

This guide highlights the most important matters to be considered and to be aware of when dealing with letting agents when you are intending to rent out your property.

There may be several different people with whom you will have contact whilst a tenant is being found. They are:

- **The Letting Agent** – works for you as the landlord to find a suitable tenant. He will conduct viewings and deal with the formalities of referencing and drafting the tenancy agreement. He may also manage the property for you.
- **The Referencing Provider** – can be employed by you or the letting agent to carry out the checks on prospective tenants. He will provide a report to the letting agent as to the suitability or otherwise of the prospective tenant based on those checks.
- **The Inventory Clerk** – will be engaged on your behalf to note the contents of the property and condition.
- **The Tenancy Deposit Protection Scheme** – by law any deposit taken in relation to an Assured Shorthold Tenancy must be protected via a government approved deposit protection scheme. The agent should advise you what arrangements have been made to protect the deposit. It may be that you are arranging protection, depending on the services you have instructed the agent to provide.

When dealing with an agent you should ensure that:

- The services to be provided are recorded in the agency agreement. Services may include finding a tenant, carrying out referencing, drafting a tenancy agreement and arranging an inventory; it may also include rent collection and management of the tenancy thereafter.
- It is clear how long the agency agreement runs for, how you can terminate it and what period of notice is required. When you sign the agreement you are entering into a legally binding contract under which you will incur a financial commitment.
- You understand the fees being charged for the services that the agent is providing. Fees might be collected as a single amount at the start of the tenancy or as a monthly deduction from rent received or a combination of the two. Generally, costs associated with the setup of the tenancy agreement (such as referencing) are charged to the prospective tenant, but the agent should not charge you both for the same service.
- You are aware of the fees the agent intends to charge prospective tenants and whether holding deposits will include any element of compensation due to you in the event a tenant withdraws from a proposed tenancy.
- You agree the nature and frequency of the agent's inspection visits. This will only apply if you have a property management agreement with the agent.
- It is clear whether the agent will be accompanying viewings as well as arranging a 'To Let' board as part of their service.
- You understand precisely what references have been obtained in relation to the tenant and whether any conditions are attached to the approval. The agent may be restricted on the detail he can provide because of Data Protection legislation but he should reveal to you any adverse comments from the referencing process to enable you to make an informed decision on whether or not to proceed.
- You are aware that regardless of whether a tenant passes the referencing process, there is no guarantee that the tenant will always pay the rent and not cause damage to the property.
- It is clear how and where the tenancy deposit will be held.
- You understand what legal obligations you have as landlord in regard to gas safety and electrical installations. The agent can advise you but it is your responsibility to ensure that the property is safe to let.
- You are aware of your options in relation to available rent/damage guarantee insurance and/or when it is acceptable to request that a tenant provides a guarantor.
- You understand that the tenancy agreement is between you and the tenant and any breach of that agreement by the tenant, such as non-payment of rent, is a matter between you and the tenant. The agent should explain to you the limitations they have in regard to ensuring the tenant meets the tenancy obligations.
- Although the agent may receive and hold the tenancy deposit (and have it protected) you as landlord are aware that, in law, you will be responsible for repayment (subject to agreed deductions) at the end of the tenancy.
- You have read and understood the terms of the agreement and the commitments you have entered into with the agent. Do not feel pressured into simply signing it and be aware that if you sign the document in your home or at your place of work you are entitled to cancel it within 14 days.
- You request and receive copies of all relevant documents such as the agreements with the agent and the tenant.
- Which Codes of Practice (if any) the agent has agreed to follow and obtain a copy of the Code.

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