

# Agency Agreement

This Agreement is made between the Landlord of the Property (as named at the end of this Agreement) and ILGS Ltd T/A Newbrix who agree to act as sole agent for the Landlord for letting and managing the Property and are hereinafter referred to as "the Agent". The purpose of this document is to set out clearly and concisely the extent of the letting and management service offered and the scale of fees charged.

**The terms of the Agreement set out in this document will constitute a binding legal contract and by signing the Agreement you agree to comply with the terms and conditions below. If you are unsure of your obligations under this Agreement, then you are advised to take independent legal advice before signing. This Agreement is set out to comply with the requirements of the Provision of Services Regulations 2009 SI 2999.**

**STANDARD MANAGEMENT SERVICE** *ILGS Ltd T/A Newbrix* provides a property management service to owners wishing to let out their property. The standard fee for the management is taken as a percentage of the gross rents due for the period of the tenancy and a set-up fee will normally be levied at the outset for taking references and arranging the tenancy.

The Standard Management Service includes:

1. Advising as to the likely rental income.
2. Advertising and generally marketing the Property.
3. Interviewing prospective tenants and taking up full references including bank reference, and employer or previous landlord character reference or obtaining reference checks through a third party referencing supplier. Where necessary, additional security would be requested by means of a guarantor. In cases where a company occupies as the tenant, a full bank reference or credit check would be taken.
4. Providing a suitable tenancy agreement for the Property.
5. Liaising with a Landlord's mortgagees where necessary with regard to references and tenancy agreement.
6. Carrying out the initial right to rent checks in accordance with the Immigration Act 2014.
7. Taking a deposit from the Tenant, dealing with this deposit under the requirements of the chosen deposit protection scheme until the end of the tenancy when the Property and contents have been checked for unfair wear and tear and handling any termination issues with the Tenant and the tenancy deposit scheme provider.
8. Collecting the Rent monthly and paying over to the Landlord monthly (normally sent within 15 days of collection) less any fees or expenses due or incurred for the period. Payments will be made by direct bank transfer and a detailed rent statement will be forwarded to the Landlord.
9. Arranging with service companies (principally electricity gas & water) for meter readings and advising them of the transfer of service contracts to the Tenant at the beginning of each tenancy.
10. Regular inspections of the Property are carried out every six months. Responsibility for and management of empty property is not normally included, and will only be carried out by special arrangement agreed in writing between the Landlord and the Agent.
11. Co-ordination of repair or maintenance including arranging for tradesmen to attend the Property and obtaining estimates where necessary, supervising works and settling accounts from rents received.
12. Making payments on behalf of the Landlord from rents received for costs in managing the Property.
13. Carrying out a full property inspection and inventory check at the end of the tenancy and, if necessary, preparing and agreeing a schedule of costs relating to any damage or unfair wear and tear prior to releasing the Deposit.

**Additional items and other expenses will be charged according to the scale of fees defined below.**

**Scale of Fees**

(All fees are inclusive of VAT)

Standard Management Fee (Items 1 to 13 above): 16.8% of rent due (subject to a Minimum Fee of £3600)

Letting Only Service Fee: (Items 1 to 6 above): £6480

Letting Only Plus Deposit Protection (Items 1 to 7 above): £6480 plus Tenancy Deposit Service Fee below

Letting and Rent Collection Fee: (Items 1 to 8 above): 14.4% of rent due (subject to a Minimum Fee of £3600)

**Additional Charges:**

Tenancy Set-Up Fee: £540

Tenancy Renewal Fee: £540

Preparing Inventory/Schedule of Condition: £Price on Application

Administration of NRL tax returns: £336 per annum

Redirection of mail overseas: cost of postage

Arranging gas safety check: £168 plus costs

Arranging electrical safety check: £300 plus costs

Energy Performance Certificate Admin Fee: £210

Issuing Rent Increase notice: £420

Right to Rent Check per person: £60

Tenancy Deposit Service Fee: £180 plus scheme costs

Duplication and testing of extra keys: £120 plus costs

Issuing Notice of Seeking Possession: £324

Maintenance Repair Limit UK Landlords (see Clause 4.2): £500

Maintenance Repair Limit Overseas Landlords (see Clause 4.2):£1000

Obtaining estimates and supervision of major works: 9.6% of cost of work over £3000

