

**Hancock and Partners General Information  
and Terms and Conditions of business**  
**Residential Lettings and Management Services**

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## **Definitions of Main Terms**

### **"The Agent"**

means Hancock and Partners Limited and their successors in title and assigns

### **"The Landlord/ Client/You"**

is the person, persons or company that has or have the legal right as freeholder or leaseholder to let the property. If more than one person and if the context permits the singular denotes the plural as well.

### **"The Tenant"**

is the person, persons or company that rents or rent the property during the term agreed in the Tenancy Agreement. If more than one person and if the context permits the singular denotes the plural as well.

### **"The Property"**

means the Landlord's premises that are let, or may be let, to the Tenant under a tenancy agreement.

### **"The Tenancy Agreement"**

is the written contract between the Landlord and Tenant setting out the terms of the Tenancy including the rent and any extension or renewal of the original agreement.

### **"Rent"**

is the sum payable by the Tenant to the Landlord for the duration of the Tenancy inclusive of ground rent and service charges but excluding gas, electricity, oil, water, telephone and council tax except where otherwise stated.

### **"Commission"**

is the Agent's remuneration for letting and, where selected, managing the property and is a percentage of the rent exclusive of ground rent and service charge. It is payable by the Landlord to the Agent as long as the Tenancy continues. It is payable from each rental payment, or by the Landlord direct upon written demand if no rent is received from the Tenant. In the event of a Tenant or a Landlord exercising a break clause in accordance with the terms of the Tenancy Agreement, any commission paid in advance to the Agent will be refunded to the Landlord on a pro rata basis.

### **"The inventory"**

is a detailed check of the contents item by item, their condition and the visual state of the Property prepared by an independent inventory clerk.

### **"The deposit"**

is the sum of money a maximum of five weeks rent or maximum of six weeks if the rent exceeds £50,000 per annum, lodged with the Agent by the Tenant at the start of the Tenancy and is intended to cover any damage or loss incurred during the Tenancy. It is held by the Agent as stakeholder according to the terms of the Tenancy Agreement. The balance belongs to the Tenant after deducting costs and other sums due, and must be returned within a reasonable period. It will be held pursuant to statutory protection in accordance with the Housing Act 2004 (Chapter 4, sections 212 - 215; and schedule 10). If the deposit is insufficient, the Agent will invoice the Tenant direct on behalf of the Landlord.

### **"Stakeholder"**

means that the deposit is held for the benefit of both the Landlord and the Tenant and that, at the end of the Tenancy, deductions can only be made from it with the written consent of both the Landlord and the Tenant or by court order or decision of an adjudicator.

### **"Member"**

means that the Agent is a member of The Dispute Service (TDS) and The Deposit Protection Scheme (DPS)

### **"The Tenancy"**

is the full period during which the Tenant rents the property from the Landlord.

### **"Terms and Conditions"**

means these Terms and Conditions including the acceptance form.

### **"Jointly and severally liable"**

means that each person will be responsible for complying with the obligations and paying all charges and costs under the Agreement, both individually and together.

### **"Proper law and jurisdiction"**

This Agreement shall be governed by and construed in accordance with the law of England and Wales.

### **"House in multiple occupation (HMO)"**

A house, part of a building or a flat in which two or more households exist, comprising three or more people (as their only or main residence) who share one or more basic amenity and for which rent is paid by at least one person

Or

A building or part of a building which has been converted into self-contained flats but was not converted to the 1991 Building Regulations and still does not comply with them, and where less than two thirds of the self-contained flats are owner-occupied.

An HMO must have a local authority licence if all of the following apply: -

1. The building or part of the building (see above) is classed as an HMO, and
2. It is occupied by three or more people who form two or more households and who are sharing one or more basic amenity.

**"TDS"**

means The Dispute Service, one of the government approved schemes for protecting a tenant's deposit.

**"DPS"**

means the Deposit Protection Scheme, one of the government approved schemes for protecting a tenant's deposit.

**"ICE"**

is the Independent Case Examiner of The Dispute Service.

**"ADR"**

Alternative Dispute Resolution. If there is deposit dispute an adjudicator of TDS or DPS (see schedules I and II) will assist the parties to agree what sum the landlord can deduct from the deposit.

