



## Terms of Business Relating to

SAMPLE

Initials: \_\_\_\_\_

**Terms of Business  
("the Agreement")**

This Agreement contains the Terms and Conditions of Business agreed between the client ("the Landlord" or "the Client" "you" or "your") and Cheffins ("Cheffins" or "the Agent" "us" or "we") of OFFICE ADDRESS. The Landlord should read this Agreement carefully. By signing this Agreement the Landlord accepts the Terms and Conditions set out in this Agreement together with the attached brochure ("the Brochure") which forms part of the Agreement and sets out the full details of each Service, the rights and obligations of both parties in the Agreement and the Brochure; and the fees and charges which the Landlord will pay. The Agreement will be legally binding on both parties. The Landlord should take independent legal advice if there is any uncertainty regarding any of the clauses within this contract. Once signed, this Agreement will be legally binding on the Landlord. In the Agreement and the Brochure the word "Applicant" or "Tenant" means any person applying to rent the property or subsequently taking a Tenancy of it. The word "Property" means the Property address shown below.

**Parties to this Agreement**

This Agreement is made between:

And

and relates to the Property known as

**("the Property")**

Contact Address of the Landlord (if different)

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Telephone Home

Telephone Business

Mobile

Email Address

**Type of Management Service:**

- Let Only Service
- Let and Rent Collection
- Full Management Service
- HMO Management Service
- Platinum Service

**Refer to Schedule 1 for fees relating to the above services**

**Initial Rent:** \_\_\_\_\_

Initials: \_\_\_\_\_

## The Conditions of the Agreement

### Introduction

Cheffins is a Lettings and Management Company who are specialists in providing a professional service to landlords and tenants. .

Fees and expenses are shown in the attached Schedule 1 Commission Fees and Charges.

### Sole Agency

By appointing us, you agree that we shall have sole agency to market the Property for a period of **two weeks** ("the Initial Period"). The sole agency can be terminated at the end of the Initial Period by giving us two weeks' prior written notice. If you do not terminate the sole agency it will continue until we receive your written instructions. During the period of sole agency you are responsible for paying our Commission at the rate of 60% of the first month's rent including VAT (or £600 including VAT whichever is higher) when any person, company or other organisation enters into a binding contract for the occupation of the Property where they do so as a result of:

- a. a viewing conducted by us;
- b. sight of any marketing or advertising material produced by us or by our instructions;
- c. by way of an introduction from an existing occupier for which we have previously charged a commission; or
- d. through the work of yourself or any other agent where this occurs during our period of sole agency;
- e. through the work of yourself where this occurs during our period of multiple agency.

In the following circumstances the Landlord will be liable to pay more than one fee including any VAT in addition to any agreed costs and charges:

- Where the Landlord has previously instructed another agent to let the Property on a Sole Agency basis; or
- Where the Landlord instructs another agent during or after the Initial Period of the Sole Agency.

The Agent will also be entitled to commission fees in each of the following circumstances:

- If Tenancy Agreements for the letting of the Property are exchanged during our Sole Agency even if the tenant was not found by us but by another agent or by any other person, including yourself;
- If a Tenancy Agreement for the letting of the Property are exchanged after the

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expiry of the period during which we had Sole Agency but to a prospective tenant who was introduced\* to the Landlord during the period or with whom we had negotiations about the Property during that period. Even if we are not the effective cause of the transaction. You agree to notify us in these circumstances.

A prospective tenant is deemed to have been introduced by the Agent if, during the Sole Agency the prospective tenant was made aware of the availability of the Property for rent through, for example, advertisements / window displays / internet exposure / applicant database leads or through any other action of the Agent, even if the actual approach was direct to the Landlord or through another agent.

### **Services**

Cheffins will provide the following Services:

#### **Letting Only Service**

1. Advise on possible market rent achievable in current market conditions and the statutory obligations with which the Landlord must comply;
2. Advertise the Property;
3. Provision of a comprehensive marketing campaign including website coverage, property particulars, advertising where suitable, erection of a marketing board to the exterior of the Property in line with local conservation regulations. It is your responsibility to inform us in writing of any restrictions on the erection of a flag board;
4. Introduction of a prospective tenant and negotiating terms between the parties;
5. Take a holding deposit ("Holding Deposit) from the applicant and hold in in compliance with the Act banning taking fees from tenants being a maximum of one week's rent. For a non-Housing Act tenancy, the amount taken as a holding deposit will be one weeks rent. If the Tenancy is an AST no monies can be deducted from the Holding Deposit unless the prospective tenant has failed referencing; right to rent checks; fails to produce information required; withdraws from the prospective tenancy; or refuses to accept the agreed terms. If a non-Housing Act tenancy and the tenancy does not progress sums may be deducted to compensate the Agent and possibly the Landlord for losses suffered;
6. Where possible to take up suitable references and/or credit references for your approval through a third-party referencing agency. Details of their service is shown in the attached Brochure The fee for referencing is payable by the Landlord;
7. Carry out all Right to Rent checks under the Immigration Act 2014 and the Immigration Act 2016 in-house or through a third-party supplier and forwarding them to the Landlord for approval. If Cheffins do not manage the Property any follow up checks will be the legal responsibility of the Landlord including checking any additional occupiers during the Tenancy at the Property. Cheffins have no liability if the Landlord fails to comply with his statutory responsibilities;
8. Arrange an inventory ("the Inventory") if instructed on behalf of the Landlord; and the check in

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of the Inventory at the office with the applicant (“the Applicant”). The cost of compiling the Inventory and check-out is borne by the Landlord;

9. Draft the tenancy agreement (“the Tenancy Agreement”) and relevant documents required by statute;
10. Receive the Deposit and the first month’s rent from the Tenant on behalf of the Landlord.
11. Protect the security deposit (“the Deposit”) through the TDS if the Tenancy is an Assured Shorthold Tenancy (“AST”) and serve the relevant prescribed information on the Tenant, the cost of which will be responsibility of the landlord.
12. Serve the draft Tenancy Agreement and if it is an AST the “How to Rent” Handbook, a copy of the Gas Safety Certificate, the EICR and the EPC on the prospective tenant. The Prescribed Information is also served;
13. Arrange the cleaning of the Property if instructed in writing. The Landlord is responsible for cleaning charges and administration charges as shown in Schedule 1;
14. Arrange for the first instalment of rent (“the Rent”) to be paid in advance to the Landlord’s account as soon as reasonably practicable after deduction of our fees and expenses;
15. Cheffins instruct a third party company called Tenantshop to notify the utility companies (electric, gas, water and the local authority) if applicable of the changeover of occupants at the commencement and termination of the tenancy provided you have supplied us with the full account and contact details of the supplier. You must pay final termination charges. Failure to do so may mean continued liability for the accounts;
16. If requested by the landlord Cheffins will endeavour to negotiate any renewals or extensions on the Landlord’s behalf. You should be aware our fees remain payable even if we do not act on your behalf while the tenant remains in the Property. Refer to Schedule 1 for fees.
17. Cheffins is appointed only for the purpose of finding a tenant for the Property. The responsibility for looking after the Property and dealing with any problems falls on the Landlord once the Tenancy commences. To avoid doubt the fees of Cheffins are payable in full upon the commencement of the Tenancy and at each renewal or continuation of the Tenancy as a fixed term or periodic tenancy;
18. Supply keys to the Tenant and have additional sets cut if necessary at an additional charge to the Landlord;
19. Provide instruction booklets for all appliances, together with information regarding the care of special surfaces if requested by the Landlord and provided the relevant instructions and documents are received by Cheffins from the landlord;
20. If requested by the landlord Cheffins will negotiate the renewal of the Tenancy at the end of the fixed term (“the Term”) together with any rent increase if possible. Refer to Schedule 1 for fees.