Hourly rate for other work: £180 per hour

Pre-letting Regulation Check (see Clause 4.1) £336

***ILGS Ltd T/A Newbrix***

2 Winey Close, Chessington, KT9 2SP Tel: 020 8396 7171

# Terms of Business

## 1. GENERAL AUTHORITY AND MANAGEMENT SERVICES:

### 1.1 GENERAL AUTHORITY:

The Landlord confirms that they are the sole or joint owner of the Property and has the right to rent out the Property under the terms of the mortgage or head lease. Where necessary, the Landlord confirms that permission to let has been granted by the mortgagee and the freeholder or head leaseholder, and that the Landlord agrees to comply with any mortgage or headlease conditions. Where the Property is subject to a mortgage or headlease, the Landlord shall supply the Agent with details of any headlease or mortgage conditions that may affect the letting of the Property.

The Landlord and the Agent confirm to each other that they are not banned from letting or managing property and that their details have not been added to a rogue landlord or rogue agent database. Should either party become subject to a banning order or their details appear on a rogue landlord or rogue agent database after signing this Agreement then that party must inform the other immediately.

The Landlord authorises the Agent to carry out the various usual duties of property management including those listed in items 1-13 of the Standard Management Service – detailed previously. The Landlord also agrees that the Agent may take and hold deposits and comply with the requirements of any tenancy deposit scheme that may apply to that deposit. It is declared that the Agent may earn and retain commissions on insurance policies and other services provided. The Agent declares that fees may be charged to the Landlord for ancillary services and that such fees will include a profit element to cover the Agent's administrative and business costs.

### 1.2. LETTING ONLY SERVICE:

Where the Landlord does not wish the Agent to undertake full management (the Standard Management Service), the Agent can provide a Letting Only Service. The Letting Only Service includes only items 1 to 6 of the Standard Management Service as listed above. The Landlord would remain responsible for all other aspects of the letting including the maintenance of the Property and any gas and electrical appliances. The Landlord would remain responsible for complying with the Deposit protection requirements of the Housing Act 2004 and must provide the Agent with written confirmation of this together with a receipt for the Deposit monies received by the Agent on the Landlord's behalf. The Landlord agrees to indemnify the Agent for any losses suffered by the Agent as a result of the Landlord's failure to comply with the Deposit protection requirements of the Housing Act 2004. The Letting Only Service Fee is payable at the commencement of the tenancy and will be deducted from monies received by the Agent on the Landlord's behalf. If the Tenant leaves prior to the end of the term of the tenancy the Landlord shall not be entitled to reimbursement of any fees paid.

### 1.3. LETTING ONLY SERVICE PLUS DEPOSIT PROTECTION:

Where the Landlord requires the Agent to deal with their legal responsibilities for the protection of tenancy deposits under the Housing Act 2004 (item 7 of the Standard Management Service) then the Tenancy Deposit Service Fee will be charged in addition to the Letting Only Service Fee.

### 1.4. LETTING ONLY AND RENT COLLECTION SERVICE:

Where the Landlord requires the collection of rents and the deposit service (items 7 & 8 only of the Standard Management Service as listed above) in addition to the Letting Only Service, then the Letting and Rent Collection Fee will be charged and will be deducted from rents collected.

### 1.5. RENEWALS:

Where, with the consent of the Landlord, the tenancy is renewed or extended to the same tenant (or any person associated with the Tenant) originally introduced by the Agent under the Standard Management Service, the Tenancy Renewal Fee shall be payable on the renewal date. The Agent shall prepare the tenancy agreement, if required, for the new or extended tenancy and the terms of this Agreement shall continue until the Tenant leaves, or this Agreement is terminated.

### 1.6. REFERENCING:

The Agent will carry out referencing checks on any prospective tenant which would normally include a financial reference or credit check, and a character reference from a previous landlord or employer. This may be carried out by the Agent themselves or through a third party referencing supplier. The Agent will make reasonable endeavours to select good tenants with appropriate references who are capable of meeting the monthly rental payments. However, the Agent will not be responsible where fraudulent or incorrect information has been provided by applicants and the Agent had no reason to believe the information to be fraudulent or incorrect. Where a third party referencing supplier report shows the applicants to be suitable tenants and the Agent has reviewed the report with the Landlord and has no reason to believe that the information is incorrect or has been fraudulently supplied the Agent will not be responsible for any default by the Tenant

## 2. LIABILITY FOR TENANT DEFAULT:

2.1 Although our aim is to take care in managing the Property, the Agent cannot accept responsibility for non-payment of rent, damage, or other default by tenants, or any associated legal costs incurred in their collection where the Agent has acted correctly in terms of this Agreement, or on the Landlord's instructions. An insurance policy is recommended for this eventuality.