**Letting only service**

1. The following services are included in the Agent's letting only service:
  - 1.1 Accompanying a prospective Tenant when viewing the Property.
  - 1.2 Holding keys to the Property.
  - 1.3 The Agent shall prepare letting particulars of the Property and shall advertise where deemed appropriate by the Agent. Unless the Landlord instructs the Agent to the contrary, details of the Property (without disclosing the street number) will be placed on the Internet (i.e. on the Agent's website and other websites as deemed appropriate by the Agent).
  - 1.4 Unless the Agent receives the Landlord's specific instructions to the contrary, details of the Property will be given on a commission-sharing basis to other agents. This involves the Landlord in no additional expenses.
  - 1.5 Introducing a Tenant, negotiating an acceptable rent and obtaining financial references and other such references as the Landlord may require or seem prudent. The Agent will either apply for references or use a reputable credit reference agency.
  - 1.6 If the Landlord does not raise any queries about the references prior to signing the Tenancy Agreement the Landlord is deemed to have accepted any such references.
  - 1.7 Preparing and/or negotiating a Tenancy Agreement acceptable to both parties. The Agent cannot check Tenancy Agreements which have been prepared by other firms, or premium leases. For these documents, the Landlord is advised to seek separate legal advice.
  - 1.8 Collecting and holding the deposit except where a Letter of Guarantee is acceptable to the Landlord.
  - 1.9 Arranging a pre-tenancy cleaning of the Property when instructed by the Landlord.
  - 1.10 When instructed by the Landlord, arranging an Inventory and a Schedule of Condition of the Property (and the contents to be included in the letting) to be prepared by an independent inventory clerk at the commencement of the Tenancy.
    - 1.10.1 The Agent will not be responsible for the contents of any room or storage area locked by the Landlord. No items of a combustible or inflammable nature or non-compliant items of furniture or furnishings can be stored in any locked area. The water stopcock, gas shut off valve and electricity mains switch must be accessible at all times.
  - 1.11 At the point of renewal the Agent will contact the Landlord to discuss the requirements and other aspects of the Tenancy such as refurbishment or a rent increase, as market conditions dictate.
  - 1.12 The Agent will, upon receipt of written notice from the Landlord and Tenant extend the Tenancy, negotiate a rent acceptable to both parties, draw up extension documents and obtain signatures from both parties.
  - 1.13 If the property has been let under an Assured Shorthold Tenancy and possession is required at the end of the fixed term, a Section 21 Notice must be served on the Tenant. This will only be served on receipt of written instruction from the Landlord. The notice period is a minimum of two months but further time must be allowed for service of the notice. Upon expiry of this notice the Landlord is entitled to commence proceedings to recover possession of the property. A Landlord is not entitled to possession of a property where an Assured Shorthold Tenancy has been granted (even if the fixed term expires), unless the Notice has been served on the Tenant or unless the Tenant is in breach of the Tenancy Agreement and possession has been granted by the courts. There will be a charge to Letting only and rent collection clients for this service at the expiration or sooner determination of the Tenancy:
  - 1.14 When instructed by the Landlord, arranging the check-out report at the end of the tenancy and sending the inventory check-out report to the Landlord for action and costing. Any charges arising from the inventory report are to be agreed directly between the Landlord and the Tenant.

- 1.15 The Agent holds the deposit as stakeholder and is unable to release monies from the deposit without the written consent of both parties. Should you require the Agent to negotiate deductions on your behalf please refer to page 11 for charges for this service.
- 1.16 Upon receipt of written consent from both parties, the Agent shall refund the deposit or balance of the deposit to the Tenant less any charges agreed in writing between the Landlord and the Tenant (see clause 7.1).
- 1.17 Unless agreed by special arrangement in writing, the Agent is not responsible for the property before the Tenancy commences, or between tenancies, and where no vacant management arrangement exists for the property. The management arrangement ceases when the Tenancy expires, unless the Landlord elects to instruct the Agent to carry out vacant property management (see clause 4.2).

### **Rent collection and letting service**

2. The following services are included in our rent collection and letting service:
  - 2.1 Where the Agent is instructed to collect rent, the Agent will undertake the demands for rent, preparing a statement of account and remitting the rent to the Landlord as agreed provided that the Agent is in receipt of cleared funds.
  - 2.2 The Agent will use its best endeavours to arrange for a standing order to be set up so that the Tenant can send future rent payments directly to the Agent. Rental moneys will be paid to the Landlord's nominated bank/building society account less the Agent's agreed fees and expenses. Monthly statements of account will be sent to the Landlord within 15 working days after receipt of cleared funds.
  - 2.3 The Agent will not be held responsible if the Tenant fails to pay the contractual rent. The Agent will however take such action in the Landlord's name as is appropriate in the circumstances to recover rent arrears by serving the appropriate letter (or notice) to the Tenant's home address. If this does not have the desired effect the Agent will advise the Landlord to instruct specialist solicitors to take further action. The Landlord will be responsible for the Landlord's legal charges and expenses.
  - 2.4 Upon written instruction from the Landlord, the Agent will grant, extend or renew Tenancies in respect of the property and sign and complete Tenancy Agreements on behalf of the Landlord and vary any clauses or provisions, decide appropriate levels of rents, and/or grant any approvals to the Tenant pursuant to any clauses in the Tenancy Agreement.

### **Property management and letting service**

3. In addition to Clauses 1 and 2 the Agent offers a full property management service, as follows.
  - 3.1 Arranging payment of the Landlord's final utility and Council Tax bills, provided the Agent is supplied with the name of the utility supplier, the name the account is held under and the account number. The Landlord(s) should be aware that some suppliers will only take instructions directly from the account holder.
  - 3.2 Arranging for necessary gas and electrical checks and certificates. If the Agent arranges for gas and electrical certificates, the Landlord will be responsible for payment of the contractor's invoices which the Agent will deduct from the initial rent received, or the Agent will request additional moneys.
  - 3.3 If instructed in writing, arranging payment of the Landlord's outgoings (such as service charges and water rates) provided the invoices are sent to the Agent and provided also that the Agent holds sufficient funds. All invoices remain the responsibility of the Landlord. The Agent cannot be held liable for any loss suffered in the event that the Agent does not hold funds, or if any dispute arises concerning payment of an invoice except in circumstances where the dispute or loss is due to the Agent's negligence or breach of contract.
  - 3.4 Maintaining a working cash balance (not in excess of £500 unless with prior consent of the Landlord) paid in advance or from moneys received, to be held during the Tenancy to meet regular management expenditure prior to, during and at the end of the Tenancy including repairs or replacements where urgent action is required. The money is held in a client account and interest is not payable. The Agent does not undertake to meet any outgoings beyond the funds it holds (in accordance with the code of practice of the Royal Institution of Chartered Surveyors).
  - 3.5 Attending to any maintenance issue raised by the Tenant during the Tenancy; calling out a contractor to carry out the appropriate repair or remedy; apportioning the charge as appropriate between the Landlord and the Tenant. Wherever possible the Landlord's approval for repairs will be sought if the cost is likely to exceed £500 and provided the Landlord or the Landlord's authorised representative can be contacted easily.
  - 3.6 The Agent will pay contractors for carrying out works to the Property on the Landlord's behalf (provided the Agent is in sufficient funds).
  - 3.7 The Agent will not be responsible, where a contractor has been instructed on the Landlord's behalf, for any negligence or damage to the Property or its contents by that contractor.
  - 3.8 The Agent will act to protect the Landlord's interest without prior consultation when considered necessary in the event of an emergency and to ensure the Landlord is compliant with his/her statutory obligations.
  - 3.9 Visiting the property not less than twice a year during the Tenancy and reporting back to the Landlord on its visual condition (NB: this is not a structural survey and the Agent will only report on the visual condition which is apparent from this visit). The Agent is not liable for any hidden or latent defect which arises if it is not easily visible at the time of the Agent's visit.
  - 3.10 Either party can terminate the management agreement by giving three month's written notice to the other except where a material breach of contract, negligence or the actions of either party make it impossible for the management agreement to continue and the breach or action has not been remedied within thirty days of notice of the breach or action being given in writing. In such a situation, termination can be made with immediate effect by serving notice in writing.