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21. Serve the legal Notice to end the Tenancy if instructed to do so by the Landlord, at an additional charge to the Landlord;
22. Advise it is the Landlord's responsibility to arrange repairs if Cheffins do not manage the Property;
23. Advise it is the Landlord's responsibility to negotiate any deductions from the Deposit at the end the Tenancy. Cheffins will not negotiate on the Landlord's behalf;
24. The Landlord will not be entitled to any refund of commission if the Tenancy Agreement is terminated prior to the end of the initial fixed Term;
25. Advise if the Landlord negotiates any renewal of the Tenancy personally it will be his responsibility to renew the gas safety certificate and if necessary the EICR and EPC and serve it on the Tenant. Failure to do so could render a Section 21 Notice invalid.

### **Rent Demand Service**

In addition to the above Cheffins will do the following:

1. Charge a Tenancy Administration Charge of £600 including VAT to cover all administration prior to the commencement of the Tenancy being referencing, drafting the Tenancy Agreement and arranging the compilation of the inventory and check in at the office at the start of the Tenancy;
2. Collect Rent on the Landlord's behalf;
3. In the absence of receiving the Rent we will send two rent demand letters to the Tenant;
4. Upon receipt of the Rent in cleared funds we will forward the funds by cheque or to your nominated bank account.
5. You should arrange a facility with your bank to ensure that all outgoings are covered and to allow change of a rent payment date, void periods or non-payment of the Rent;
6. We will prepare and send regular statements of account to you and/or a nominated person;
7. Advise the landlord if any arrears arise. Cheffins cannot take Court proceedings on the Landlord's behalf;

### **Property Management Service**

In addition to the above Services Cheffins will do the following:

1. Collection of Rent as above;
2. Arrange the collection of the Administration Charge to cover referencing at the start of the Tenancy including guarantors; and referencing of any new or additional occupier including guarantors; renewal of the Tenancy if applicable; registration of the Deposit with TDS;
3. Pay out of the Rent received, any agreed outgoings such as service charges and/or maintenance charges and account to you regularly, provided that we are duly notified in advance of any regular outgoings and the demands/invoices are subsequently forwarded to us;
4. Handle all maintenance issues on a daily basis if cleared funds are held by Cheffins subject to any agreed financial limits;
5. Instruct contractors on the Landlord's behalf as the agent of the Landlord. Payment of

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the invoices are the responsibility of the Landlord;

6. Arrange visits to the Property approximately twice a year provided the Tenant grants access; Cheffins will inform the Landlord if access is refused and await further written instructions;
7. Arrange all repairs up to a limit of £300 including VAT without consent if cleared funds are held except in an emergency. No liability arises if no funds are held;
8. Where possible and practical, estimates will be submitted to you for approval in respect of works, renewal or repairs likely to cost more than the agreed contingency figure except in an emergency or to comply with statute.
9. Arrange a check out of the Inventory of the Property by an inventory clerk at the end of the Tenancy at the Landlord's expense;
10. Negotiate with the Tenant regarding any damage claim and make agreed deductions from the Deposit; including forwarding any adjudication to TDS if relevant if a dispute arises unless either party disagrees;
11. Prepare the documents for adjudication if requested but subject to an additional charge;
12. Distribute the Deposit as agreed between the parties or as agreed through adjudication;
13. Endeavour to obtain a forwarding address from the Tenant;
14. Advise that Cheffins can provide a supervisory service during void periods but subject to an additional charge as specified in Schedule 1 for works in excess of £1200 including VAT and separate negotiation;
15. Advise that the Management Service cannot be terminated until after the first six months of the Tenancy by giving three months' notice in writing. However commission and fees for the Letting and Rent collection remain payable while the Tenant or an associated person occupies the Property.

#### **House in Multiple Occupation ("HMO") Management Service**

1. To carry out the full Management Service as shown above;
2. Advise the Landlord or any application to the local authority for a licence;
3. To ensure that all conditions of the licence granted to the Landlord are carried out and if relevant checked during management visits;
4. Erect a plaque giving full contact details of the managing agent at a visible place in the Property;
5. Advise the Landlord of any legal changes that come to the attention of the Agent that may affect the validity of the Licence;

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6. Arrange all works to be carried out at the Property to ensure compliance with present and any future requirements of the granting of the Licence when they come to the attention of the Agent. The Agent will not be liable for any losses suffered or legal action taken against the Landlord if the Agent does not hold funds to carry out works on behalf of the Landlord.

### **Platinum Service**

1. To carry out all services apart from the HMO Management Service as shown above;
2. The Tenancy administration Fee is not charged to Platinum Service Clients;
3. Referencing of all persons forming the Tenant and any guarantors at the start of the Tenancy and all new or additional occupiers and guarantors if relevant during the Tenancy;
4. Consultation upon written request as shown in Schedule 1 of Additional Charges;
5. Duplicate statements of all rent invoices if applicable;
6. Amendments to the Tenancy agreement upon written request;
7. Deposit registration;
8. Arrangement and cost of the check out report at the end of the Tenancy together with any negotiation required.

### **Landlord's Undertakings**

1. Confirm the Landlord is the owner or joint owner of the Property and has consent to let the Property from the lender if applicable. If more than one person forms the Landlord each person is jointly and severally liable for all commission fees, expenses and costs;
2. Provide keys to us for the purpose of viewings;
3. Agree we may appoint a sub agent if this helps to let the Property;
4. Confirm acceptance of the references; and that the Landlord will carry out any subsequent Right to Rent checks including any additional occupiers if Cheffins do not manage the Property. Cheffins has no liability for failure to do so;
5. Provide any relevant conditions of the lender if applicable to Cheffins for inclusion within the Tenancy Agreement prior to the start of the Tenancy. Conditions cannot be added later;
6. Provide a copy of the head lease to ensure the Tenant complies with any conditions;
7. Provide copies of the relevant sections of buildings and contents insurance policies including third party liability to ensure the Tenant complies with any special conditions;
8. Comply with all safety regulations regarding electricity, gas, other fuels, or furniture if applicable; ensure all smoke alarms and carbon monoxide detectors are in working order; that a risk assessment has been carried out for legionella; and all blinds and curtains comply with current Regulations;
9. Compensate Cheffins for any losses, expenses or fees suffered while acting for the Landlord unless due to the negligence of Cheffins;
10. Register with Her Majesty's Revenue and Customs ("HMRC") if the Landlord is resident overseas. The link is [www.gov.uk/tax-uk-income-live-abroad/rent](http://www.gov.uk/tax-uk-income-live-abroad/rent). Failure to do so means

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basic rate tax will deducted from all rent payments by Cheffins;

11. Arrange legal proceedings at the Landlord's expense if rent arrears arise or the Tenant fails to vacate the Property at the end of the Tenancy;
12. Not to discriminate against any applicant, tenant or any employee of Cheffins. If discrimination occurs Cheffins can give immediate written notice to terminate the Agreement;
13. Providing instruction booklets for all items of mechanical and electrical equipment and for the cleaning and maintenance of any special surfaces at the Property;
14. To determine whether you need a property licence and obtain such a licence prior to the Property being let;
15. To provide the Agent with full details of the requirements under which the licence was granted. The Landlord agrees that failure to inform the Agent means the Landlord will not have recourse for any compensation for a breach of the Licence conditions;

### **Deposit**

Cheffins hold the Deposit as stakeholder which means consent must be obtained from both sides for all deductions. If the Tenancy is an AST the maximum deposit that can be taken is the equivalent of five weeks' rent if the annual rent is £50,000; or an amount equivalent to six weeks' rent if the rent exceeds £50,000 up to the maximum of £100,000. The Deposit is protected if it is an AST with the Tenancy Deposit Scheme ("TDS"). Full details of the TDS can be provided by Cheffins together with the dispute procedure regarding deductions from the Deposit upon written request. Further details and information are supplied in the Brochure.