## 3. AGENT REMUNERATION:

3.1 The Landlord agrees to pay the management or service fee at the applicable percentage above for the service level they have selected. This fee applies once a Tenant is introduced to the Property by the Agent and the Tenant enters into a Tenancy Agreement.

**3.2** The Landlord agrees to repay the Agent for any costs, expenses or liabilities incurred or imposed on the Agent provided that they were incurred on behalf of the Landlord in pursuit of the Agent's normal duties and within the scope of the authority given by this Agency Agreement.

**3.3** To assist the Agent in carrying out their duties effectively, the Landlord agrees to respond promptly with instructions where necessary to any correspondence or requests from the Agent.

**3.4** Where this Agreement is cancelled under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (or other consumer contract legislation) the Landlord agrees to repay any reasonable costs incurred by the Agent in carrying out their duties before the cancellation of the contract (see Clause 15.6).

**3.5** The Landlord agrees to indemnify the Agent for any loss, damage, penalty or fine (whether civil or criminal) or associated costs suffered as a result of the Agent providing services to the Landlord, including but not limited to where the Property is required for any reason to have a licence but does not have such a licence or such a licence is for any reason revoked, except where any of the matters agreed to is attributable to the negligence of the Agent.

**3.6** The Landlord agrees that any work carried out by the Agent for the Landlord beyond that set out in this Agreement, which is within the scope of the Agent's general authority, will be charged at the hourly rate specified above.

#### **4. MAINTENANCE:**

**4.1** The Landlord agrees to provide the Property in a good, fit and lettable condition and that the Property, beds, sofas and all other soft furnishings conform to the current fire safety regulations. It is generally necessary to check the Property meets all current letting standards and this check will be carried out by the Agent, as appropriate, and in such cases the Pre-letting Regulation Check fee will be payable. The Landlord agrees to make the Agent aware of any ongoing maintenance problems.

**4.2** Subject to a retained maximum expenditure limit (Maintenance Repair Limit) on any single item or repair, and any other requirements or limits specified by the Landlord, the Agent will administer any miscellaneous repair and maintenance work that needs to be carried out on the Property (although the administration of major works or refurbishment will incur an additional charge - see Scale of Fees above) and keep appropriate records. 'Retained maximum expenditure limit' means that the Agent has authority to spend up to this amount (or other amount as individually agreed) on reasonable improvements or repairs in any single monthly accounting period without prior reference to the Landlord.

**4.3** For expenditure in excess of the agreed expenditure limits, the Agent would normally request authorisation in advance, although it is agreed that in an emergency or for reasons of contractual or legal necessity where reasonable endeavours have been made to contact the Landlord, the Agent may reasonably exceed the limits specified. By law, it is necessary to carry out an electrical safety check at least every five years and a gas safety check annually to ensure that all electrical installations, gas appliances, flues and associated pipe work are maintained in a safe condition. Where the Agent is managing the Property, the Agent will arrange these checks on the Landlord's behalf and expense and administer the necessary inspection and maintenance records. The reasonable costs involved will be debited to the Landlord's account.

**4.4** Where the Agent is required to co-ordinate repair and maintenance work on behalf of the Landlord, the Agent will not be responsible for any negligence, damage, or breach of contract by any contractor employed in this way unless this loss arises as a result of the Agent's own negligence or breach of contract.

#### **5. OVERSEAS RESIDENTS:**

When letting property and collecting rents for non-UK resident landlords (NRL) i.e. landlords living overseas, the Agent is obliged by the Income Tax Act 2007 and the Taxation of Income from Land (Non-Residents) Regulations 1995 to deduct tax (at the basic tax rate) to cover any tax liability, unless the Landlord has been authorised in writing by HM Revenue and Customs (HMRC) to receive rent gross. In this situation, the Agent also requests that the Landlord appoints an accountant or reserves to the Agent the right to employ a suitably qualified accountant in order to manage correspondence with the Inland Revenue. A standard annual charge will be made for this work and the Agent may charge reasonable administration expenses for further work requested by the Landlord, the Landlord's accountant or the HMRC in connection with such tax liabilities. In many cases, a landlord's tax liability is minimal when all allowable costs are deducted.