3.11 The minimum period of the Agent's appointment is six months and the Agent's fees are payable for at least that period.

## **Additional services**

4. The Agent offers the following additional services:
  - 4.1 Decorating and refurbishment service
  - 4.2 Obtaining two quotations from interior designers, furnishers or decorators and submitting the quotations with comments and suggestions to the Landlord.
  - 4.3 Instructing the interior designers/furnishers/ decorators to proceed with the contract on behalf of the Landlord at an agreed figure on written instruction from the Landlord. In most cases interior design/furnishing and decorating contracts are not accepted without 50% of the cost being paid to the contractor and in some cases progress payments are also required. The Agent would therefore expect to be put in funds for the full estimated cost at the time the Agent accepts the contract on the Landlord's behalf. No instructions will be given to contractors until the Agent is in receipt of cleared funds.
  - 4.4 Supervising contractors, including arranging access to the Property during working hours.
  - 4.5 The Agent reserves the right to decline certain instructions. If the Landlord agrees in writing to employ a professional project manager to oversee the works, any costs associated with this are the responsibility of the Landlord.
  - 4.6 Vacant property management service
  - 4.7 The Agent's property management service does not include security or supervision of the property when it is not let, although the Agent may make periodic visits in the course of finding a prospective tenant. If the Landlord instructs the Agent to manage a vacant property the Agent will inspect regularly and pay essential bills, and the fee for this service is £360 per quarter (or any part thereof). It is important that the Landlord checks the details of their insurance policy in respect of vacant property to ensure compliance.
  - 4.8 Negotiating damages and deposits at the expiration of a Tenancy, when instructed on a letting only basis.
  - 4.9 On written instruction from the Landlord, the Agent will handle all negotiations relating to the Tenant's deposit release at the expiration of the Tenancy and the Agent fee for this service is £120 per hour (or part thereof).

## **Fees**

5. The Agent's fees for the above services
  - 5.1 Fees for the letting only service
    - 5.1.1 The Agent's commission is 12% of six months' gross rent reserved under the terms of the Tenancy, whether or not the Tenancy is finalised by the Agent provided the Landlord uses the Agent's services, but except in the case of a Tenancy Agreement of three months or less (see point 5.1.1 below). The commission will be deducted from the first months' rent. Interest will be charged at 4% above the base rate of the Bank of England on any commission invoice outstanding for twenty-eight days or more after the Tenancy has commenced.
    - 5.1.2 For Tenancy Agreements up to and including three months, the Agent's commission is 24% of the gross rent reserved under the terms of the Tenancy Agreement. Commission will be deducted from rental payments if the rent is collected by the Agent. If the Landlord elects to collect the rent independently, the commission is payable on or before the start of the Tenancy, by cleared funds. Interest will be charged at 4% above the base rate of the Bank of England on any commission invoice outstanding for 28 days or more after the Tenancy has commenced.
    - 5.1.3 Irrespective of the length of the Tenancy Agreement, the Agent's minimum commission is £600.
    - 5.1.4 For preparing and/or negotiating the Tenancy Agreement plus additional administrative services, a setup fee of £192 will be charged by the Agent to the Landlord.
    - 5.1.5 If an offer is accepted by the Landlord for the Property after the introduction of a Tenant by the Agent and the Landlord later withdraws from the proposed letting for reasons other than unsatisfactory references, the Agent will charge the Landlord an administrative fee of £240. In addition, all costs incurred by the Agent in respect of advertising/marketing are to be reimbursed by the Landlord on the submission of invoices.
    - 5.1.6 In the event that the Landlord and the Tenant agree to a renewal or extension of the Tenancy a charge of £120 will be charged to the Landlord of non-managed tenancies for the preparation of the renewal/extension documentation.
  - 5.2 Fees for the rent collection and letting service
    - 5.2.1 The Agent's commission is 12% of the gross rent payable throughout the term.
  - 5.3 Fees for the property management and letting service
    - 5.3.1 The Agent's commission is 15% of the gross rent reserved for the entire term of the Tenancy if the Landlord elects for the management and letting service together. In the event of rent or part thereof not being received by the Agent, commission for the management service will be collected from the Landlord by separate arrangement.
    - 5.3.2 If the Landlord elects to choose the management service only, the Agent's commission is 5% of the gross rent reserved under the Tenancy Agreement plus VAT, such sums to be paid by the Landlord when invoiced or, if sufficient, deducted from rental payments received.

