the individual and sometimes letters of guarantee are offered instead of deposits.

Renewal or Extension of a Tenancy

Each and every time a Tenancy is renewed or extended, or if an Option to Renew is exercised, whether or not negotiated by us, our fees and other charges will be as for a new let and are due at the commencement of each and every renewal and/or extension period, whether or not rent has been received.

Deemed Renewal or Extension of the Tenancy

Where a Tenant remains in the property beyond the agreed Tenancy period, but has not renewed or extended the Tenancy Agreement, the Tenancy will be deemed to be renewed as a Periodic Tenancy or extended for the same period as the original Tenancy and our fees and any other charges will be as for a new let.

What condition do you expect the property to be in at the start of the tenancy?

At the commencement of the Tenancy the property must be well maintained, in a clean and tidy condition and meet the required standards for letting.

The Landlord is obliged by law to ensure that before the commencement of the Tenancy the property is fit for human habitation and will be so maintained during the period of the Tenancy Agreement. Homes (Fitness for Human Habitation) Act 2018.

The Landlord agrees to accept responsibility for any liability under the Defective Premises Act 1972 in relation to the property, or any part thereof and agrees to indemnify us fully in the event of any claim made in this respect.

Should the Landlord fail to meet these obligations we reserve the right to instruct contractors and deduct any costs incurred from rent received including any Administration Charges that apply.

www.gov.uk/government/publications/homes-fitness-for-human-habitation-act-2018

What qualifies as an unfurnished and furnished property?

Our definition of 'Unfurnished' is a property whereby white goods and window coverings (curtains or blinds) are provided. Our definition of 'Furnished' is a property whereby white goods, window coverings, basic furniture such as sofas, dining table and chairs, coffee table, beds, bedside tables and wardrobes are provided. All personal items must be removed including pictures, ornaments, cutlery, crockery, cookware and small electrical.

Do I need an inventory for an unfurnished property?

An inventory provides a schedule of condition for the property including walls, floors, doors, light fitting, furnishings, bathroom and kitchen fittings and lists any appliances or furnished items.

The inventory procedure covers three stages:

- 1) Preparation of the inventory, during which the inventory clerk will visit the property and prepare the report prior to occupation including meter readings
- 2) Check-in at the commencement of the tenancy
- 3) Check-out at the end of the tenancy, when any changes or damages as well as professional opinion on wear and tear or maintenance issues are noted and added to the report as well as outgoing meter readings.

The inventory is a document produced by an Independent inventory company; it provides a professional assessment of the condition of the property and is essential for any later claim made on the tenants deposit for damages or cleaning issues at the end of the tenancy. All inventory cost are the responsibility of the Landlord.

Who pays for the utilities?

Electricity, gas, water, telephone and council tax charges are usually borne by the tenant. On all managed properties, we will deal with the utility companies when tenants check in and check out. It is good practice to leave a live telephone line so tenants may arrange their own service provider for telephone and broadband. The inventory company will record the meter readings at check in and out and these will be provided on your reports.

What appliances should I leave?

All appliances are usually left as part of an unfurnished tenancy. If maintenance contracts are taken out details of the policy should be given to our Property Management department (for managed properties) and to the tenant. Operating manuals and guarantees must also be made available in the property in order to save unnecessary call outs if the tenants are not aware of the correct instructions for operating the appliances. The central heating, burglar and carbon monoxide/smoke alarms, should be checked and serviced before the Tenant occupies the property.

Any working, open fireplaces need to be swept prior to the beginning of the tenancy and a copy of the receipt provided to the new tenant.

Can I retain any of the storage spaces in the property?

Unless agreed otherwise and detailed in the tenancy agreement the tenant will have the right to use the entire property for the term of the tenancy. We

recommend that all items of value and items which the tenants do not have the use of are removed from the property. If the Landlord wishes to leave items in storage at the property they should be insured, listed and the condition noted.

It is not recommended under any circumstances storage areas are left locked as access is often required in cases of emergency. Access may be needed in order to get to water tanks, pipeworks or electrical circuits.

What deposit will the tenant pay?

Prior to the date of occupancy the tenant will be required to deposit funds equivalent to five weeks rent which will be held in accordance with the regulations of the **Tenancy Deposit Scheme** until the end of the tenancy. Current legislation requires all deposits to be registered with a recognised scheme. The deposit is held to cover any dilapidations that may occur during the tenancy, as noted on the Inventory check in and out reports.

