



# Legal Requirements

For Renting Property in England and Wales

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## 1. INTRODUCTION

If you are thinking about renting out a property, there are a significant number of statutory and regulatory requirements that you need to meet as a landlord. In fact, there are around 145 laws, and over 400 regulations, that need to be followed to legally let a property in England and Wales (*Source – PropertyMark 2018*). The consequences of failing to meet these legislative requirements range from not being able to evict a tenant to being fined or even imprisoned.

These laws continue to evolve. Indeed, there is currently draft legislation being considered that will place further obligations on landlords in areas such as electrical safety, the need to register with a redress scheme, ensuring properties are fit for human habitation, tenant fee ban and the removal of S21 repossession notices. That's a lot of new and significant legislation in a short period of time.

A summary of the most important legal requirements to be met when renting out property is provided below. This checklist is supplemental to our briefing notes entitled "*preparing to rent your property*" and "*renting a property best practices*", both of which are available on request. The following list is not exhaustive and is for guidance only. If you are renting a HMO, then further legislative requirements will apply. Given the magnitude of legislation, you should ensure that you seek appropriate advice, including legal advice, when preparing to rent your property.

If you have any questions with regard to the attached information, then please call the team at Aspire. We look forward to helping you become a successful landlord.



## 2. REQUIREMENTS

- ✓ **Freeholder Consent** – Where the property is leasehold, the lease should be checked to ensure that sub-letting is allowable and whether freeholder consent is required before subletting. *The consequences of non-compliance are civil action for breach of lease and the potential of an action by the freeholder for forfeit of the lease.*
- ✓ **Mortgagor Consent** – If there is a mortgage on the property, the details should be checked to ensure that sub letting is permissible. The terms of a mortgage may need to be changed (including the interest rate) to allow for letting of the property. *Consequences of non-compliance are penalties and potential early repayment of the mortgage.*
- ✓ **Property Safety and Condition** – Ensure that the property is safe for occupation and meets the requirements of the Defective Premises Act 1972, the new Fitness for Human Habitation Bill, various health and safety, fire safety standards etc. *Consequences of non-compliance are potential civil and / or criminal liability.*
- ✓ **Energy Performance Certificate** – Ensure that the property has a current EPC rating of E or higher (A to E) and ensure that the tenant is provided with a copy of the current EPC. *Consequence of non-compliance/ renting a property without an EPC, or with a rating of less than E, is a penalty of upto £5,000. Non provision of a valid EPC will negate the ability to serve a s21 repossession order.*
- ✓ **Client Money** – A tenant's deposit must be placed into an approved protection scheme and the tenant provided with the relevant information about the prescribed scheme. *Consequence of non-compliance is liability to a penalty up to 3 times the value of the deposit. If the tenant is not provided with details of the scheme, then a s21 repossession notice cannot be served.*
- ✓ **Gas Safety** – Where appropriate, provide a current gas safety certificate. *Consequence of non-compliance is liability to a fine of up to £6,000 and upto 6 months imprisonment. A s21 repossession notice cannot be served until a valid safety certificate has been provided.*
- ✓ **Smoke Detectors** – Provide working alarms at the start of the tenancy in accordance with legislation. *Consequence of non-compliance is liability to a fine of up to £5,000.*
- ✓ **Carbon Monoxide Detectors** – Provide working carbon monoxide alarms at the start of a tenancy (where required). *Consequence of non-compliance is liability to a fine of up to £5,000.*
- ✓ **Legionella** – Conduct a legionella risk assessment. *Consequence of non-compliance is liability to a fine of up to £20,000, criminal prosecution and imprisonment upto 2 years.*



- ✓ **GDPR/Privacy** – Register with the ICO and provide a privacy policy to the tenant. *Consequence of non-compliance is liability to a fine of up to £4,350*
- ✓ **Tenant Checks** – Perform an immigration “right to rent” check. *Consequence of non-compliance is liability to a fine of up to £3,000 and potential criminal prosecution.*
- ✓ **How to Rent Guide** – Provide the tenant with a “how to rent guide” publication. *Consequence of non-compliance is inability to serve a s21 repossession notice.*
- ✓ **Maintenance** – Comply with s11 of the Landlord Tenant Act 1985 with regard to landlord repairing obligations, including common areas. *Consequence of non-compliance is potential civil action to enforce obligations and potential damages.*
- ✓ **Furniture** – Meet the requirements of the Furniture and Furnishings Regulations 1988. *Consequence of non-compliance is liability to a fine of upto £5,000 and/or imprisonment.*
- ✓ **Glass** – Ensure that the property is compliant with building regulations part K in “critical locations”. *Consequence of non-compliance is civil liability and potential criminal prosecution.*
- ✓ **Blinds** – Comply with regulations with regard to blind chains and cords. *Consequence of non-compliance is civil liability and potential criminal prosecution.*
- ✓ **Electrical safety** – Comply with required electrical safety standards including a current electrical installation condition report (legislation pending). *Consequence of non-compliance is liability to a fine of upto £5,000 and potential prosecution.*
- ✓ **Harassment** – Ensure compliance with the Protection from Harassment Act and Protection from Eviction Act. *Consequence of non-compliance is criminal conviction and a fine of upto £5,000. Tenant may also take civil action.*
- ✓ **Eviction** – Only repossess the property and evict a tenant through lawful means. *Consequence of non-compliance is criminal conviction and civil liability for damages and costs.*

*Important – The above information is provided for information purposes only and does not represent the full extent of legal obligations and duties placed on landlords. Any and all companies trading as Aspire Residential will not be liable to you for direct, indirect or consequential damage or any damage whatsoever, arising from the use by you, or any third party, of any of the information contained in this document, or as the result of the omission of any information from this document. The legal names of Companies trading as Aspire Residential may be found on our website and is available for inspection at our registered office address. We recommend that you seek the appropriate advice, including legal advice, before renting out a property in England or Wales.*