- 5.3.3 If the Agent is required to negotiate insurance claims on behalf of the Landlord, the Agent will charge the Landlord a sum equal to 12% of the total claim.
- 5.3.4 If the Agent is required to arrange for major works (such as redecoration, re-carpeting, replacing bathrooms or kitchens, roof replacement, damp proof works, and such like.), or to make any purchases for the Property on behalf of the Landlord an additional charge of 15% of the total costs of the works will be made. If quotations are obtained and the Landlord elects not to proceed with the works, a minimum fee of £120 will be charged.

## **Additional charges**

### **6. The following additional charges may apply;**

#### **6.1.1 Sale of the Property**

6.1.1.1 In the event of a Tenant, or any person or corporate body associated with the Tenant purchasing the Property either before, within twelve months after or during the term of the Tenancy, a fee of 1.2% of the sale price of the Property will be payable to the Agent by the Landlord on completion of the sale.

6.1.1.2 If the Client sells the property during the first year of the Tenancy, which includes any extension renewal or holding over, to a third party, the Client shall remain liable for all the Agent's commission and fees hereunder; but if the new owner enters into a new letting agreement for the Property with the Agent then the Agent will release the Client from future liability.

#### **6.1.2 Courier charges**

6.1.2.1 The Agent reserves the right to charge the Landlord for courier expenses if they are incurred by the Agent in preparation of the Tenancy Agreement or during the period of the Tenancy.

#### **6.1.3 Inventory**

6.1.3.1 The inventory is prepared by an independent inventory clerk. The clerk will make a charge for compiling the inventory (if there is not already one) which is payable by the Landlord. The clerk will check the inventory at the start of the Tenancy, and again at the end of the Tenancy. The Landlord is responsible for paying the check-out fee. The Agent shall not be held responsible for any inaccuracies or omissions relating to the inventory or its contents.

#### **6.1.4 Managing when instructed to let only**

6.1.4.1 If after the Landlord elects to instruct the Agent to carry out the letting only service, and no arrangements have been made to manage the Property, the Agent is nevertheless required to manage the property for a period, the Agent will make a charge to the Landlord of £120 per hour for such services.

#### **6.1.5 Attendance at formal proceedings**

6.1.5.1 If any of the Agent's officers or members of staff is required to attend a hearing, appointment, or meeting in connection with any court, tribunal, mediation or adjudication process to give evidence the Agent will charge the Landlord £120 per hour in respect of each officer or member required to attend.

#### **6.1.6 Safety regulations**

6.1.6.1 If the Landlord elects to instruct the Agent to carry out the letting only service, the Agent reserves the right to appoint a GAS SAFE registered engineer to inspect all gas appliances and their installations and carry out any remedial works where necessary. The Agent's administration charges of £24.00, will be debited from the Landlord's account or invoiced directly to the Landlord for payment to be made within 14 days.

#### **6.1.7 Energy Performance Certificates (EPCs)**

6.1.7.1 If the Landlord elects to instruct the Agent to carry out the lettings only service, and the Landlord has not arranged for an EPC to be prepared, the Agent reserves the right to appoint a domestic energy performance assessor to prepare the energy performance certificate. The cost incurred, together with the Agent's administration charge of £24.00, will be debited from the Landlord's account or invoiced directly to the Landlord for payment to be made within 14 days. See also 7.6 and 7.8 for more information on EPCs.

#### **6.1.8 Other charges**

6.1.8.1 Any reasonable expenses and costs incurred during the Tenancy as a result of the Agent acting on the Landlord's behalf will be deducted from the rent. (see page 12 for charges).

## **7. Legal Requirements**

The Agent is neither a law firm nor an accountancy firm and the information set out under this section is intended only for guidance. The Landlord should seek legal and accountancy advice, where appropriate, in relation to his legal and fiscal obligations.

### **7.1 The Tenancy Deposit Protection Schemes**

7.1.1 The Agent will hold deposits in accordance with the terms set out in the Tenancy Agreement(s) and any statutory requirements.

7.1.2 If the Agent is instructed by the Landlord to hold a deposit, the Agent shall do so as stakeholder under the terms of the relevant tenancy deposit protection scheme (TDS or DPS).

7.1.3 As stipulated by the Housing Act 2004 the Agent must tell the Tenant within 10 working days (or any pre-agreed timescale) of the end of the Tenancy if the Agent proposes to make any deductions from the deposit. The Agent shall not be held responsible for any penalties

incurred by the Landlord due to the Landlord's failure to respond to either the Agent's or the Tenant's written notice to discuss and resolve dilapidations within this 10 day time scale. In order to comply with this time scale, it is strongly recommended that a professional inventory is drawn up so that there is a clear and concise record of the condition of the Property (or its contents, if appropriate). Inventory clerks are independent and the Agent shall not be held responsible for any inaccuracies or omissions relating to the inventory and its contents.