### **Money Laundering**

In order to comply with the Proceeds of Crime Act 2002, the Money Laundering Regulations 2017 and the Serious Crime Act 2015 Cheffins require the Landlord to provide one proof of identity and one proof of residence, which can be selected from the list below. The Landlord should either send the original documents for copying and returning; or provide copies certified by a solicitor as genuine. Printouts of online bank statements or online utility bills cannot be accepted.

List A: Proof of Identity

Initials: \_\_\_\_\_

- Full Passport
- National Identity
- Card Full Driving Licence
- Cheque (please mark this as

Void") List B: Proof of Residence

- Council Tax Bill
- Utility Bill
- Mortgage
- Statement Bank Statement
- Credit or Charge Card Statement

If the Landlord is a public limited company a certified copy of the Certificate of Incorporation is required. If the company is not a public limited company, certified copies of any two of the following documents are needed:

- Memorandum and Articles of Association
- Certificate of Incorporation
- A set of the latest accounts
- The most recent annual Companies House return

In addition proof of identity and residence of one of the directors of the company must be provided.

### General

1. This Agreement shall be governed by and construed in accordance with the laws of England and Wales and the Courts of England and Wales shall have exclusive jurisdiction in respect of any dispute under it;
2. The address for service for the Landlord will be the contact address specified in this Agreement; and the address for service for Cheffins will be the address specified upon page one of the Agreement;
3. We trade as a **Partnership**. The VAT number is 213235411.
4. We are members of the dispute and compensation scheme operated by The Property Ombudsman ([www.tpos.co.uk](http://www.tpos.co.uk)) and our registration number is: R00491.
5. We are members of the Association of Residential Lettings Agents, National Association of Estate Agents and the Royal Institution of Chartered Surveyors and subscribe to their Codes of Conduct;
6. The service of notices on either party will be by hand delivery, or first class post (deemed served two working days later) or by electronic service. Emails if sent before 4.30pm will be deemed delivered on the next working day to the e mail address of either party provided from time to

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time. The address for service for the Landlord and Cheffins will be those specified in the Confirmation of Instruction to this Agreement;

7. The Contract (Rights of Third Parties) Act 1999 does not apply to this Agreement. We are not responsible or liable for the acts, omissions or failures of third parties unless it is due to the negligence or breach of contract or omissions of Cheffins or their employees;
8. The Landlord agrees not to take action or bring any claim in respect of loss or damage suffered by the Landlord arising out of or in connection with this Agreement against any individual director, partner, consultant, employee or agent of Cheffins even where any of those persons have been negligent. This restriction will not operate to exclude any liability that cannot be excluded at law or to exclude the liability of Cheffins for the acts or omissions of any of their partners, consultants, employees or agents;
9. Cheffins and the Landlord must comply with the Consumer Protection from Unfair Trading Regulations 2008 ("the Regulations") and the Consumer Rights Act 2015. Statements must be factually correct in all communications and Cheffins must not give a potential tenant the wrong impression about the Property to be let. Prior to marketing the Landlord should disclose to us any material information that might affect a prospective tenant's decision to rent the Property. Failure to do so could lead to a claim being made against the Landlord. We are required under the above Regulations to disclose this information to interested parties;
10. By signing the Agreement the Landlord confirms he is unaware of any facts that would affect the Tenant's decision to rent the Property; including confirmation he is unaware of any planning application or permission; any major repair work due to the Property, adjacent premises or the building of which the Property forms part. The Landlord also confirms he is unaware of any major construction, demolition or renovation to any adjacent premises or in the locality of the Property.
11. We reserve the right to assign the rights and or obligations under this agreement.
12. We reserve the right to vary the terms of this Agreement by giving the Landlord one month's written notice;
13. The Landlord is responsible for paying Commission at the rates shown in the Schedule of Commission, Fees and Charges including VAT at the prevailing rate of 20% shown below which may change from time to time; when any person, company or other organisation enters into a binding contract for the occupation of the Property where they do so as a result of a viewing conducted by Cheffins; sight of any marketing or advertising material produced by Cheffins; or by Cheffins instructions; by way of an introduction from an existing occupier for whom Cheffins has previously charged a commission; through the work of the Landlord or any other agent where this occurs during the period of Sole Agency; or through the work of the Landlord where this occurs during any period of multiple agency if this has been agreed in writing between Cheffins and the Landlord. All charges and fees are shown inclusive of VAT;
14. Commission remains due and payable in relation to any extension, renewal or continuation of the Tenancy as a fixed term or periodic Tenancy whether or not Cheffins is the effective cause of the Tenancy; and for the period of time of any such renewal, extension or continuation of the Tenancy;

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15. If the Tenant or any person associated with the Tenant purchases the Property the Landlord agrees to pay Cheffins commission of **1.2%** inclusive of VAT of the purchase price inclusive of fixtures and fittings;
16. By signing this Agreement the Landlord gives us the authority to deduct our Commission, fees, expenses and any other costs from any monies belonging to the Landlord or any deductions from the Deposit agreed by the Tenant for any property owned by the Landlord where we are or were acting on the Landlord's behalf.
17. Any commission earned while acting on the Landlord's behalf will be retained to cover costs; any any fees paid by a tenant will be retained. Full details of fees paid by a tenant can be obtained from the Cheffins website.
18. Any interest accrued on monies that Cheffins hold on the Landlord's behalf will be retained to cover bank and administration charges etc.
19. Interest will be charged at 3% above the Bank of England Base Rate from time to time; on any sums owing from the due date until payment is made whether before or after judgement has been obtained.
20. From time to time we receive fees from contractors which we retain. This does not affect the quality of the service provided.
21. There have been a number of incidents over the past few years where the owner of a property has been defrauded by another person obtaining a large mortgage on the property or selling it. To help prevent such instances arising the Land Registry has introduced a system whereby the owner of a property can register up to three addresses with the Land Registry including an e mail address and an address abroad. Cheffins strongly advises all owners of properties that are being let to go to the website of the Land Registry which can be accessed on [www.gov.uk/protect-land-property- from-fraud](http://www.gov.uk/protect-land-property-from-fraud) which provides guidance notes and access to the relevant form.
22. Our Privacy Policy is shown on our website. To prevent any unauthorised access to or use of personal data, Cheffins has the responsibility to keep the Landlord's personal information and that of any tenant or occupier confidential. We will only use the personal information of the Landlord if we have a legitimate interest such as fees are not paid and Cheffins wishes to refer the matter to a solicitor; or if Cheffins are specifically required to divulge the information by law; or to pass it to a government agency by law; for marketing purposes; or to comply with any terms of this Agreement;
23. We will retain the Landlord's details for marketing purposes **for six years** unless the Landlord informs us in writing that those details should be deleted unless we are required to keep any of the information for legitimate purposes such as legal use or for reporting to HMRC;
24. Cheffins will sign the Tenancy Agreement on behalf of the Landlord. The Landlord will be required to provide written consent for named personnel of Cheffins to sign the Notices and other documents. The Landlord is legally bound to all terms contained in the Tenancy Agreement.

