

## **Tenancy and Property Management Standards**

The Property Accreditation Scheme recognises the fact that the physical structure and content of a property is just one aspect of letting accommodation in the private rented sector. In order to achieve the highest levels of tenant satisfaction and ultimately provide a positive influence to the local community there also needs to be robust mechanisms to manage every aspect of the landlord and tenant relationship.

The effective management of the landlord tenant relationship and the associated housing management functions is a prerequisite to ensuring that a property is able to provide tenants with the level of amenity, security and customer orientated services they should expect. The more comprehensive the policies, procedures and induction processes, the higher the levels of customer satisfaction and in-turn desirability of the property; Enabling landlords to attract and retain new tenants and compete in a highly competitive market.

The Rent Smart Wales code of conduct provides the full range of policies and procedures that would be applicable, together with the following examples of Good Practice.

### ***Appointing an Agent.***

- The landlord and agent should sign and date the written details of their business arrangements and include details of who is responsible for specific tasks related to the letting and management of a landlord's property. Any subsequent changes to these arrangements should again be confirmed in writing and signed by both parties.
- Before offering a property for rent, the appropriate consent should be obtained by a landlord.
- An agent should obtain written confirmation from a landlord that the appropriate consents, as detailed above, have been granted.
- If a landlord intends to rent a leasehold property, such as a flat, they should consider the terms of that properties lease and any obligations that may need to be included in the tenancy agreement such as Service charges which may be payable by a tenant. Any relevant terms should be brought to the attention of potential tenants and agent if required at the earliest opportunity.
- The responsibility for paying service charges which relate to the repair and maintenance of the structure or exterior of the building, or common parts of the building should not be passed to tenants.

- Landlords and agents should seek to conduct all tenancy related matters and deal with prospective tenants in a professional, fair and reasonable manner.
- Providing someone interested in renting a property with full and detailed information on the property and the terms of the rental helps avoid misunderstandings and difficulties which could occur after they've entered a tenancy agreement
- Any fees charged to the tenant as a result of late payment of rent should be proportionate. Legitimate reasons for late payment should always be taken into account before any fee is charged.
- If a property is not served by mains gas, you should inform tenants of this and provide them with information about local suppliers of gas and how much this is likely to cost them, this will help them decide whether renting the property would be affordable for them.

### ***Setting up a Tenancy***

- References requested for a prospective tenant (or their guarantor, if applicable) should only ask for information relevant to the tenancy.
- If a previous tenant requests a reference to allow them to take out a tenancy on a new rental property, one should be provided. References should always be fair and accurate.
- Tenants should be given or signposted to the Welsh Government's publication "A Home in the Private Rented Sector – *A guide for tenants at the beginning of their tenancy*"
- Be considerate of a prospective tenant's circumstances when dealing with people who might be disadvantaged because of their age, illness, lack of understanding, lack of linguistic ability, economic circumstances or bereavement.
- If any extra terms are negotiated between the parties prior to the tenancy being agreed, such as new furniture which will be provided prior to the tenant moving in, these should be written into the rental agreement.
- Where possible, be accommodating towards prospective tenants with pets. Reasonable provision could be made within the tenancy agreement which could cover the possibility of any damage caused by pets to the property, or any furniture which may be provided with the property.
- A tenancy agreement should always be made in writing. A tenancy agreement made verbally still offers the same protection in the eyes of the law as a written tenancy agreement, but the evidence of a verbal tenancy agreement can be harder to prove.

- **If** there is a written tenancy agreement, it should be signed and dated by both the tenant and the landlord, or agent. A copy should be kept by the landlord, or agent, and a copy given to the tenant.
- A written tenancy agreement should also include: Guidance to the tenant on the rights to use any common parts or shared facilities, such as garages, parking spaces or gardens
- Details of any tenancy deposit required
- If known, which tenancy deposit protection scheme the deposit is to be registered with
- If known, how the deposit will be returned, and the terms of any deductions, together with an undertaking to return the balance of the deposit within a reasonable time, which is to be stated in the agreement
- A clear description of which party is responsible for paying: Council Tax, Utility bills Television Licence Phone, broadband, television subscriptions, or any other payable media services
- Any other regular charges linked to the tenancy which are liable to be paid by a tenant
- Any other fees or charges to be made with regard to the tenancy with a clear description of what they are for, and if they are returnable at any point. This is to include all fees charged to the tenant.
- How the tenancy can be terminated.
- It is always a good idea to produce an inventory before a tenancy. The inventory should be presented to the tenant at the start of the tenancy, and the tenant should be given an opportunity to check the inventory is correct before signing up to it. The tenant and the landlord or agent should both keep a copy.
- If a letting agent is involved, it should be made clear to the tenant that the tenancy agreement only relates to the landlord's and tenant's obligations. The letting agent should separately explain to the tenant what their responsibilities are.
- The tenancy agreement should allow for entry in the case of an emergency.