7.1.4 At the end of a Tenancy covered by a Tenancy Deposit Scheme:

- 7.1.4.1 If there is no dispute concerning the deposit the Agent will keep any amounts agreed as deductions where expenditure has been incurred on behalf of the Landlord, or repay the whole or the balance of the deposit according to the conditions of the Tenancy Agreement. Payment of the deposit will be made within 10 working days of written consent from both parties.
- 7.1.4.2 If after 10 working days\* following notification of a dispute to the Agent the dispute remains unresolved (despite reasonable efforts to reach agreement between the Landlord and the Tenant over the allocation of the deposit), it will be submitted to the tenancy deposit protection scheme administrators (TDS or DPS) for adjudication or ADR. The Landlord agrees to assist in completion of any Dispute Application Form and to abide by the TDS or DPS adjudication decision.
- 7.1.4.3 These time scales can be changed by agreement with the tenants in individual cases or by the contract used as standard by the agent.
- 7.1.4.4 Details of the TDS dispute resolution process are set out in Schedule I (referred to by the TDS as 'adjudication') and details of the DPS dispute resolution process are set out in Schedule II (referred to by the DPS as 'ADR').
- 7.1.4.5 The statutory rights of the Landlord and the Tenant to take legal action against the other party remain unaffected.
- 7.1.4.6 It is not compulsory for the parties to refer the deposit dispute to the TDS or DPS for adjudication or ADR. The parties may, if either chooses to do so, seek the decision of the court. However, court proceedings may take longer and will incur additional costs. In any case, because it is a term of the Tenancy Agreement that the Landlord and Tenant refer such dispute to the TDS or DPS, a judge may refer the dispute back to the TDS or DPS for adjudication or ADR.
- 7.1.4.7 If there is a dispute, the Agent may be obliged to send the full deposit, less any amounts already agreed by the parties, to the TDS (if the deposit is held under the TDS scheme). This may have to be done within 10 working days of being notified that a dispute has arisen.
- 7.1.4.8 In the case of tenancies which are not Assured Shorthold Tenancies ('non-AST's') the independent Case examiner at TDS ('the ICE') may agree to resolve a dispute over the allocation of the deposit. If he does so, the ICE will recommend the most effective method for resolving the dispute. The Landlord, Tenant and Agent must consent in writing to this proposal. TDS will charge a fee (currently £600, or 12% of the deposit, whichever is the greater). The resolution process will not start until the parties have given written consent and the disputed amount and relevant fee have been submitted to the TDS.
- 7.1.4.9 The Landlord warrants that all information provided to the Agent is correct to the best of the Landlord's knowledge and belief. In the event that the Landlord provides incorrect information to the Agent which causes the Agent to suffer loss or causes legal proceedings to be taken, the Landlord agrees to reimburse, indemnify and compensate the Agent for all losses suffered.

If the Landlord does not wish the Agent to hold the deposit and the tenancy is an Assured Shorthold Tenancy:

- (a) The Agent will transfer the deposit to the Landlord within five working days of receiving it;
- (b) The Landlord must then register the deposit with a government-approved Tenancy Deposit Protection Scheme within a further 25 days;
- (c) The Landlord must also, within 25 days, provide the Tenant with the Prescribed Information about the deposit scheme;
- (d) If the Landlord is in any doubt as to the details to be included in the Prescribed Information, the Landlord should seek legal advice immediately;
- (e) The Agent will accept no liability if the Landlord fails to comply.

# It is essential to provide the Prescribed Information about the deposit scheme to the Tenant within 30 days of the Tenant paying the deposit in order to avoid penalties imposed by the Housing Act 2004, namely prohibition against serving a Notice Seeking Possession (under Section 21 of the Housing Act 1988) and a possible fine imposed by the Court up to three times the value of the deposit (as well as being ordered to return the deposit to the Tenant).

7.1.5 If the Landlord has failed to meet the initial requirement to protect the deposit or serve Prescribed Information within time, it is still possible for the Landlord to serve a Section 21 Notice Seeking Possession but only if the landlord returns the deposit to the tenant in full or with such deductions as the tenant agrees (or if the tenant has taken proceedings against the landlord for non-protection, those proceedings have been concluded, withdrawn or settled). Please note that a tenant can make an application to a county court for a penalty award for non-compliance with the deposit protection regulations even where the tenancy has ended, and up to six years afterwards.

7.1.6 The Agent will charge the Landlord the sum of £42 for the initial registration of the Tenant's deposit (if appropriate) and a similar amount on each anniversary of the Tenancy Agreement as long as the Tenant remains in the property and the deposit continues to require protection.

## **7.2 Licensing of Houses in Multiple Occupation (HMOs) and houses in a 'Designated Area' pursuant to the Housing Act 2004**

7.2.1 An HMO may require a licence from the local authority before it can be let to a tenant. Similarly, a dwelling situated in a 'designated area' for mandatory licensing will require a local authority licence. The Agent recommends that the Landlords contact the local authority for clarification, as regional variations apply. In the event that the property requires a mandatory licence the Landlords will be responsible for applying for the relevant licence and any costs thereof.

## **7.3 The Furniture & Furnishings (Fire) (Safety) (Amendment) Regulations 1993:**

7.3.1 The Landlord's attention is drawn to these regulations which make it an offence to supply upholstered furniture and other items in the course of a business unless it complies with what is called the "Cigarette test", the "Match test" and the "Ignitability test", and has a permanent label. In general terms, the regulations cover all upholstery and upholstered furniture, mattresses, padded bases and headboards, pillows, cushions, children's furniture and any furniture normally used in the garden such as conservatory furniture. The regulations do not apply to any furniture which has been manufactured before 1 January 1950, except if it has been re-upholstered. The regulations apply to all let property. The recommended way to check whether furniture complies is to look at the labels attached to the furniture. If the furniture no longer has these, the Landlord(s) must establish when and where the furniture was bought and contact the shop or manufacturer and check whether the furniture complies. If the Landlord(s) is/are unable to establish whether the furniture complies, the relevant furniture must be replaced. It is illegal to let a property with furniture which does not comply with these regulations.

## **7.4 The Gas Safety (Installation & Use) Regulations 1998: The Landlord's attention is drawn to these regulations which impose obligations:**

7.4.1 On any person who owns a gas appliance, pipe work and installations in the let property to ensure that such appliance is maintained in a safe condition so as to prevent risk of injury to any person.

7.4.2 To ensure that such appliance is checked and that an appropriate certificate is issued for safety at intervals of not more than 12 months, by an approved person. (An approved person is a GAS SAFE contractor who is registered to carry out domestic work and who has been trained and assessed in the relevant elements of the National Accreditation Certificate Scheme).