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25. Either party has the right to terminate this Agreement in writing upon the Tenant's vacation of the Property at the end of the Tenancy or according to a break clause; if Cheffins break any important term or condition of this Agreement during the Tenancy where thirty days written notice of the breach has been given by the other party, the breach has not been remedied and monetary compensation is wholly inadequate; if the Landlord is in major breach of any of the terms contained in this Agreement or if the Landlord does or does not do something which makes it impossible, impracticable or illegal for Cheffins to continue performing our obligations under this Agreement; either party carries out or suggests that the other should carry out any form of unlawful discrimination;
26. If the Landlord signs this contract **away** from the offices of Cheffins under certain circumstances the Landlord has the right to cancel this contract within 14 days (the "Cancellation Period") without giving any reason. The cancellation period will expire after 14 days from the signing of this Agreement. To exercise the right to cancel, the Landlord must inform Cheffins of their decision to cancel this contract by post to the address on page 1 of the Agreement, or email to **CHEFFINS OFFICE ADDRESS**. The Landlord may use the Cancellation Notice below before the cancellation period has expired. If the Landlord cancels this contract, all payments received from the Landlord will be reimbursed unless any expenses have been incurred not later than 14 days after the day on which Cheffins is informed about the decision to cancel this contract. Under the Cancellation Regulations Cheffins cannot begin providing the Landlord with the service under the Agreement unless the Landlord has requested that Cheffins begin the service in writing by signing below.

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**Landlord Signatures**

I/we wish Cheffins to begin marketing the Property immediately. I/we agree with The Agent that the terms enclosed in the Agreement being the Terms of Business and the Brochure apply to the Letting of my/our property.

Signed: \_\_\_\_\_

\_\_\_\_\_

Print

name:

Date:

**Signed for and on behalf of Cheffins**

Cheffins agree with the Landlord that the terms enclosed in the Agreement being the Terms of Business and the Brochure apply to the Letting of the Landlord's property

Name(s)

\_\_\_\_\_

\_\_\_\_\_ Position Held

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ Signature

\_\_\_\_\_

\_\_\_\_\_ Date

\_\_\_\_\_

\_\_\_\_\_  
Initials: \_\_\_\_\_

**Cancellation Notice: Complete, detach and return this form ONLY IF YOU WISH TO CANCEL THE CONTRACT**

To: Cheffins

I/We hereby give notice that I/We cancel my/our contract for the service as set out in these

Terms of Business signed on \_\_\_\_\_.

Name(s)

\_\_\_\_\_

\_\_\_\_\_

Address:

\_\_\_\_\_

\_\_\_\_\_

Signature(s):

\_\_\_\_\_

\_\_\_\_\_

Initials: \_\_\_\_\_

### Schedule 1 Commission Fees and Charges

1. Letting Only Service 90% of the first month's rent including VAT (75% plus VAT) (Subject to a minimum fee of £600 including VAT).
  2. Rent Demand Service 9.6 % including VAT (8% plus VAT)  
Plus £600 including VAT Tenancy Administration Charge.
  3. Property Management Service 12% including VAT (10% plus VAT)  
Plus £600 including VAT Tenancy Administration Charge
  4. HMO Management Service 14.4 % including VAT (12% plus VAT).  
Plus £600 including VAT Tenancy Administration Charge.
  5. Platinum Service 12% including VAT (10% plus VAT)  
Plus a fee of £24.00 per month including VAT
- There is a minimum fee of £600 including VAT for all the above Services or the percentage of the fee for each Service being the equivalent of six months' commission whichever is the greater even if not negotiated by Cheffins.*
6. Withdrawal from an Agreed Offer £600 including VAT
  7. Sales Commission if Tenant purchases the Property (1% plus VAT) 1.2% including VAT of the purchase price



8. Consultancy for the following:

- additional visits to a Property (if we are managing); waiting time at the Property;
- having extra sets of keys cut;
- arranging cleaning prior to the start of a Tenancy (if not managing); arranging safety checks;
- installation of smoke alarms or carbon monoxide detectors; obtaining consent from a lender or a Superior Landlord; Serving of required legal Notices

For each of the above: £30 including VAT plus mileage at £0.45 pence per mile (unless Platinum Service is used);

9. Preparation of an Inventory by an inventory clerk Estimates upon request
11. Preparation of an Extension Agreement for the Tenancy £120 including VAT
12. Visits during a void period for each visit £30.00 including VAT per visit  
(one every 2 weeks):
13. Refurbishment works Subject to a supervisory fee of 12% including VAT of the total works.
14. Registration for the Tenancy Deposit Scheme: £36 including VAT
15. Preparation of documentation for Court proceedings or TDS adjudication: £60 including VAT per hour.

- |     |   |  |
|-----|---|--|
| 16. | Attendance by Cheffins at Court or a tribunal with the Landlord and/or their legal representative                         | £60 including VAT per hour plus the reasonable costs and expenses of Cheffins. |
| 17. | Duplicate statements provided to the Landlord or his accountant: for the statements covering all or part of the tax year. | £60.00 including VAT   |

SAMPLE

## The Brochure

The Brochure forms part of the Agreement between Cheffins (“Cheffins”) and the landlord (“the Landlord” or “the Client” “you” or “your”) and is binding on both parties. “Applicant” or “Tenant” means any person applying to rent the property or subsequently taking a Tenancy of it. The word “Property” means the Property address as stated in the Agreement.

### Introduction

Cheffins is able to assist landlords and tenants by providing full information on all aspects of living, letting, renting and providing a professional service to aid in enhancing the whole experience. The company is a specialist in residential sales, lettings and property management. Cheffins offer a comprehensive service for both managed and let only properties. General details of the Services offered by Cheffins are shown in the Schedules below:

1. Let Only Service;
2. Rent Collection Service;
3. Property Management
4. Service;
5. Houses in Multiple Occupation Management
6. Service; Platinum Management Service;
7. Deposit;
8. Landlord’s Obligations;
9. General Obligations;
10. Termination;  
General Data Protection Regulations

### General information for Letting and Managing Services

#### Types of Tenancy

A Tenancy can be for any period agreed between the parties. However, if the Tenancy is an Assured Shorthold Agreement (“AST”) the Landlord should be aware that a Section 21 (Form 6A) Notice to end the Tenancy cannot be served until after the end of the first four months of the Tenancy therefore depending upon the statutory period of notice it is prudent to negotiate a Tenancy of six months or longer. An AST will be used in most cases. If the Property is due to be let to a company; or where the annual rent exceeds £100,000 per year, the Tenancy will fall outside the scope of the Housing Act 1988 and will be a non- Housing Act Tenancy under common law which imposes slightly less legislation on the Landlord.

The notice period to be given for a Section 21 Notice must be for a minimum of two months plus allowing time for service which means delivering or sending it to the Tenant. During the period of the

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pandemic different rules were imposed by the Coronavirus Act 2020. Full details of the notice period currently required will be given by Cheffins upon request. The section 21 notice only has a limited shelf life of six months or more (depending upon the current statutory rules) from the time of service. This condition applies if the Landlord chooses to use a break clause ending the Tenancy early for general or specific reasons provided the Tenancy Agreement includes the relevant clause; or if he serves notice to terminate the Tenancy at the end of the fixed term or during a periodic tenancy (meaning the Tenancy proceeds from month to month until notice is given) if relevant. The Landlord must inform Cheffins in writing if he wishes such a clause included. If the tenant does not move out it is necessary to take legal proceedings to gain possession of the Property.