Patrick Gardner Residential Lettings Ltd is a member of the Tenancy Deposit Scheme, which is administered by:

**Tenancy Deposit Scheme
The Dispute Service Ltd PO Box 1255
Hemel Hempstead Herts
HP1 9GN**

**Phone 0300 037 1000
Web www.tenancydepositscheme.com
Email deposits@tds.gb.com
Fax 01442 253193**

How is the deposit held?

We hold tenancy deposits as Stakeholder. These Deposits will be disbursed in accordance with our standard procedures, where the Tenancy is an Assured Shorthold Tenancy, the requirements of the Tenancy Deposit Scheme.

At the end of the Tenancy, we will arrange a Check-out and an Inventory/Schedule of Condition/ Check- out Report will be produced by an independent inventory company. The Inventory/Schedule of Condition/Check-out Report will be returned to our Property Management department. The cost will be borne by the Landlord.

What happens to the deposit at the end of the tenancy?

Payment of the deposit will be made within 10 calendar days of written consent from both parties.

If there is no dispute, the deposit will be returned in full to the tenants to their nominated bank account. If monies are to be held, and a figure has been agreed by both parties, the deducted amount will be returned to the relevant party according to the condition of the Tenancy Agreement.

Where there is a dispute, the Tenant may apply to the TDS for the adjudication. A Landlord can also refer a dispute to the TDS. The statutory rights of either the Landlord or the Tenant(s) to take legal action against the other party remain unaffected.

It is not compulsory for the parties to refer the dispute to the TDS 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. Judges may, because it is a condition of the Tenancy Agreement signed by both parties, refer the dispute back to the TDS for adjudication. If the parties do agree that the dispute should be resolved by the TDS, they must accept the decision of the TDS as final and binding.

If there is a dispute, we must remit to The Dispute Service Ltd the full deposit, less any amounts already agreed by the parties and paid over to them. This must be done within 10 calendar days of being told by the TDS that a dispute has been registered whether or not you or we want to contest it. Failure to do so will not delay the adjudication but The Dispute Service Ltd will take appropriate action to recover the deposit and discipline PGCLL. We must co-operate with the TDS in the adjudication of the dispute and follow any recommendations concerning the method of the resolution of the dispute.

Can you pay property-related bills on my behalf? (managed properties only)

Yes, we will pay property-related bills (with the exception of mortgage payments) on your behalf and account to you on your rental statement. However, we are unable to make payments in excess of monies available to us in the Landlord's account. Therefore we will need to retain a working float where a rent is paid monthly, with an increased float to be retained when a rent paid quarterly/biannually or annually. The amount of the reserve shall be at the discretion of our relevant Property Manager but will not be less than £200 and will be in accordance with the requirements of the property. When rent is collected from the Tenant upfront for the term of the Tenancy an increased reserve will be required. This will be agreed between the Landlord and our relevant Property Manager.

As we are prevented from using other clients money to guarantee invoices, or to delay payment until rent is received we cannot instruct contractors on your behalf unless we are in funds. If a situation arises that requires funds above the float held one of our property managers will call you to arrange an alternative payment. Likewise, the Landlord undertakes to provide us with a reserve fund for any emergency repairs to the property or its contents. Please note that where you require a check out at the end of the tenancy a reserve will be raised accordingly at the point where it is identified that a tenant will not be renewing their tenancy with you.

How do you engage a contractor? (managed properties only)

All contractors, whether arranged by us or by the Landlord are engaged on behalf of the Landlord. The resulting contract is between the Landlord and the Contractor. PGCLL is not a party to that contract. If the Landlord requires us to engage particular contractors, full details must be provided. These contractors must be suitably qualified. PGCLL is in no way responsible for contractors meeting their obligations. We reserve the right to use our own contractors if, after reasonable enquiry, the Landlord's preferred contractors are unavailable, or in cases of emergency where we have to act as Agent of Necessity.

Electrical Contractors will be NICEIC qualified and authorised to provide a certificate under Building Regulations (Electrical Safety in Dwellings) Part P. They will provide an Electrical Installation Safety Certificate.

The Landlord also undertakes to ensure that any D.I.Y electrical work at the property which is notifiable under Part P is certificated by the Local Authority under the above Electrical Safety in Dwellings Part P Regulations.