#### **6. COUNCIL TAX:**

Payment of Council tax will normally be the responsibility of the Tenants in the Property. However, landlords should be aware that where a property is empty, let as holiday accommodation, or let as a house in multiple occupation (HMO) responsibility for payment of council tax then rests with the owner of the Property.

#### **7. SERVICES:**

The Agent will use reasonable endeavours to take meter readings at each change of occupation in the Property and, where necessary, inform the service companies (electricity, gas and water) of these readings and change of occupation. In many cases, the service companies (e.g. BT) require that the new occupiers formally request and authorise the service and it is not possible for the Agent to do this on the Tenant's or Landlord's behalf. Regarding mail, Landlords should take care to inform all parties (e.g. Banks, clubs, societies etc.) of their new address; it is not always possible to rely on tenants to forward mail.

#### **8. INVENTORY:**

The deposit protection schemes established under the terms of the Housing Act 2004 require that all landlords need to be protected by good inventory and condition reports from the outset. The Agent will prepare an inventory for the Property and a charge will be made for this, the cost of which will depend on the size of the inventory and the Property. The standard inventory will include all removable items in the Property (except those of negligible value) plus carpets, paintwork, wall coverings, curtains, mirrors, sanitary ware and other articles that, in the opinion of the Agent, need regular checking. Landlords should not leave any removable articles of substantial value in the Property without prior arrangement with the Agent. The standard inventory service will include a full schedule of condition (condition, colour & decoration of ceilings,

walls, doors & door fittings etc.). Evidence of condition or damage (i.e. photography) will be prepared as required, or at the Landlord's request, and will be charged accordingly.

#### **9. TENANCY AGREEMENT:**

The Agent will prepare a tenancy agreement in the Agent's standard form(s) and provide a copy of this Agreement to a designated advisor or building society where required. Should the Landlord, advisors or mortgagees require amendment of the contract or require the Agent enter into further work or correspondence, a fee for this extra work may be requested (or you may have the tenancy agreement amended by your own adviser at your own expense). It is agreed that the Agent may sign the tenancy agreement(s) on behalf of the Landlord..

#### **10. NOTICES:**

The Agent will, if instructed, serve the usual legal notices on the Tenant(s) in order to terminate the tenancy, increase the Rent, or for any other purpose that supports the good management of the Property, or the timely return of the Deposit at the end of the tenancy. Fees will be charged for this service as set out above.

#### **11. HOLDING DEPOSIT:**

A holding deposit is generally taken from a tenant applying to rent a property. The purpose of the holding deposit is to reserve the property and to verify the Tenant's serious intent to proceed, and to protect the Agent against reasonable expenses (carrying out references, conducting viewings, re-advertising) that may be incurred should the Tenant decide to withdraw the application. The holding deposit does not protect the Landlord against loss of rent due to the Tenant deciding to withdraw, or references proving unsuitable although early acceptance of rent from the applicant would not be advisable until satisfactory references have been received. Landlords should notify the Agent where they wish insurance to be undertaken to protect against loss of rents. This fee is not a tenancy deposit until it is transferred on the establishment of the tenancy.

#### **12. TENANCY DEPOSITS:**

**12.1 Deposits.** A tenancy deposit will be payable by the Tenant upon signing the tenancy agreement in addition to any rents due. The purpose of the tenancy deposit is to protect the Landlord against losses (including unpaid rent) or damage to the Property during the tenancy itself.

**12.2 Statutory Tenancy Deposit Protection.** Where the tenancy is an assured shorthold tenancy (AST), the Landlord or Agent is legally required to ensure that any tenancy deposit taken under the tenancy is protected within one of three statutory tenancy deposit schemes within 30 days of receipt and comply with the rules of the scheme. The schemes are The Deposit Protection Service (DPS), My Deposits and Tenancy Deposit Scheme (TDS).

**12.3 Tenancy Deposit Information.** Where statutory deposit protection applies to a tenancy deposit, the Landlord or Agent is legally required to provide to the Tenant and any other Relevant Person, within 30 days of receipt of the deposit, the prescribed information required under the Housing Act 2004.