Where the rent is more than £100,000 per year the Tenancy will be a Non-Housing Act Tenancy which is ended on termination of the fixed term or earlier if the Landlord has requested a break clause within the Tenancy Agreement. If the tenant does not move out it is necessary to take legal proceedings to gain possession of the Property. A non-Housing Act tenancy is often granted to a company who takes the Property in their name and installs occupiers to reside in it. Such organisations often require a Property for more than one year. The Tenancy would generally be for an initial term of twelve months, with the legal right to renew for a further twelve months at the end of the first year and a similar option for a third year (if mortgage conditions allow). The means of obtaining possession if any issues arise is through the Court procedure for forfeiture due to breach. The notice period generally if there is no breach will be according to the conditions specified within a break clause; or a letter sent to the tenant between one and two months prior to the end of the fixed term; or if the Tenancy is periodic by giving one period's notice by serving a Notice to Quit which can vary depending how the rent is paid but would not be less than one month.

## Pre Tenancy Considerations

**Referencing:** Cheffins will take up references for your approval. The Landlord is liable for the fees. An independent approved referencing company will carry out the reference checks. The Landlord must confirm approval of the references. If no confirmation is received Cheffins will proceed after seven days or contact the Landlord for further instructions. Cheffins accept no liability for the accuracy of the information or any loss suffered if an applicant is accepted;

**Withdrawal from an Agreed Offer:** If the Landlord agrees an offer then withdraws the instructions the Landlord will be liable for some or all of the costs and expenses incurred by an applicant dependent upon circumstances. It may not be possible to withdraw from the proposed Tenancy where an offer has been accepted. The Landlord may expect to meet reasonable costs and expenses;

**Rent Arrears or Breach of Covenant:** The Landlord must take all necessary steps to protect their interests including instructing solicitors, commencing legal proceedings and arbitrations. All legal costs including disbursements will be payable by the Landlord. If Cheffins attend a tribunal or Court proceedings then an administration as shown in Additional Charges will be made.

## Types of Service

### Schedule 1: Let Only Service

- 1.1 Cheffins is appointed to find a tenant for the Property. The responsibility for looking after the Property and dealing with any problems falls on the Landlord once the Tenancy commences. Fees and commission remain payable for the duration of the Tenancy and any extension, renewal or assignment of it for a fixed period or as a periodic Tenancy whether or not Cheffins is instructed to act on the Landlord's behalf;
- 1.2 The Service includes all matters detailed and mentioned in the Lettings Only Service in the Terms of Business, but the following additional information should be noted;
- 1.3 Cheffins collects the rent for the first month of the initial Tenancy to cover all commission outstanding. Commission for any renewal extension or continuation of the Tenancy is payable in full within fourteen days of written demand.
- 1.4 The Landlord must check that all appliances are in working order, comply with the current safety regulations, have been recently serviced, checked for safety and have clear instructions for use. And the property is in a condition to be let;
- 1.5 Cheffins prepare written particulars of the Property based on the information provided by the Landlord and market the Property to prospective tenants. Cheffins will use its reasonable endeavours to find a tenant but will not be liable for any failure to do so. It is the Landlord's responsibility to disclose all information to Cheffins.

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- 1.6 As part of marketing Cheffins will erect a To-Let board at the Property and advertise by whichever medium deemed appropriate. The Landlord must notify us in writing if a To-Let board is forbidden by the freeholder or other interested party, or local bye-laws or conservation area restrictions prevent the erection of a Board. When a suitable tenant has been found we will replace the To Let Board with a "Let By" marketing board subject to any legal restrictions;
- 1.7 Arrange for the preparation of an inventory by a third-party firm when the Landlord has requested in writing which will be subject to the charges referred to in Additional Charges at Schedule 1 in the Terms of Business. Cheffins will not be liable for any loss suffered if the Landlord does not have a fully comprehensive Inventory; or for errors or omissions made by the instructed firm;
- 1.8 Prepare an appropriate Tenancy Agreement and arrange for copies to be signed by the Tenant and the Landlord or by Cheffins on the landlord's behalf. The Landlord must ensure that his signed copy is received by Cheffins before the start of the Tenancy. If a third party signs on behalf of the Landlord Cheffins will require a certified copy of a Power of Attorney before that person signs the document.
- 1.9 Cheffins can serve notice including Notice under section 21 of the Housing Act 1988 to gain possession of an Assured Shorthold Tenancy if requested in writing and payment of our administration fee as shown in Additional Charges unless the Property is managed by Cheffins;
- 1.10 **Repairs:** the Landlord must ensure the Property is kept in repair to prevent complaints by the Tenant to the local authority. Cheffins do not arrange the renewal of an EPC, Gas Safety Certificate, EICR or the serving of new Prescribed Information if there is a change in any person forming the tenant if Cheffins do not manage the Property or have not been specifically instructed in writing to act under certain circumstances. Otherwise, if the local authority act an Order may be served on the Landlord to repair. The Landlord cannot serve a valid Section 21 Notice for a further six months if an Order is served which may affect the ability to gain possession. Cheffins has no liability in such circumstances unless we manage the Property; or if sufficient funds or instructions have been received to ensure maintenance work or repairs are carried out.
- 1.11 **Section 21 Notice:** It will be invalid if the Tenant is not in receipt of any of the following: a current EPC, Gas Safety Certificate; the "How to Rent" handbook; and the Prescribed Information has not been served upon a tenant as soon as the deposit has been protected.
- 1.12 **Breaches of the Tenancy:** If Cheffins are managing the Property and become aware of any breach of the Tenancy including rent arrears the Landlord will be informed. It will be the Landlord's responsibility to seek legal advice and take all steps necessary to gain possession. The Landlord must instruct solicitors to act on his behalf and will be liable for all fees incurred;
- 1.13 **Renewal:** Administration charges for renewal of the Tenancy and drawing up the renewal document will be charged while the Tenant remains in occupation;
- 1.14 **Commission:** This will be payable whether or not Cheffins manage the Property for drawing up the renewal document.

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## Schedule 2: Rent Collection Service

The Service includes all the points specified in the Agreement including the Terms of Business and the Brochure in addition to the following:

- 2.1 Payments received will be sent to the Landlord within ten working days after receipt of cleared funds, less agreed commission, fees and charges, into the nominated bank or building society account given. If the Rent is paid by cheque, it may take longer to process the funds;
- 2.2 Cheffins has no liability if the Tenant fails to pay any sum due under the Tenancy Agreement unless due to our negligence or breach of contract. Cheffins will serve the appropriate letter twice and make two telephone calls requesting payment to the Tenant. Cheffins will advise the Landlord in writing to instruct solicitors to take further action. The Landlord will be responsible for any legal charges and expenses incurred;
- 2.3 Cheffins advise having a facility with the Landlord's Bank to take account of differing rent payment dates, void periods or default by the tenant. Cheffins is not liable for any delay in payments being received due to delay or default by the tenant, delays in the banking system or for any other reason.