7.4.3 To give the original of such a certificate to the Tenant at the commencement of the Tenancy and within 28 days of the date of renewal of the certificate.

7.4.4 If the Landlord elects to be provided with the letting only service and not the management service, the Landlord is responsible for compliance with these regulations, which are mandatory and carry a criminal sanction for non-compliance. The Tenancy may not be permitted to commence without the appropriate certificate. If, five days before the commencement of the Tenancy, the Agent has not had sight of the certificate, the Agent will arrange the works necessary to obtain the certificate and will pass on the charge to the Landlord together with the Agent's administration fee of £24.00.

7.4.5 If the Landlord wishes to instruct the Agent to manage the property, the Agent will arrange the works necessary to obtain the certificate in any event at the Landlord's expense.

## **7.5 The Electrical Equipment (Safety) Regulations 1994:**

7.5.1 These regulations impose an obligation on the Landlord to ensure that all electrical appliances in the property are safe, which means that they should carry the CE label and have written instructions for operation. Cabling, fuses, sockets and plugs should also be inspected and replaced where necessary with the correct rating for that particular appliance in order to comply with the Plugs and Sockets etc.(Safety) Regulations 1994.

7.5.2 If the Landlord(s) elect(s) to be provided with only the lettings service, and not the management service, he or she is responsible for compliance with these regulations. Please ensure that a copy of the current certificate is forwarded to Hancock and Partners Limited.

7.5.3 If the Landlord(s) wishes to instruct Hancock and Partners Limited to manage the property, Hancock and Partners Limited will make arrangements at the commencement of the Tenancy.

7.5.4 In January 2005 Part "P" Regulations (Electrical Safety in Dwellings) came into force requiring qualified personnel to carry out certain electrical work at a property. To ensure compliance with the regulations, Hancock and Partners Limited will use a competent person to carry out any electrical work at a property. If the Landlord(s) wish(es) to directly instruct a contractor, Hancock and Partners Limited will need written proof that the contractor is currently registered with an approved self-certification scheme before issuing instructions. In the absence of such proof, Hancock and Partners Limited will instruct its own contractor if managing the property.

7.5.5 Whilst there is no legislation which dictates that portable appliances must be tested annually (PAT testing) it is advisory that this testing is carried out to ensure that every electrical appliance let with the property is safe for use by tenants.

## **7.6 Energy Performance Certificates (EPCs)**

7.6.1 From 1st October 2008, every residential property either placed on the market to let or with a new tenant moving in must have an Energy Performance Certificate in place with a minimum rating of E. This certificate has been designed to rate the energy efficiency of



a property and, as it does not take into account the current occupier's lifestyle or appliances, allows for an applicant to compare properties on a like for like basis. An Energy Performance Certificate lasts for 10 years, although if any significant changes are made to the property, for example installing double glazing, then a new certificate must be produced. See also 6.7.

7.6.2 Energy Performance Certificates must be produced by an accredited 'Domestic Energy Assessor'. The certificate will then be held on a central register which allows for easy reference and production of copy certificates. The details held on the register can only be accessed with a specific reference number which would normally be issued to the landlord or his agent.

### **7.7 The Building Regulations 1991:**

7.7.1 These regulations require that all properties built since June 1992 must be fitted with mains-operated interlinked smoke detectors/alarms on each floor.

7.7.2 Properties built before this date do not have such a statutory requirement, but see 7.8 below (The Deregulation Act 2015). The Agent recommends that all alarms be checked to ensure they are fully operational prior to the start of a new Tenancy.

### **7.8 Legionella (Legionnaires Disease)**

7.8.1 Section 3(2) of the Health and Safety at Work Act 1974 extends health & safety legislation to landlords and creates a 'duty of care' towards tenants. The Control of Substances Hazardous to Health Regulations 2002 impose a duty to control the risk from hazardous substances including bacteria and viruses.

7.8.2 There is therefore a duty on landlords to 'assess the risk' of exposure to Legionella and take measures to minimise any risk. Practically, this means keeping hot water sufficiently hot (above 50 degrees), cold water sufficiently cold (below 20 degrees) and ensuring that water is not allowed to stand still for days on end. Other practical measures include flushing out the water systems prior to letting the property; avoiding debris getting into the system by using lids on tanks; setting temperature controls to ensure hot water reaches at least 50 degrees Celsius when stored and removing unused pipes and receptacles where water might lie.

7.8.3 To check the temperature of hot or cold water from a tap you should allow it to run first for a minute.

7.8.4 If a tenant contracts Legionnaires Disease from infected water in the premises, the landlord may be liable to prosecution and a fine; in the worst cases even imprisonment. There may also be civil liability to pay compensation.

### **7.9 The Deregulation Act 2015**

7.9.1 All Assured Shorthold Tenancies on or after 1st October 2015 are subject to additional restrictions. No notice may be served on a tenant under Section 21 of the Housing Act 1988 (seeking possession by the landlord after 2 months) at a time when the landlord is in breach of a prescribed requirement relating to the condition of the property, health & safety of its occupants or the property's energy performance. Further, no such Notice can be served if the Landlord has failed to give information in the form of a document produced by the Secretary of State to the tenant. The Landlord must ensure that:

7.9.2 there is a working smoke alarm on every level of the Property where at least one room is used by the Tenant;

7.9.3 there is a working carbon monoxide alarm in each room where there is a solid fuel burning appliance;

7.9.4 the Tenant has received an Energy Performance Certificate;

7.9.5 the Tenant has been given a gas safety certificate no older than one year;

7.9.6 the Landlord is responsible for the annual sweeping of any chimney, flue or stack within the property;

7.9.7 the Tenant has been given the latest edition of government-produced booklet entitled "How to Rent - The checklist for renting in England".