**12.4 Agent Deposit Protection.** Where a tenancy deposit has been received by the Agent and not passed to the Landlord, the deposit will be kept in a separate and secure client account ready for refunding (less any charges due) at the end of the tenancy, or forwarded to one of the Government-regulated deposit schemes listed above. The Agent will also provide the Tenant and any other Relevant Person with the prescribed information. The Landlord agrees that the Agent may use information given, including information about the Landlord, for the purposes of performing the Agent's obligations to the Landlord and supply such information as is reasonably required to the scheme. Where the tenancy deposit is not held under a tenancy deposit scheme (e.g. non AST tenancies) it will be held by the Agent as 'Stakeholder' on behalf of the Landlord and the Tenant.

**12.5 Landlord Deposit Protection.** Where the Agent is providing a let only service without deposit protection it will be the Landlord's responsibility to protect the Deposit, as required by law, and the Landlord agrees to provide evidence to the Agent that the Deposit has been protected and the correct information has been provided to the Tenant and any other Relevant Person. A valid notice seeking possession under s21 of the Housing Act 1988 cannot be served on a Tenant whose Deposit is not protected unless the Deposit has been returned to the Tenant or court proceedings relating to the return of the Deposit have been disposed of. A Tenant or any Relevant Person may apply through the courts for compensation of at least the amount of the Deposit, and up to three times the Deposit, where the Landlord (or someone acting on the Landlord's behalf) has failed to protect the Deposit, failed to provide the Prescribed Information or failed to comply with the initial requirements of the authorised scheme.

**12.6 End of Tenancy.** Where the Agent has protected the Deposit on behalf of the Landlord the Agent will liaise with the Landlord at the end of the tenancy to ascertain what (if any) deductions will be made from the Deposit and liaise with the Tenant regarding any deductions. The Agent will assist in resolving any dispute between the Landlord and the Tenant and arrange for the return of the Deposit to the Tenant less any deductions agreed. Where the Deposit has been protected in one of the statutory tenancy deposit schemes and a dispute cannot be resolved the matter will be referred for adjudication under an Alternative Dispute Resolution (ADR) process within the scheme. The Landlord authorises the Agent to pay to the scheme as much of the Deposit as the scheme requires the Agent to send. The Agent will contact the Landlord to keep them informed, but the Agent will not need to seek the Landlord's further authority to send the money to the scheme.

**More information on the requirements of the deposit protection schemes are available on the following web site(s) and landlords are strongly urged to familiarize themselves with their legal responsibilities: <https://www.gov.uk/tenancy-deposit-protection>**

#### **13. INSPECTIONS:**

**13.1** Under the Standard Management Service, the Agent will make reasonable endeavours to carry out inspections every six months starting after the first month. Such inspections do not constitute a formal survey of the Property, nor will the Agent check every item of the inventory at this stage. The inspection is concerned with verifying the good order of the tenancy (i.e. house being used in a 'tenant-like' manner) and the general condition of the Property. This would normally include inspecting the main items (carpets, walls, cooker, main living areas and gardens) to the extent that they are visible to the Agent without moving the Tenant's possession.

**13.2** Following the departure of tenants, a final inspection of the Property is carried out by the Agent, where the Agent is managing the Property. Testing of all the electrical appliances, heating system and plumbing is not feasible during this inspection; a qualified contractor should be appointed for this purpose should it be required by the Landlord. The Agent will endeavour to report any apparent deficiencies or dilapidations to the Landlord (and, if appropriate, to the relevant tenancy deposit scheme administrator) together with any recommended deductions or replacement values.

#### **14. TENANCY DEPOSIT DISPUTES:**

**14.1** The Agent will attempt to resolve any deposit disputes between the Landlord and the Tenant by negotiating with the Tenant on behalf of the Landlord. Where the Deposit is subject to statutory tenancy deposit protection, and a dispute cannot be resolved between the parties, then it will be necessary to submit the claim to the tenancy deposit administrators for adjudication under an alternative dispute resolution (ADR) process or to take Small Claims action in the County Court. The Landlord may instruct the Agent to deal with the adjudication and the Agent will charge for the time incurred in doing so on an hourly basis at the rate specified above for 'Hourly rate for other work.'

**14.2** The Landlord authorises the Agent to make appropriate deductions from the rental income in the last two months of the tenancy to provide a maintenance fund from which any cleaning, repair or other costs can be disbursed at the end of the tenancy.

#### **15. TERMINATION:**

**15.1 Termination of Agency Agreement.** This Agreement may be terminated by either party by way of three months' written notice. The Agreement will terminate automatically should the Agent be the subject of a banning order.