### **Schedule 3: Property Management Service**

In addition to the above Cheffins will provide the additional services as shown below and specified within the Terms of Business as part of the Agreement:

- 3.1 Cheffins is responsible for dealing with all aspects of the Tenancy during the fixed term and any extension of it. Fees and commission remains payable for the duration of the Tenancy and any extension of it as a fixed term, continuation, renewal or assignment of the Tenancy or a periodic Tenancy. Fees and other charges remain payable if Cheffins is not instructed to continue managing the Property as shown below and in the Agreement for Letting and Rent Collection;
- 3.2 Under the Property Management Service Cheffins will deal with the day-to-day maintenance of the Property. Estimates may be obtained for works of an exceptional nature and submitted to the Landlord for approval prior to Cheffins instructing the relevant contractor and deducting the funds from the repair fund or Rent;
- 3.3 The Landlord must respond promptly with written approval to instruct contractors where works exceed £300 including VAT, as detailed in point 7 under the Property Management Service section on page 5 of this document. Cheffins will not instruct work without such consent unless the works are deemed an emergency, risking significant damage to the property, breach of stature, or the risk of life, serious injury of an individual; or it would result in a major breach of the Tenancy Agreement. In such circumstances the Landlord agrees the repair fund and/or the rent will be used to cover the cost. The Landlord will be responsible for any costs.
- 3.4 Cheffins check the professional qualifications of all contractors together with employer's liability insurance and public liability insurance copies of which must be produced annually. The Landlord is liable for all invoices from contractors if no funds are held;
- 3.5 Cheffins may receive fees from a contractor instructed on the Landlord's behalf. This arrangement does not affect the quality of the work or the service provided. Such fees are retained by Cheffins;
- 3.6 Cheffins will use a particular contractor requested by the Landlord provided the person is readily available and has provided or is able to provide copies of their professional qualification, public liability and employers' liability insurance if applicable;
- 3.7 Cheffins will try to arrange a mutually convenient time for contractors to meet the tenant when attending the Property but will not be not liable for any loss or damage suffered if a contractor is unable to carry out repairs or maintenance because insufficient funds are held unless the loss or damage is due to the negligence or breach of contract of Cheffins;
- 3.8 Cheffins will visit at the Property twice a year provided the Tenant grants access. If access is not granted the Landlord will be informed and it will be the Landlord's responsibility to take legal advice. The Landlord will be informed of any problems which are identified during the visits. These visits only cover obvious problems and not structural defects. Additional visits can be carried out if requested by the Landlord or his appointed representative subject to additional

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charges as shown in schedule 1 or the Platinum Service is used;

- 3.9 If Cheffins becomes aware of any breach or potential breach by the Tenant, they will inform the Landlord. If legal action is required the Landlord must instruct specialist solicitors. The Landlord is liable for any legal charges;
- 3.10 The Landlord must contact Cheffins no later than 10 weeks prior to the expiry of the initial fixed term if they wish to review the terms of the agreement, give notice or renew. The landlord must confirm their instructions in writing. Cheffins will negotiate any instructions received with the tenant. If no communication is received the tenancy will revert to a periodic tenancy on the same terms.
- 3.11 If the Landlord does not wish to renew or extend the Tenancy at the end of the fixed Term, Cheffins if requested in writing with at least two months' notice, will serve notice under Section 21 of the Housing Act 1988 to end the Tenancy; or if a Non-Housing Act Tenancy with at least four weeks' written notice send a letter or a Notice to Quit.
- 3.12 Cheffins will arrange a Check Out of the Inventory and Schedule of Condition if requested in writing at the Landlord's expense unless the Platinum Service is being used;
- 3.13 At the end of the Tenancy with the written consent of both the Landlord and Tenant and subject to any agreed deductions Cheffins will return the agreed amount to the Tenant; and forward to the Landlord any sums retained as compensation after deduction of the cost of any works carried out on the Landlord's behalf.
- 3.14 Cheffins will endeavour to obtain a forwarding address for the Tenant at the end of the Tenancy to give to the water company to comply with the Flood and Water Management Act 2010. The Landlord may be liable to settle payment of the final water account if no forwarding address has been supplied. Cheffins cannot be held liable if the Tenant does not provide a suitable address;

- 3.15 During void periods, it will be the Landlord's responsibility to pay all regular outgoings. Cheffins may pay invoices or demands on the Landlord's behalf if the Empty Property service is used and Cheffins is provided with sufficient amounts monthly in advance plus the fee for the above Service which will be agreed by separate negotiation and in writing. This Service is only available where the Full Management or Platinum Service is selected; but may be available for other Services upon written request and subject to an additional fee.

#### **Schedule 4: Houses in Multiple Occupation ("HMO") Management Service**

In addition to all the above Services apart from the Platinum Service Cheffins will do the following:

- 4.1 Advise the Landlord if an application is required to apply for an HMO licence;
- 4.2 Inform the Landlord of any new or additional scheme being enforced by the local authority;
- 4.3 Aid the Landlord in enforcing the terms of any Licence provided sufficient funds are held by Cheffins;
- 4.4 Check the Property to ensure compliance with any Licence during a management visit;
- 4.5 Inform the Landlord of any breach of the Licence which comes to the attention of Cheffins;
- 4.6 Advise the Landlord if any legal proceedings are required to comply with conditions of a Licence.

#### **Schedule 5: Platinum Service**

In addition to the above services Cheffins will carry out the following:

- 5.1 Referencing at the start of and during a tenancy if necessary to include guarantors;
- 5.2 Negotiating renewals and drafting the relevant documentation;
- 5.3 Consultancy on request as described in Schedule 1 of the Terms of Conditions of business;
- 5.4 Duplicate statements as described in Schedule 1;
- 5.5 Amendments to an existing Tenancy Agreement if required;
- 5.6 Registration or re-registration if required of any deposit held with the TDS;
- 5.7 Arranging the checkout report at the end of the tenancy and negotiating deductions as necessary.

## Schedule 6: Deposits

At the start of a Tenancy Cheffins will do the following:

- 6.1 Collect a deposit (“the Deposit”) from the Tenant equal to five or six weeks rent depending on the type of Tenancy and to comply with the Tenant Fees Act 2019;
- 6.2 Hold the Deposits as Stakeholder in the client bank account; unless prior arrangements have been made in writing;
- 6.3 If the Tenancy is an Assured Shorthold Tenancy (“AST”) Cheffins will give the tenant and any relevant person (“Relevant Person”) such as a guarantor providing the Deposit a copy of the prescribed information about the Deposit and comply with the initial requirements of the relevant tenancy deposit protection scheme within the statutory time limit of thirty days;
- 6.4 Interest on the Deposit will be retained by Cheffins;
- 6.5 The Agent will hold the Deposit under the terms of the Tenancy Deposit Scheme;
- 6.6 The Agent is a member of the Tenancy Deposit Scheme, which is administered by:

The Dispute Service Ltd (“TDS” or “The Tenancy  
Deposit Scheme”) 1 The Progression Centre  
42 Mark Road  
Hemel  
Hempstead HP2  
7DW  
phon 0800 037 1000  
e www.tenancydepositscheme.c  
web om  
emai deposits@tenancydepositschem  
l e.com

- 6.7 At the end of the Tenancy deductions must be agreed between the Landlord and the Tenant. If managing the Property, Cheffins will act on the Landlord's behalf. Once deductions are agreed Cheffins will request both the Landlord and the tenant to confirm agreement in writing;
- 6.8 If Cheffins do not manage the Property, it will be the responsibility of the Landlord to liaise with the Tenant and agree any deductions to be made from the Deposit. Cheffins hold the Deposit until instructions are received;
- 6.9 When written confirmation is received from both parties including all persons forming the tenant Cheffins will release the Deposit as directed within ten days of receiving written consent;
- 6.10 If there is a dispute regarding deductions TDS will insist that Cheffins send the whole Deposit or any disputed amount to them. Cheffins must comply within ten days of receiving the direction;
- 6.11 If Cheffins has to prepare documentation for adjudication a charge will be made for time taken. The cost is shown in Additional Charges.
- 6.12 The Landlord and the Tenant can refer any dispute regarding the Deposit to the TDS for adjudication for up to ninety days from the end of the Tenancy. After that time period has elapsed all disputes must be referred to the County Court for settlement.