Gas Contractors will be Gas Safe registered and authorised to issue Gas Certificates under the Gas Safety (Installation and Use Regulations) 1998 and as amended or replaced.

As we have no control over Landlord preferred contractors we will undertake to contact them twice by e-mail. If after the second e-mail they fail to respond, we will advise the Landlord and it will become the Landlord's responsibility to instigate further communications with their preferred contractor.

We can accept no responsibility for any private arrangements made between the Landlord and their preferred contractor, or their failure to undertake works.

What's an Agent of Necessity?

If the landlord is unavailable or after reasonable enquiry we are unable to contact the landlord, we reserve the right to arrange works without notice to ensure that the property meets statutory requirements, Health and Safety regulations, and complies with best practice. If we are required to act as an Agent of Necessity, the landlord undertakes to fully reimburse us upon demand for all costs so incurred.

How are costs covered?

You agree to reimburse us for any reasonable sums expended on your behalf and not covered elsewhere in this agreement. You will further reimburse us in respect of any loss incurred by us as a result of any act, omission, or representation made by you, or by someone on your behalf, or in the event that you have provided false or erroneous information. You further agree that you will reimburse us on demand for any monies we have accounted to you for that are withdrawn from our client's accounts, for any reason, by our bankers after we have accounted to you that were received from your tenant(s) being monies received by us as your agent.

What happens outside of office hours? (managed properties only)

Outside of our office hours, Tenants calling us to report an emergency repair will be directed to our answering service, which will provide the Tenant with details of a contractor(s) who cover the area for emergency repairs.

PGCLL emergency contractors have been designated as such and are aware of those situations which constitute a genuine emergency rather than an inconvenience. They will take the minimum action required to make the property and tenant safe and minimize damage.

In the event that an emergency repair is required we will notify the Landlord and the resultant invoice will be paid from the Landlord's management reserve or incoming rent. Where we do not hold sufficient funds to pay the invoice, the Landlord will be asked to provide these and undertakes to reimburse PGCLL for any costs incurred in this regard on their behalf.

Should the Landlord hold a maintenance contract for the property or any of the fixtures and this covers emergency repairs e.g. a British Gas Homecare agreement, the landlord is responsible for ensuring that the Tenant and PGCLL are provided with full details of the policy. PGCLL will not be liable for an emergency call out invoice where the Landlord cannot demonstrate that the Landlord has provided the Tenant with full information of a maintenance contract or any alternative arrangements. Should the Tenant not follow instructions provided and call out PGCLL emergency contractor contrary to these, PGCLL will not be liable for any resultant invoice. The Landlord undertakes to pay the contractor for services supplied and may wish to seek to reclaim this sum from the Tenant via a payment from them or via the deposit at the end of the tenancy.

In the event that a Tenant in a non-managed property calls out one of PGCLL' emergency contractors, the landlord will be provided with a copy of the invoice and will be responsible for the charge. We will either deduct from incoming rent or ask that the landlord send the required funds.

How frequently do you visit managed properties?

We usually offer two visits to your property, one within the first 3 months of the tenancy, and 6 months thereafter as appropriate. A written report will follow – usually by email. Additional visits can be arranged by request. We cannot carry out inspections for latent, inherent or structural problems.

Visits are not carried out by surveyors and they do not form part of any inventory check and PG & Co. RL Ltd will accept no responsibility in this respect.

Do you offer a vacant property management service?

Yes. We will make visits to the property, during which we will clear post, marketing materials, newspapers etc. The frequency of the visits will be determined by the client, who must provide us with a schedule of required visits to enable us to diarise these in advance. A short report will be produced and e-mailed to you.

Most household insurance policies are invalid unless the property is visited at least once a fortnight. The insurance company must be informed if the property is to be vacant for more than 21 consecutive days. This notification is strictly the Landlord's responsibility.

Any tasks additional to those outlined above will incur additional charges.

We reserve the right to increase these charges and will give the Landlord one month's written notice if we intend to do so.

What happens if a tenant is in breach of their agreement?

Should we become aware of any breaches of the Tenancy Agreement, including non-payment of rental, you will be informed accordingly. If it becomes necessary to take action, you will be responsible for instructing your solicitor and payment of all fees arising. If we are required to attend Court on your behalf, there will be an additional charge depending upon the amount of work involved. You would be notified of the cost at the appropriate time.