### **7.10 Income Tax**

7.11 Income from letting property is subject to UK income tax, whether the Landlord is an individual, company or trust in the UK or based/registered overseas. Should the Landlord let one or several properties the Landlord will be taxed on the overall "net profit".

The Agent recommends that the Landlord seeks advice from a tax accountant or by accessing the HMRC website at [www.HMRC.gov.uk](http://www.HMRC.gov.uk).

### **7.12 Overseas Landlords**

7.12.1 In accordance with the Finance Act 1995, the HMRC has introduced a system of self-assessment and all overseas Landlords may apply to the HMRC for a Certificate of Approval in order for rents to be paid over gross. The Agent strongly recommends that all overseas Landlords apply for approval.

7.12.2 However, in all other cases the Agent is required by law to deduct the tax for all overseas Landlords at the basic rate (currently 20%) from the net rental income and pay this on a quarterly basis to the HMRC.

7.12.3 Should the Landlord not apply for or be refused approval then the Agent is obliged to submit to the HMRC quarterly returns together with the tax deducted from the rental income.

7.12.4 The Agent recommends that the Landlord seeks professional advice regarding the law from a tax accountant or by accessing the HMRC website on [www.HMRC.gov.uk](http://www.HMRC.gov.uk).

7.12.5 If the Landlord is not approved for rent to be paid without tax deduction, and in the event that the Agent is required to make quarterly returns to the HMRC, the Agent will charge the Landlord £360 per annum which must be paid in full at the end of the first quarter.

### **7.13 Value Added Tax**

7.13.1 VAT at the prevailing rate is added to all commission and any other sums or fees due or payable to the Agent, unless specifically stated as inclusive, irrespective of where the Landlord or the Tenant is normally domiciled or resident for tax purposes.

### **7.14 Stamp Duty Land Tax**

7.14.1 With effect from 1 December 2003, under the Finance Act 2003, Stamp Duty Land Tax is only payable by the Tenant.

### **7.15 Money laundering**

7.15.1 The Agent is obliged to comply with all legislation under the Proceeds of Crime Act 2002 in relation to money laundering. Accordingly, the Agent reserves the right to refuse payment of any sums in cash whether by way of rent, deposit or subsequent payments. Cheques written from unfamiliar foreign banks may be subject to investigation. The Agent does not accept any responsibility for any Tenancy which does not proceed as a consequence of these requirements.

## **8. Right To Rent/Approval For Letting**

8.1 The Agent carries out 'right to rent' checks on every prospective tenant as required by law. In addition, the Landlord may be subject to an obligation to obtain prior approval to let a property, and the following general provisions should be noted.

## **9. Mortgages**

9.1 In most cases when a property is subject to a bank loan or mortgage, permission is required from the lender before the property can be let. It is up to the Landlord to obtain the necessary permission and the Agent strongly advises this is applied for before the commencement of the Tenancy, in case the lender wishes any special conditions to form part of the Tenancy Agreement. Alterations may not be made once the Tenancy Agreement has been signed by both parties. When the Landlord signs this Agreement with the Agent or any Tenancy Agreement the Landlord is confirming and warranting that he or she has the right to instruct the Agent to let the Property. The Tenant may require sight of any confirmation from a lender consenting to the letting.

## **10. Leasehold**

10.1 If the Landlord holds the property on a leasehold basis the Landlord must also ensure that the letting is allowed under the terms of the head lease or superior lease and whether written consent is required for the Property to be sublet. Again, it is strongly advised this is done before the commencement of the Tenancy as the Tenant may require sight of such formal consent.

10.2 If there are any agreements or restrictions contained within the head lease or superior lease which will affect any Tenant, the Landlord must provide to the Agent a copy of the relevant documents so they can be attached to the Tenancy Agreement at the start of the Tenancy. The Landlord will be unable to enforce any obligations of the head lease or superior lease on the Tenant if they are not part of the Tenancy Agreement, which could put the Landlord in breach of the head lease or superior lease. Any fees payable for obtaining consent, or a copy of the head lease or superior lease, will be the responsibility of the Landlord.

## **11. Insurance**

11.1 The Landlord will need to advise the contents insurers that the Property is let and must have obtained the insurer's agreement to extend the insurance cover on the Property and its contents to cover the changed circumstances or the policy may be void. Any conditions imposed by the Landlord's insurer must be given to the Agent prior to the Tenancy commencing for inclusion in the Tenancy Agreement. Conditions may not be imposed on the Tenant, especially in relation to vacant property, at a later date which could be a breach of the insurance contract making any claim void.

## **12. Keys**

12.1 The Agent strongly recommends that if there are any lost or unaccounted keys to the property, the locks are changed before a Tenancy begins. The Agent would also recommend a change of locks on any subsequent letting to a different party. The Agent will not be liable for any lost or unaccounted keys unless it is due to the Agent's negligence.

## **13. Mail**

13.1 It is not part of the Agent's normal services to forward the Landlord's mail. No responsibility can be taken for mail sent to the Landlord at the property. The Agent recommends that the Landlord arranges for it to be redirected via the Post Office.

#### **14. Complaint's procedure**

14.1 A copy of the Agent's complaint's procedure is available upon request.

#### **15. Services**

15.1 The Agent may offer services to a prospective Tenant and similarly services may be offered to them by another organisation in circumstances where the Agent may benefit financially. The Agent reserves the right to retain any commissions, interest or other sums earned while acting on the Landlord's behalf.

#### **16. Assignment**

16.1 The Agent reserves the right to assign its rights and or obligations under the Agreement upon giving the Landlord three months' written notice.