#### **Schedule 7: Landlord's Obligations**

- 7.1 **Ownership:** By signing the Agreement of which the Brochure forms part the Landlord confirms he is the owner of the Property;
- 7.2 **Incorrect Information:** The Landlord warrants that all the information he has provided to Cheffins is correct to the best of his knowledge and belief. If the Landlord provides incorrect information which causes Cheffins to suffer loss or causes legal proceedings to be taken the Landlord agrees to reimburse and compensate Cheffins for all losses suffered;
- 7.3 **Consent to Let:** Approval to let a Property is often a requirement of any mortgage. The Landlord must provide Cheffins with any conditions of the lender prior to the Tenancy Agreement being drawn up. Conditions cannot be added at a later date;
- 7.4 **Leasehold Property:** If the Property is leasehold the freeholder or the managing agent may require details of any potential letting. The Landlord must ensure that any lender, freeholder, managing agent or other relevant party's permission has been obtained before entering into a tenancy;
- 7.5 **Periodical payments:** These may arise for a leasehold property. It is the responsibility of the Landlord to pay them. Cheffins take no responsibility for payments unless a separate written contract has been concluded with the Landlord in writing and funds are held. If no funds are held Cheffins have no liability for any losses suffered.
- 7.6 **Insurance:** The Landlord is responsible for making their own arrangements to insure both the building (unless it is a leasehold property); and any contents left in the Property including carpets and curtains. The Landlord's insurance policies should include comprehensive public liability insurance cover in case of a claim from a tenant or other third party. The Tenant must

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be made aware of any special conditions of the Landlord's insurance policy with which he must comply. Copies of the relevant sections of the policy should be given to Cheffins prior to the start of the Tenancy. The insurance company should be made aware that the Property will be rented out otherwise any claim may be refused or rendered void. The Tenant should insure his own contents.

- 7.7 **Gardens:** It is the Tenant's responsibility to maintain the garden (if applicable) in a neat and tidy condition and ensure the lawns are cut regularly throughout the Tenancy. The Landlord should present the garden, if applicable, in a good seasonal condition at the start of the Tenancy and as shown in the Inventory and Schedule of Condition.
- 7.8 **Rent:** Rent is charged as shown in the Tenancy Agreement; and due on the same date of each period payable in advance;
- 7.9 Rent is forwarded by Cheffins to the Landlord after receipt on or after the rent payment date allowing monies to clear into the bank. No interest is paid rent or deposit monies held;
- 7.10 If the Tenant pays until the end of a fixed term or to the termination dates shown in a break clause but vacates the Property earlier and surrenders the Tenancy rent is not apportioned and returned to the Tenant unless due to an overpayment. Cheffins can provide advice regarding reimbursement of funds to the Tenant;
- 7.11 **Inventory and Schedule of Condition:** Prior to the start of the Tenancy Cheffins will instruct an inventory clerk to produce a full Inventory and Schedule of Condition at the Landlord's expense;
- 7.12 At the end of the Tenancy a check out will be conducted by the inventory clerk and a damage report produced. If the Landlord does not have a comprehensive Inventory damage cannot be proven and no compensation would be recoverable from the Deposit;
- 7.13 The Property should be cleaned thoroughly prior to the start of the Tenancy and the compilation of the Inventory;
- 7.14 Cleaning and maintenance instructions for worktops, limestone or other flooring or wooden, granite or other worktops must be left in the Property and noted in the Inventory with a copy given to Cheffins if the Property is managed;
- 7.15 Failure to provide written instructions may affect the amount of compensation for deterioration or any damage;
- 7.16 **Repairs and Decoration:** Landlords are responsible for repairs to the Property and equipment including decoration of the interior and exterior (unless a leasehold property which may have different charges for exteriors and common parts) which result from wear or maintenance. The Tenant must contact Cheffins or the Landlord to obtain consent before carrying out any redecoration or changes to the Property except in an emergency. Cheffins do not arrange repairs if the Property is not managed. When Cheffins manage all contractors are instructed as **agent of the Landlord. The Landlord is liable for all payments;**
- 7.17 **The Homes (Fitness for Human Habitation) Act 2018:** this Act entitles a tenant to take legal action against a landlord if the Property is not deemed to be fit for human habitation. If a judge finds in favour of the Tenant an order will be imposed upon a landlord stating works

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must be carried out. The Landlord may have all the tenant's legal costs awarded against him in addition to his own costs. Cheffins will endeavour to ensure that the Property is fit for human habitation if the Management service is used. Otherwise it will be the responsibility of the Landlord. Cheffins have no liability for failure to comply with current legislation;

- 7.18 **Taxation:** The Landlord will be liable for tax on income arising from letting the Property and must inform Her Majesty's Revenue and Customs ("HMRC") that the Property is being let;
- 7.19 Many costs incurred by the Landlord can be offset against income tax including the commission of Cheffins and other costs. Landlords can seek qualified advice from a tax adviser, or an accountant. Further information is also obtainable from the website of HMRC on [www.hmrc.gov.uk](http://www.hmrc.gov.uk).
- 7.20 It is the legal duty of all landlords to ask HMRC for a Tax Return including the relevant schedules for residential lettings;
- 7.21 **Landlords overseas:** Cheffins or the Tenant if the Rent Collection Service is not used acting for a non-resident landlord must deduct tax from the Landlord's UK rental income and pay the tax to HMRC. This must be done for each quarter in the tax year. If Cheffins or the Tenant (if not managing) receive written approval from HMRC rent can be paid without any tax deduction. Applications can be made to HMRC for approval by completion of the forms on the website by going to the HMRC link: [www.gov.uk/tax-uk-income-live-abroad/rent](http://www.gov.uk/tax-uk-income-live-abroad/rent).
- 7.22 Approval from HMRC is not a tax exemption. A tax return must be submitted annually to HMRC;
- 7.23 Cheffins must be notified of the Landlord's place of residence prior to the start of the Tenancy;
- 7.24 **Utilities and Council Tax: Most utilities are paid by the Tenant during the Tenancy but note below:**
- 7.25 **Water Rates including sewerage and environment charges:** The Tenant is responsible for water rates whether metered or not. Cheffins inform the relevant water authority through Tenantshop to produce a final account for the Landlord at the start of the Tenancy;
- 7.26 The Landlord should be aware that the Flood and Water Management Act 2010 states that if a forwarding address is not provided for the Tenant then the Landlord may be liable for the final water bill. Currently this section of the Act is not enforceable. If Cheffins do not manage the Property then the liability to ensure that a final address is given to the water company falls on the Landlord;
- 7.27 **Telephone broadband, satellite and cable:** The Landlord must inform telephone, broadband satellite and cable companies that the accounts should be terminated and request a final account. Usually telephone companies especially BT refuse to take instructions from an agent
- 7.28 **Electricity and Gas:** The inventory clerk will take electric meter readings at the start of the Tenancy to enable Tenantshop to inform suppliers of the change of account details. A final account will be sent to the Landlord. The Tenant will pay all bills during the Tenancy. At the end of a Tenancy, in the absence of a new tenant Tenantshop will transfer the accounts back into the Landlord's name;
- 7.29 Tenantshop will inform the local authority of the change of occupier and request that the

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account be transferred into the name of the tenant or occupier at the start and end of the Tenancy;

- 7.30 **Mail:** It is in the Landlord's interest to arrange with the Post Office for re-direction of personal mail, as neither the Tenant nor Cheffins can be held responsible for mail addressed to the Landlord at the Property which may subsequently go astray.