What process is used to serve notice on the tenants?

In order for a Landlord to have the right to commence possession procedures against their tenant a 'section 21' notice must have been served upon the tenant. In order to preserve a Landlord's right to commence possession procedures at the earliest opportunity (should this be necessary) we will:

- Serve a Section 21 notice to the Tenants if either party has indicated they do not wish to renew.
- Serve a section 21 notice to the tenants if the landlord wishes to regain possession of the property, subject to a suitable break clause.

NOTE: notice can no longer be given to tenants in the first 4 months of a new Assured Shorthold Tenancy (Deregulation Act 2015).and notices must be enforced within 4 months of the date specified in the notice as the date the tenants are required to vacate.

In addition, under the Deregulation Act 2015, landlords and agents wishing to issue their tenants with a Section 21 Notice should:

- Ensure they have shared the Government's How to Rent Guide: the checklist for renting in England with tenants;
- Make sure the property has valid Gas Safety Certificate and the tenants have seen it;
- Publish the property's Energy Performance Certificate (except when the property isn't required to have one);
- Inform tenants which scheme their deposit is protected in;

This notice does not preclude the Tenancy subsequently formally or informally being renewed. Where served it does act a 'insurance policy' to ensure the landlord can take action to gain possession in the Courts where for whatever reason the landlord has decided possession is required and the Tenant refuses to leave.

It should be noted that to secure local authority housing a tenant needs to have been served with an eviction order. If tenants have voluntarily made themselves homeless the local authority are not required to provide them with accommodation.

What's a Retaliatory Eviction?

The Deregulation Act 2015 provides tenants with protection from eviction where they complain to a landlord about the condition of their property. In respect of all tenancies:

- where a tenant complains in writing to the landlord regarding the condition of the property (this includes the common parts of a shared building that affect the tenant's enjoyment of the property or which they are entitled to use and for which the Landlord holds a controlling interest);
- the landlord does not, within 14 days, provide an adequate response to the complaint – being a response that:
 - provides a description of the action that the landlord proposes to take to address the complaint, and sets out a reasonable timescale within which that action will be taken;
 - the tenant has complained to the relevant local housing authority about the same, or substantially the same, subject matter as the complaint to the landlord; and the relevant local housing authority serves a relevant notice in relation to the dwelling-house in response to the complaint, a section 21 notice may not be given, or will be invalid, for six months after the tenant has complained beginning with the day of service of a relevant notice by the local housing authority.

A "relevant notice" is an improvement notice served under the Housing Act 2004 (relating to category 1 or 2 hazards) or an emergency remedial action notice served under that act.

The local authority determines what is a Category 1 or 2 hazard based on the tenant and property. In general terms, Category 1 hazards represent an immediate threat to the health or safety of a tenant such as the property not having adequate heating. Category 2 hazards signify less urgent threats to the health or safety of a tenant.

What other safety regulations should I be aware of?

As a landlord you need to be aware of the following safety regulations:

- Fire and Furnishings (Fire) (Safety) Regulations 1988 plus (Amended) Regulations 1989 and 1993
- Gas Safety (Installation and Use) Regulations 1998
- Electrical Equipment (Safety) Regulations 1994
- Smoke and Carbon Monoxide Alarms
- Building Regulations
- EPC Certification
- Water hygiene control

Safety Checks

All Landlords have a duty of care to ensure their tenant's safety.

We will arrange Gas Safety, Portable Appliance and Electrical Installation Safety Certificate for each new let and re-let unless already in place. If we are not asked to arrange any or all of the above, Landlords must supply and keep us supplied with current certificates. We will require a valid replacement certificate no later than 48 business hours prior to the expiry of the current certificate. Should we not be in possession of a replacement certificate, including from British Gas, we will act under Agent of Necessity and order a replacement via our Approved Contractors. In the event that the landlord arranges the certificate directly and has provided contact details for their preferred contractor we will attempt to place the order with them. If they are unresponsive or unavailable we will proceed with booking our Approved Contractors without reference.

Gas Safety (Installation and Use) Regulations 1994 Amended 1998

These regulations became law on the 31st October 1994. The regulations state that Landlords must have all appliances, gas pipe work, valves, regulators and meters at their properties checked annually by a Gas Safe registered engineer 'to ensure that an appliance is maintained in a safe condition so as to prevent the risk of injury to any person'.