### ***Starting the Tenancy - Requirements***

- If the tenant is responsible for paying utility companies directly, provide the tenant with the relevant information to make it as easy as possible for the tenant to register with them as the customer from the start.

- Where utilities are metered, record the meter readings at the start of a tenancy. Utility companies should also be advised for water, sewerage, gas and electricity, as appropriate.
- The Local Authority should be informed of the date that the tenancy begins for council tax and electoral register purposes.
- Let the tenant(s) know the arrangements for the collection of refuse and recycling.
- Inform the tenant of the insurance arrangements for the property e.g. what is insured and by whom. If a tenant's own possessions are not covered by any existing policy, make this clear to them so they can take out their own contents insurance.
- Explain the workings of the heating and hot water installations, the location of the water stop tap, the main electrical fuse box (and shut-off switch), gas shut-off valve and the use of burglar alarm or any window and door locks.
- Tenants should be made aware of how to use any fire fighting equipment which may be provided, and how to exit the property safely in case of fire.
- Tenants should be provided with information about the proper use of heating and ventilation and practices to reduce the risk of damp and mould growth.
- At the start of their tenancy, information could also be provided to tenants about organisations who could offer them help and advice should something go wrong during their tenancy, such as Citizens Advice Cymru, Shelter Cymru or NUS Wales (if students).

### ***Collecting Rent***

- If used, rent demands should be clear and easy to read to help ensure they are understood by a tenant.
- Provide a receipt for the rent and/or an annual statement of rent if requested by the tenant.
- Agree with the tenant how the rent will be paid. The best method is considered to be by standing order. Rent should not be collected in the form of post-dated cheques.

### ***Contact Arrangements***

- Tenants should be provided with the details of the person who they can contact about their tenancy. These details should be kept up to date. The contact person should hold a licence issued by *Rent Smart Wales*. Details should include: A correspondence address

- A contact telephone number
- An email address (if available)
- The contact person should always respond within a reasonable period of time.
- If different from the person who a tenant should contact about general concerns with their tenancy, tenants should also be given details of how to make contact with a person licensed to deal with any problems within their property in an emergency.
- If the main contact person is unavailable e.g. on holiday, it's a good idea to inform the tenant and provide him or her with alternative contact arrangements.
- Tenants should be advised how to report repair and maintenance issues.
- Explain how the tenant can make a complaint and how they will be dealt with. It is helpful if this is in writing. This helps to ensure any complaints are dealt with fairly, promptly and efficiently.
- For an agent, or for landlords with a portfolio of properties, it is a good idea to include details of formal redress arrangements, where applicable.
- If access to the property is needed, it should be arranged for a mutually agreed reasonable time.
- Landlords should keep the structure and exterior of the property in repair. If an agent is responsible for carrying out the landlord's obligations and is unable to discharge these responsibilities for any reason, they should inform the landlord and give reasons why to enable the landlord to comply.
- If provided, a carbon monoxide alarm should comply with the BS EN 50291 standard, and be installed as the manufacturer's recommendations.
- Be responsive to tenants' requests for repairs and respond within a reasonable timescale. Bear in mind that some repairs which could be relatively minor for some people, could be of greater importance to others.
- ***Emergency repairs:*** these should be dealt with, or made safe, as quickly as possible, preferably the same day. Emergency repairs are where there is a risk of imminent danger to the health, safety and security of the tenant or somebody else on the premises. It could also be something that adversely affects the structure of the building.
- ***Urgent repairs:*** wherever possible, these should be dealt with within three working days of being notified. These include the failure of functions within the property, such as central heating, hot water, and electrical problems. A repair to a boiler which may be considered urgent in the summer months may be an emergency in very cold weather.