### **Schedule 8: General Obligations**

- 8.1 An administration charge will be made if Cheffins do not manage the Property for drawing up the renewal document;
- 8.2 Renewal fees will be charged for the whole period the Tenant remains in occupation;
- 8.3 **Structural Defects:** The Landlord agrees to notify Cheffins in writing of all structural defects at the Property prior to the commencement of a Tenancy and arrange rectification promptly;
- 8.4 **Furniture and Furnishings (Fire)(Safety) Regulations 1988 as amended:** it is an offence to "supply" any item that is not safe in the "course of business" meaning letting of the Property. Upholstered furniture must carry a permanent label. Any furniture manufactured before 1950 is excluded as the filling is not toxic unless the item has been re-upholstered when proof will be required of compliance with current Regulations;
- 8.5 **Smoke Alarms:** The installation of mains operated smoke detectors with battery back-up applies to any new building from June 1992. Smoke alarms must be installed on every floor and be interlinking. Older properties apart from an House in Multiple Occupation ("HMO") do not need to conform to the above building regulations; **Smoke and Carbon Monoxide Alarm (England) Regulations 2015:** specify the Landlord must install one battery operated smoke detector on each floor of a property unless there is a mains wired alarm system where there is living accommodation (including a mezzanine or bathroom). The alarm must be tested at the start of each new Tenancy. If Cheffins let the Property, the test will be carried out on a Landlord's behalf at the start of the Tenancy but not on renewal if the Property if the Property is not managed. Cheffins can arrange the installation of smoke detectors subject to an administration fee. A property cannot be let without smoke alarms being installed;
- 8.6 **Blinds and Curtains: EC regulations** apply to new installations for raising and lowering of blinds; and the movements of curtains across windows. A contractor must install fixed cords or ball bearing pulls to prevent the danger of asphyxiation to a young child. A warning notice is provided with the purchasing materials. Cheffins has no liability for failure to comply;
- 8.7 **Legionella:** To comply with the Health and Safety Executive's Code of Practice the Landlord must carry out a risk assessment for legionella at the Property prior to letting. Cheffins can arrange the legionella risk assessment at the Landlord's expense if none is provided;
- 8.8 **Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020** – As of 1<sup>st</sup> July 2020 it became a legal requirement for every fixed electrical installation at the property to be inspected and tested at least every five years by a qualified person. Cheffins can instruct a qualified electrician to check the supply and appliances, upon written request.

The Landlord is liable for all costs. Any checks carried out by the Landlord's own contractor must be undertaken by a competent person possessing the correct equipment and qualifications

- 8.9 Instruction booklets and explanation notes should be left at the Property for safe use of all appliances otherwise the appliance would have to be removed;
- 8.10 **Gas Safety Regulations 1998:** All gas appliances flues and pipe-work must be checked prior to the start of the Tenancy and annually thereafter. If the GSC is not produced at the start of the Tenancy the Landlord will be unable to serve a Notice under Section 21 of the Housing Act 1988 to obtain possession of an AST. When the GSR is renewed copies must be served on each person forming the Tenant not left in the Property. However, if any other Service is used it is the responsibility of the Landlord to arrange all checks and serve the relevant documentation;
- 8.11 **Energy Performance Certificate ("EPC"):** All rented Property must have an EPC with the minimum rating of an "E". An EPC lasts for ten years after which it must be renewed. Cheffins will provide a copy of the EPC to the Tenant at the start of the Tenancy. If the Property is managed Cheffins will arrange a further inspection by a Domestic Energy Assessor at renewal to ensure that there is always a valid EPC. the Landlord must renew an EPC if the Property is not managed. If there is not a valid EPC a section 21 Notice may not be valid.;
- 8.12 **Housing Health & Safety Rating System ("HHSRS"):** The HHSRS ensures that owners maintain their properties in a safe manner; free from hazards that may affect the occupier's health and or safety. The Environmental Health Officer will review the Property to ensure there is no risk of any hazard to the Tenant or occupiers and if necessary, take enforcement action by serving the relevant improvement notice on an owner but subject to appeal. If Cheffins manage the Property all necessary work can be arranged provided adequate funds are available;
- 8.13 **Council Tax:** The Tenant has the statutory and usually the contractual liability which may have taken by a tenant for payment of council tax, as stated in the Tenancy Agreement. The Landlord is liable for council tax during any void period; or depending upon the conditions of the local authority if the Property is an HMO;
- 8.14 **Empty Properties: Cheffins** does not manage empty properties. Special arrangements can be agreed in writing subject to an additional fee agreed between the parties. The Service will include visits to the Property weekly provided all fees are paid in advance. The Landlord should inform his insurance company about void periods and comply with any terms imposed by the insurer;
- 8.15 **Immigration Act 2014:** The Act imposes an obligation on the Landlord to check passports or other identity documents of all adults (aged 18 years and over) residing at the Property at the start of the Tenancy or thereafter. The person must be in the presence of the Landlord or the Agent to check whether the person requires a visa or work permit; holds valid authorisation to do so and is complying with its terms. Cheffins will check this information at the start of the Tenancy. If Cheffins do not manage the Property the Landlord must ensure that the work permit or visa is renewed every twelve months or prior to the date of renewal; and the relevant Right to Rent checks are carried out on any new or additional occupiers at the Property;
- 8.16 **Rent Arrears or Breach of Covenant:** The Landlord must take all necessary steps to recover possession and to protect their interests; including instructing solicitors, commencing legal

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proceedings for any reason; and disbursements incurred including legal. Cheffins will attend a tribunal or Court proceedings. An administration charge including VAT per hour will be made;`

- 8.17 **Reimbursement of the Agent:** The Landlord must keep Cheffins indemnified against any claim damages or expense whether criminal or civil;
- 8.18 **Sub-Contractors:** Any party, instructed by Cheffins will be instructed on the Landlord's behalf. The Landlord is liable for the payment of sub-contractors invoices or other expenses. Cheffins is not liable for the quality of the work;
- 8.19 **Charge: The Landlord is liable to pay all administration costs at the start of the Tenancy;**
- 8.20 **Housing Act and House in Multiple Occupation:** If there is more than one household in the Property then the Property will be known as an HMO. The Property may require a licence. Some local authorities impose selective or additional licensing. The Landlord must make enquiries and gain the licence if applicable. Cheffins can act for the Landlord (see HMO Management Service). Cheffins will not let out the Property if a licence is needed until obtained. The Agent will not accept liability for any failure of the Landlord to obtain the relevant licence.
- 8.21 **Indemnity:** If Cheffins consider any required action involves a higher risk to Cheffins or the Landlord which is outside our normal procedure Cheffins may ask for a written indemnity to cover any loss, damage or other costs incurred. If you refuse then we reserve the right to terminate this Agreement.
- 8.22 **Jurisdiction:** This Agreement shall be governed by and construed in accordance with the law of England and Wales and the Courts of England and Wales shall have exclusive jurisdiction;
- 8.23 **Service of Notices:** The provisions for the service of notices are that if either party deliver by hand any Notices or documents which are necessary under the Agreement, or any Act of Parliament to the other party by 5.00pm or the last known address of the other party; the documents or Notices will be deemed delivered on the next working day which excludes Saturdays, Sundays and Bank Holidays; or if the documents or Notices are sent by ordinary first class post addressed to the other party or the last known address of the other party the documents or Notices will be deemed delivered two working days later, which excludes Saturdays, Sundays and Bank Holidays or by e mail at the e mail address supplied from time to time by either party. The address for service for the Landlord will be the contact address specified in the Particulars in the first section of the Terms of Business and the address for service for us will be **CHEFFINS OFFICE ADDRESS**