Failure to comply with the Regulations means that the Agent, the Landlord, or both are committing a criminal offence. The offence carries a penalty of six months imprisonment and/or a fine which is currently a maximum of £5,000.

Failure to comply with these regulations can result in a substantial fine, or even in the worst cases, imprisonment.

Smoke alarms and carbon monoxide alarms

From the first of October 2015 it became a statutory requirement to ensure that each floor of a rental property has a working smoke alarm and that living spaces with solid fuel appliances have carbon monoxide alarms fitted.

For more information, please visit.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/458550/Smoke_and_carbon_monoxide_alarms_-_landlords.pdf

The Electrical Equipment (Safety) Regulations 1994 and The Plugs & Sockets etc. (Safety) Regulations 1994

These regulations state that supplying unsafe electrical goods is an offence. When an unsafe appliance is found in a rented property, Trading Standards check that the landlord has taken all reasonable precautions to avoid supplying an unsafe item. In the event of an incident in a property involving electricity the landlord must be able to demonstrate that his supply and appliances are safe, this can only be done if a professional check has been carried out. **We recommend a fixed wiring test is carried out once every 5 years.**

Patrick Gardner uses only fully qualified contractors to carry out both gas and electrical safety tests. These firms not only carry the correct professional qualifications but also have Professional Indemnity Insurance.

The Furniture and Furnishings (Fire Safety) Regulations 1988

All furniture must carry a permanent label denoting that the furniture is fire-resistant. Any furniture manufactured prior to January 1st 1950 need not comply, and thus 'period' and 'antique' furniture is exempt. Failure to comply with the regulations is an offence and carries a maximum penalty of 6 months imprisonment and or a fine of £5,000. There is also a further criminal prosecution for manslaughter.

Part P Building Regulations

In January 2005 Part P of the Building Regulations came into force. It is now a legal requirement that all electrical installation work carried out in dwellings from 1 January 2005 whether professional or DIY and regardless of whether the works are minor or major, are fixed in accordance with BS 7671. Any such works carried out will need to be certificated by a NICEIC approved contractor to show that they comply with BS 7671.

What is an Energy Performance Certificate (EPC), and do I need one?

An Energy Performance Certificate, otherwise known as an EPC, provides an energy rating for a home. The obligations for including this for rented dwellings came into force on the 1 October 2008. Any building with roof and walls, which uses energy to condition the indoor climate i.e. heating, air conditioning, or mechanical ventilation, needs an EPC when it is let or sub-let. An EPC for a residential letting is valid for 10 years, or until a more recent certificate is produced. An existing EPC can be made available to new tenants. The person responsible for providing the EPC is the landlord. Responsibility for the EPC remains with the landlord even where the building is let by an agent.

For more information please visit the government website:

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/866773.pdf>

These regulations make it unlawful for landlords from 1 April 2018 to grant a new lease of properties that have a minimum asset rating below an E on its EPC, unless they have made specific energy efficiency improvements which are cost effective, in that they involve the landlord in no upfront cost as either the cost of the works satisfy the Golden Rule in a Green Deal Plan or are cost effective over a seven-year payback period.

What are my obligations regarding Legionella?

The Health and Safety Executive have issued a revised code of practice about the risks of Legionella bacteria; this is based on legislation detailed in the Health and Safety at Work Act (1974) and the Control of Substances Hazardous to Health Regulation (1994). As a Landlord you need to ensure your water system is free of Legionella bacteria.

For those properties which are managed by PG & Co. RL Ltd we will arrange a Legionella Risk Assessment. This assessment will take place during the first 12 months of the tenancy at a Landlord cost. **If you would like to undertake this yourself as 'competent person' please let us know at the start of the tenancy so we may exclude you from our testing programme.** Non-managed Landlords may also take part in the programme.

We recommend that a professional test and certification is carried out.

For more information, please visit:
www.hse.gov.uk/legionnaires/faqs.htm
www.hse.gov.uk/pubns/indg458.htm

What are the financial implications of renting out my property?

Finance is a complex area and it is essential that landlords (both resident and non-resident in the UK) seek professional advice from a specialist adviser.