#### **15.2 Serious Breach of this Agreement.**

The Landlord or the Agent may terminate this Agreement on fourteen days' notice if there is a fundamental breach of the agreement, and the other party does not remedy the fundamental breach within those fourteen days. Discrimination, including indirect discrimination, against any applicant, tenant or employee or sub-contractor of the Agent for gender, race, age, disability, religious belief or sexual orientation may constitute a fundamental breach. It will be a fundamental breach where the Property is required to have a licence for any purpose and does not have such a licence and no exception applies, or such a licence has been revoked.

#### **15.3 Termination if the Agent has not secured a Tenant.**

If the Agent has not secured a tenant after six weeks of the appointment the Landlord may terminate this Agreement on one week's notice.

#### **15.4 Minimum Fee.**

The Minimum Fee applies if on termination the total fees due are less than the Minimum Fee. The Minimum Fee is intended to apply in order to allow the Agent to recover their costs and expenses incurred before any new tenancy, for carrying out essential pre-tenancy work such as the administration of Energy Performance Certificates, gas and electrical safety checks etc. as well as generally marketing the Property.

The Minimum Fee will also apply and be payable if the Agent introduces a Tenant to the Property who finds the Property as a result of the Agent's marketing efforts, or the Tenant is otherwise introduced to the Property during the Agent's period of sole agency, and enters into a Tenancy Agreement or tenancy for the Property irrespective of whether or not the Tenancy is finalised by the Agent and whether or not the Agent is the effective cause of the introduction or Tenancy.

**15.5 Tenancy Agreement.** The Landlord shall provide the Agent with any requirements for return and repossession of the Property at the earliest opportunity. Landlords should be aware that any tenancy agreement entered into on the Landlord's behalf is a binding legal agreement for the term agreed. Details of any tenancy agreement being entered into will be communicated to the Landlord as soon as possible. Landlords should be aware that the legal minimum notice period to tenants under assured tenancies is generally two months (should the contract allow for early termination) and this needs to be given even in the case of a fixed term tenancy which is due to expire.

**15.6 Agreements signed away from the Agents office.** Where the Landlord is a consumer (being an individual acting wholly or mainly outside of their own trade or business) and this Agency Agreement is signed:

- at a place which is not the Agent's office;
- at the Agent's offices but following a meeting between the parties away from the Agent's offices; or
- without meeting face to face at all.

The Landlord has a right to cancel under consumer protection legislation within 14 days ('a cooling off period') of the date of this Agreement. A cancellation notice is available at the end of this Agreement. Where the Landlord waives their right to cancellation (see Clause 26 below) by agreeing to the Agent carrying out works immediately following the date of this Agreement the Landlord will be responsible for any reasonable costs incurred by the Agent in carrying out their duties if the Landlord cancels this contract during the 'cooling off' period.

#### **16. SOLE LETTING RIGHTS:**

The Landlord appoints the Agent as sole agent for the marketing, letting and/ or aspects of the management of the Property depending on which Service Level is agreed. **If the Landlord lets the property during the appointment of the Agent under this Agreement the Landlord might become liable to pay commission to both Agents.** It is agreed that only the Agent may let the Property on behalf of the Landlord.

#### **17. SAFETY AND ENERGY PERFORMANCE REGULATIONS:**

**WARNING: You should read and understand these obligations before signing this Agreement.**

**17.1** The letting of property is now closely regulated with respect to consumer safety. The law makes particular demands regarding the condition and safety of rented property and the safety, servicing and inspection of the gas and electric appliances and installations within a property, and with respect to the safety of furniture and soft furnishings provided.

The key regulations (as amended) that apply will include (but are not limited to):

- Landlord and Tenant Act 1985
- Housing Health and Safety Rating System, Part 1, Housing Act 2004
- Licensing of Houses in Multiple Occupation, Part 2, Housing Act 2004
- Selective licensing, Part 3, Housing Act 2004
- Smoke and Carbon Monoxide Alarm (England) Regulations 2015 & 2022
- Furniture and Furnishings (Fire)(Safety) Regulations 1988
- General Product Safety Regulations 2005
- Gas Safety (Installation and Use) Regulations 1998 & 2018
- Electrical Equipment (Safety) Regulations 1994 & 2016
- Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020
- Plugs and Sockets (Safety) Regulations 1994
- Regulatory Reform (Fire Safety) Order 2005
- Management of Houses in Multiple Occupation (England) Regulations 2006
- Fire Safety (England) Regulations 2022

**17.2** The Landlord confirms that they are aware of these obligations and that the Agent has provided sufficient information to assist with compliance. It is agreed that the Landlord shall ensure that the Property is made available for letting in a fit and safe condition and in compliance with the above regulations where applicable. The Landlord agrees to repay the Agent's costs incurred including any expenses or penalties (whether civil or criminal) that may be suffered as a result of non-compliance of the Property with the relevant legislation.