- ***Other Repairs:*** Most tenants recognise minor repairs are not a priority but aim to do them as soon as possible and no later than 30 days after the request was made.
- Remind tenants of their responsibility to carry out minor maintenance or repairs, such as replacing light bulbs or clearing pipes or drains they have blocked.
- Care should be taken when choosing contractors who are competent to perform repairs and maintenance on the property. Reasonable steps should be taken to ensure such contractors have: Public liability insurance
- Professional indemnity insurance, if appropriate
- Relevant trade qualifications where required
- Appropriate health and safety risk assessments

### ***Tenant Repairs***

- A tenant should never be evicted simply for making a reasonable repair or maintenance request.
- A request from a tenant to decorate the property should not be unreasonably refused. A compromise might be reached; for example if the tenant agrees to return the decorated area back to the original at the end of the tenancy.
- Should a tenant require adaptations to be made to a property to aid their mobility or access requirements around the property, then this should not be unreasonably refused. Allowing an adaptation to be made to a property could help to secure a longer-term rental income from the tenant of that property.
- Tenants should be consulted when there is a need to carry out repairs or maintenance at the property, unless there is an urgent need.
- Aim to ensure works are carried out to a reasonable standard so that they do not need to be repeated within a short period of time thus saving money and time.
- Inspect a property periodically to identify any hazards or repairs that require attention. It's a good idea to keep a record of inspections, with a list of any issues identified and action taken.
- Carbon monoxide alarms should be provided in all rooms where a gas, oil or solid fuel appliance is present.
- Properties should be fitted with smoke detectors. Ideally there should be at least one smoke detector on each floor of the property.

- Landlords and agents should ensure the safety of any solid fuel and oil heating installations. They should carry out appropriate routine maintenance, including the sweeping of chimneys and flues, on an annual basis.
- A check on the electrical installation should be carried out at least once every five years by a competent electrician, and the results should be recorded in the form of an Electrical Installation Condition Report (EICR).
- Maintenance of any heating appliances should be carried out by an appropriate registered competent person. Landlords and agents should maintain a record of servicing and work carried out.
- Effective insulation of properties, together with the installation of energy efficient boilers, can minimise heat loss, and reduce the cost of bills for tenants. This can help to make a tenancy more affordable for a tenant.
- Measures such as the installation of extractor fans and adequate central heating can help to prevent condensation and, more seriously, rising and penetrating damp which can be very costly to rectify.

### ***Renewing or Changing a Tenancy***

- Any tenancy renewal should always be accompanied by a written tenancy agreement. The tenant should be given sufficient time to review and sign this agreement.
- All fees payable, or potentially payable, to a landlord due to a tenancy renewal or change to a tenancy, should be clearly communicated to the tenant before any new tenancy agreement is made.

### ***Complaints Resolution Process***

- When things go wrong during a tenancy, good communication with the tenant is very important. You should ensure that the tenant is kept up to date with any action that is being taken.
- Assistance, such as mediation, could help to resolve problems before they escalate. This can potentially help to save landlords, agents and tenants on the cost of more formal legal proceedings.
- Tenants should be informed of any redress scheme that an agent may be a member of, such as The Property Ombudsman. They can help in situations where a tenant is still unhappy having followed an agent's internal complaints procedure.

## ***Ending a Tenancy***

- When giving or receiving a notice to end a tenancy, provide the tenant with written guidance which explains what steps they should take to help prepare the property for the end of the tenancy e.g. the handover of keys. Draw the tenant's attention to any specific clauses or obligations within the tenancy agreement relating in particular to proposed deductions from the tenancy deposit but also, for example, to specified standards of cleaning.
- An agent should always inform the landlord promptly, and in writing when they receive notice from a tenant that they wish to bring a tenancy to an end.
- If a tenant does not have accommodation to move into, or is struggling to find alternative accommodation, help them by providing information, such as the Local Authority's Housing Advice Service, Citizens Advice, or Shelter Cymru. Do not wait until the very end of a tenancy to do this, Under Part 2 of the Housing (Wales) Act 2014, Local Authorities have a duty to help prevent homelessness and they work with tenants, landlords and advice organisations to help to find solutions to problems.
- Aim to inspect the vacated property within 24 hours or on the next working day to establish whether it has been returned in the condition specified to the tenant. If this is not possible, then it should be the earliest possible day after the tenancy has ended.
- Inform the tenants of the date of the end of tenancy inspection. Give them a reasonable opportunity to attend the end of tenancy inspection.
- If the intention is to make a deduction from a deposit, when obtaining estimates for restoring the standard of the property and contents following a tenancy, all actions should be recorded. Seek guidance from the tenancy deposit scheme used to register the deposit.
- Notify the Local Authority and utility companies when a tenant no longer lives in a property.
- If applicable, record final gas, electricity and water meter readings and agree them with the tenant.