#### **17. Compensation and reimbursement**

17.1 The Landlord will keep the Agent reimbursed, indemnified and compensated for any claim, damage or liability whether criminal or civil suffered from and during the time that the Agent is or was acting on the Landlord's behalf, unless it is due to the negligence or breach of contract or the actions of the Agent and/or its employees. To avoid any doubt, the Agent reserves the right to have work carried out on the Landlord's behalf and to charge for that work if it is necessary to ensure that the Landlord fulfils his or her contractual and statutory obligations as Landlord.

#### **18. Acts of third parties**

18.1 The Agent will not be responsible for any loss or damage suffered through the act, default or negligence of any third party which may arise otherwise than through the negligence, omission or failure on the part of the Agent and/or its employees.

PLEASE NOTE All costs and charges are correct at time of going to print in June 2021 and include VAT

### Standard Summary of charges

Property management and letting service	15% of the rent
Rent collection and letting service	12% of the rent
Letting only service for Tenancies over 6 months	12% of the six month's rent or fixed fee
Letting only service for Tenancies of 3 months or less	24% of the rent plus VAT minimum fee £600.00
Property Management only service	15% of the rent
Management services when instructed to let only	£120.00 per hour
Tenancy setup fee	£192.00
Tenant references	£120.00 per tenant
Guarantor references	£72.00
Preparation of Inventory (property price dependent)	from £102.00
Checkout fee (property price dependent)	from £90.00
Preparing and negotiating renewal documents for Let only Landlords	£120.00
Service of Notice on Tenants for Let only	£120.00
Administration fee – abortive deals/reimbursement of advertising charges	£240.00
Vacant property management	£360.00 per quarter (or part thereof)
For arranging Landlord's compulsory gas certificate and Energy Performance Certificate (where appropriate)	£24.00 each
Decorating and refurbishment service (Project Management)	18% of the cost of works
Or purchasing items on behalf of the Landlord	Minimum fee £120
Sale to the Tenant(s)	1.20% of sale price
Courier charges	at cost
Attending formal proceedings	£120.00 per hour
Insurance claims	12% of total claim
Preparing and submitting Accounts to HMRC if Landlord(s) not accepted for self-assessment	£360.00
Negotiating dilapidations at the end of the Tenancy (for Landlords who have opted for the letting or rent collection service)	£120.00 per hour

**Hancock and Partners Limited is a limited company registered in England and Wales under the number 12441906.  
Registered office and head office – 5 Northgate, Chichester, West Sussex, PO19 1BA.**



## Acceptance of Terms and Conditions

Hancock and Partners, Chichester

The Agent is legally required under the Consumer Rights Act 2015, if you are contracting with it as an individual who is acting for purposes wholly or mainly outside your normal trade, business, craft or profession, to ensure that written terms are open, transparent, fair and understood. Consequently, if you do not understand or do not wish to accept any of the Agent's terms please advise and one of the Agent's officers or members of staff will be pleased to discuss them in more detail. By signing this acceptance form you accept the Agent's Terms and Conditions and acknowledge all of the Agent's recommendations contained in the Agreement.

I/We \_\_\_\_\_ instruct Hancock and Partners Limited to act and accept that if Hancock and Partners Limited is successful in introducing a Tenant to:

**Address of Property:** \_\_\_\_\_

**[Please indicate which service you require by crossing the appropriate box:]**

that I/we will pay the following charges:

For the property management and letting service (as set out in clauses 1-3)	<input type="checkbox"/>	15% of the rent
Rent collection and letting service (as set out in clauses 1-2)	<input type="checkbox"/>	12% of the rent
Letting only service (as set out in clause 1)	<input type="checkbox"/>	12% of six months' rent
Letting service for tenancies of 3 months or less	<input type="checkbox"/>	24% of the rent
Property Management only service (as set out in clause 3)	<input type="checkbox"/>	15% of the rent
For major decorating and refurbishment services (as set out in clause 4 on page 4)	<input type="checkbox"/>	15% of the cost of works
Registration of Tenant's deposit (if appropriate)	<input type="checkbox"/>	£42.00 per annum
Tenancy setup fee	<input type="checkbox"/>	£192.00
Tenant references (per tenant)	<input type="checkbox"/>	£120.00
Guarantor references (per guarantor)	<input type="checkbox"/>	£72.00
Independent inventory fee (property size dependent)	<input type="checkbox"/>	from £102.00
Checkout fee (property size dependent)	<input type="checkbox"/>	from £90.00

And I/we further understand and agree the Terms and Conditions including the charges set out in the summary of charges on page 12 of the Terms and Conditions.

I/we authorise Hancock and Partners Limited to deduct from any rent collected all fees due and, where the management service has been selected, the amount required to pay any bills, invoices and other demands which appear to be correct.

I/we confirm that all necessary consents to let the property have been or will be obtained.

I/we confirm that there are no major repairs, construction or maintenance works of which I/we are aware of due to be carried out to the property, or any of the adjoining properties, apart from those that I/we have notified Hancock and Partners Limited about.

**Warranty**

By accepting these Terms and Conditions the Landlord warrants that:

All upholstered furniture, soft furnishings, beds, mattresses, pillows and cushions supplied to the property and forming part of the proposed letting (including any later replacements) do and will comply with the Furniture & Furnishings (Fire) (Safety) Regulations 1988 and the Furniture & Furnishings (Fire) (Safety) (Amendment) Regulations 1993.

All gas appliances within the property comply with the Gas Safety (Installation & Use) Regulations 1998. All electrical installations are appliances within the property comply with the Electrical Equipment (Safety) Regulations 1994.

**Name(s)** \_\_\_\_\_

**Signed by/on behalf of the Landlord** \_\_\_\_\_

**Date** \_\_\_\_\_