Any financial information is not intended as advice and is only prepared as a guide.

Tax

With buy-to-let investment on the increase, information about the ever-changing tax issues facing property investors is scarce. The tax system is extremely complex and it is imperative that landlords comply with their reporting obligations, whilst at the same time ensure they are paying the minimum amount of tax on their rental profits. Set out below are just some of the issues and key questions facing landlords.

Landlords residing in the UK

Do I have to pay tax on my letting income?

Income tax is payable on rent received from property which is let. All profit you make from letting should be added to your other taxable income for the year, although the financial records for letting must still be kept separate. You have to pay income tax if the total of your taxable income is greater than your tax allowances.

Can expenses be offset against the rent received?

Only those expenses incurred "wholly and exclusively" for the purpose of the let can be offset against your letting income.

These might include some mortgage interest (NOT capital repayments or endowments), general repairs and maintenance, insurance and of course our agent's property management fees and any accountants fees for drawing up accounts.

What records do I need to keep?

You need to keep a record of all income and expenditure incurred in relation to all lettings. The records should show to whom payments have been made and from whom income has been received. You are required to keep the records for five years and 10 months from the end of the tax year.

Non-resident or overseas Landlords

Where the landlord resides overseas it is important to remember that the property is subject to UK taxation. As your agent we are required to retain tax on rent received unless we have the correct authorisation from HM Revenue and Customs (HMRC). The relevant paperwork needs to be submitted to HMRC in good time in order that appropriate authorisation is passed accounts department

What is my tax position?

The law states that all landlords renting a property within the UK whilst living outside the UK must have tax deducted at source by their agent unless formal approval is obtained from HM Revenue and Customs. The profit arising from rental income (less allowable expenses) is always subject to tax at the basic rate.

How does the Non Resident Landlord tax process work?

The Revenue operates a system of "approval" for non-resident landlords to receive rents gross. Landlords have a choice between:

- applying for approval, receiving rents in full and paying the tax due at the end of the tax year
- allowing the agent to pay tax quarterly on their behalf, deducted from the rent received

Most of the costs associated with residential letting are allowable as deductions so tax is only payable on the net rent received after these costs have been deducted. If the agent deducts tax and pays it to the Revenue on behalf of a Landlord, they will issue a yearly certificate declaring how much has been paid to the Revenue. This can then be used to set against a Landlord's total tax liabilities.

To receive UK rental income gross, application forms should be completed and sent to the Inland Revenue for approval: www.gov.uk/tax-uk-income-live-abroad/rent
These forms (NRL1) must specify the letting agent, as they are non-transferable. The code assigned to PG & Co. RL Ltd is NA 010491

If rent is paid directly by a tenant to a non-resident landlord or to his UK Bank account, the tenant must also follow the above procedure. Interest is not paid on monies retained for tax purposes.

What if I am not accepted into Non Resident Landlord scheme?

If you are not accepted into the Non Resident Landlord scheme, the agent will need to deduct tax and pay this across quarterly to the Revenue. An administration charge will normally be made for this service.

All Landlords should be aware that agents are required to submit a form annually to HM Revenue & Customs detailing the names of Landlords, the property address and the rent received. For more information please visit www.hmrc.gov.uk

What consent do I need to let?

Please ensure you have permission from your mortgage company to let the property. As a landlord, you will be responsible for insuring the building and any of the contents listed on the inventory. It is important that you inform your insurance company that the property will be let, as some companies do not offer insurance for tenanted properties. If the property is a flat or apartment, buildings insurance is usually included in the Service Charges. If your interest in the property is leasehold,

you may be required to obtain consent from your Superior Landlord and the Block Manager.

What other documentation do you need from me?

Due to the European Parliament Money Laundering Directive and the UK Government's Laundering Regulations 2007 which came into force we require evidence of your identity. It is necessary to provide one of photographic identification and one showing current address which is less than three months old.

Primary

- Full valid passport or
- Valid HM Forces ID Card or
- Driving licence (with photo ID)

Secondary

- Original utility bill or
- Original council tax bill for the current tax year or
- Original mortgage statement for the year just ended or
- Firearm or shotgun certificate or
- Original current account bank statement or
- Original credit card statement (must be MasterCard, Visa or American Express) with a copy of both sides of the card itself.

Are you able to forward my post?

Please ensure that a mail divert is put in place with Royal Mail in order that you continue to receive your post.

www.royalmail.com/personal/receiving-mail/redirection

We are happy to forward any post that is either passed to us or found by us at the property. All postage costs will be passed to the Landlord.

Privacy policy

This Privacy Notice is intended to be read in conjunction with Terms of Use, and Cookie policy contained on our website and any other documents referred to within this policy. We ask that you read this privacy policy carefully as it contains information on who we are, how and why we collect, store, use and share personal information, your rights in relation to your personal information and how to contact us. It also contains information on the correct body to contact in the unlikely event that you have a complaint that we cannot address.

Patrick Gardner & Co, Patrick Gardner & Co Residential Lettings Ltd, and Patrick Gardner Management Co. Ltd (as a group of Companies) are Data Controllers, are bound by the requirements of the General Data Protection Regulations (GDPR).

By accessing, browsing, or otherwise using our patrickgardner.com website ("the website") or mobile application you confirm that you have read, understood and agree to the terms of this Privacy Policy.

When submitting forms on our website we use a third-party software provider for automated data collection and processing purposes; they will not use your data for any purposes and will only hold the data in line with our policy on data retention. You may give us information about you by completing forms on our site or by corresponding with us by phone, email or otherwise.

A full copy can be found www.patrickgardner.com/privacy-policy

How to complain

If you have a complaint about the way we handle your personal data, please contact us at privacy@patrickgardner.com or Patrick Gardner & Co 1-3 Church Street, Leatherhead, Surrey, KT22 8DN. In addition, you have a right to raise a concern with the UK's information regulator, the ICO: <https://ico.org.uk/>.

Complaints handling procedure

If you have a complaint, then this note sets out the procedure which we will follow in dealing with that complaint.

Stage 1

If you have a complaint, it should be directed to the relevant Branch Manager/Head of Department. In the first instance please give full details in writing, setting out the issues to the Manager at the branch concerned.

Stage 2

If after having received a reply from the office concerned you are not satisfied by the response please forward all details to our Director

Patrick G. Gardner
1- 3 Church Street,
Leatherhead,
Surrey
KT22 8DN

Email patrick@patrickgardner.com

Your complaint will be dealt with in a timely manner and a full response will be given within 28 days of the complaint being made, if not earlier.

Stage 3

If we are unable to deal with your complaint, The Property Ombudsman maybe able to help. The Property Ombudsman is an independent dispute resolution service. For more information, visit www.tpos.co.uk

The Property Ombudsman (TPO)
Milford House
43-55 Milford Street
Salisbury
Wiltshire
SP1 2BP

Landlord Check List

The checklist below is a handy pre tenancy reminder to go through before letting your property. We also highly recommend that you provide the tenants with a brief guide of your own, usually in a lever arch file, outlining useful information about the property, including copies of appliance instructions, details of utility suppliers, refuse collections, window cleaners and gardeners, if applicable.

Patrick Gardner & Co documents

- Landlord's questionnaire
- Owner's instruction and declaration
- Overseas tax exemption certificate (if applicable)
- 2 forms of identification
- Signed Terms of Business

Insurance

- Building insurance
- Contents insurance

Post

- Arrange for the redirection of mail with the post office

Safety regulation

- Landlords Gas Safety Record
- Portable Appliance Test
- Fire and furnishings compliance
- Smoke alarms and Carbon Monoxide Alarm
- Legionella Risk Assessment
- Energy Performance Certificate

Property maintenance

- Professional clean
- Chimney swept
- Cesspit or septic tank emptied
- Oil tanks full
- LPG gas bottles full
- Arrange Inventory check
- Electrical check
- All valuable items removed

- Arrange any pre tenancy maintenance

Consents to let

- Mortgage lender
- Freeholder (if applicable)
- Insurer

Garden

- Organise seasonal tidy
- Arrange gardener for on going maintenance (if applicable)

Keys (Front door two sets if unmanaged and three sets if managed - labelled)

- Front door
- Back door
- Out buildings/Garage
- Window locks

Appliance manuals

- Washing machine
- Fridge/freezer
- Tumble dryer
- Oven
- Microwave
- Dishwasher
- Central heating
- Boiler
- Hob

Utilities and bills

- Gas
- Electricity
- Water
- Council tax
- Telephone
- Broad band supplier