**17.3** Where the Landlord has duties in regard to the prevention of legionella and the inspection of domestic-type water systems, it is agreed that the Landlord shall be responsible for the maintenance of the water system and any associated safety checks under these duties. The Landlord confirms that they are aware of these duties and that the Agent has provided sufficient information to assist with compliance.

**17.4** Landlords must ensure that a valid Energy Performance Certificate (EPC), where required, is made available free of charge to any prospective tenant at the earliest opportunity and in any event no later than which ever is the earlier of:

- (i) the first time the landlord makes available to the prospective tenant any written information about the building;
- (ii) at the time which the prospective tenant views the building.

Where the Landlord does not have a valid EPC for the property the Agent will arrange an EPC for the property and the Energy Performance Certificate Admin Fee will be payable. If the Landlord already has a valid EPC for the property then the Landlord must make this available to the Agent for any prospective tenants.

**17.5** The Landlord must ensure that a valid Gas Safety Certificate, where required, is provided to the Tenant prior to their occupation of the Property and annually thereafter. Where the Landlord does not have a valid Gas Safety Certificate for the Property the Agent will obtain this and the Landlord will reimburse the Agent for the full cost of arranging the gas safety check.

**17.6** The Landlord must ensure that a valid Electrical Installation Condition Report (EICR), where required, is provided to the Tenant prior to their occupation of the Property and at least every five years thereafter. Where the Landlord does not have a valid EICR for the Property the Agent will obtain this on the Landlord's behalf and the Landlord will reimburse the Agent for the full cost of arranging the electrical safety check.

**17.7** Where the Property is in a selective licensing area and/or the Property is a house in multiple occupation and, a licence is required, the Landlord agrees to provide the Agent with details of such licence.

**18. INSTRUCTIONS:**

It is agreed that any instructions to the Agent from the Landlord regarding termination, proceedings, repairs which are more than the Maintenance Repair Limit (see Scale of Fees above), payment, or other significant details regarding the letting be confirmed to the Agent in writing.

**19. FEES AND VALUE ADDED TAX:**

All fees stated are inclusive of VAT and will be deducted from the client's account as they fall due. Management fees and similar services are based on a percentage of the actual rental fee. For example, a property rented at £1,000 per calendar month will incur a monthly management fee of £125 where the fee is 12.5%. Should the agreed rental be higher or lower then the fee will be correspondingly higher or lower.

**20. INSURANCE:**

The Landlord shall be responsible for the Property being adequately insured and that the insurance policy covers the situation where the Property is let

#### **21. HOUSING BENEFIT:**

The Landlord undertakes to re-imburse the Agent for any claims arising from overpayment which may be made by the local authority in respect of housing benefit (or the Department of Work and Pensions with respect to Universal Credit), or other benefit scheme, paid to or on behalf of the Tenant(s) as rent. This undertaking shall remain in force during the currency of the tenancy and up to six years thereafter, whether or not the Agent continues to be engaged to let or manage the Property under this Agreement.

#### **22. LEGAL PROCEEDINGS:**

If the Agent is collecting rent from the Tenant and rent is outstanding for 7 days after it becomes due the Agent will notify the Landlord promptly and use its reasonable endeavours to obtain payment from the Tenant over the following 28 day period. At the expiry of that 28 day period the Agent will offer general advice on the next steps to be taken but cannot undertake legal proceedings on the Landlord's behalf and cannot accept any liability for rent arrears or breaches of the Tenancy Agreement. If the Landlord wishes to appoint a solicitor the Landlord may do so at their own cost. The Agent will charge a fee for attendance at Court and any correspondence with solicitors at the hourly rate specified above.

#### **23. IMMIGRATION CHECKS:**

It is agreed that the Agent will carry out any checks required under the Immigration Act on the proposed Tenants and any permitted occupiers at the start of or prior to the commencement of the Tenancy. Where the Agent is managing the Property and the Tenant has a limited right to rent, the Right to Rent Check fee will be payable where a follow up check is required. The Agent's responsibilities for such checks will only extend to the duration of this Agreement and at the termination of this Agreement the Agent will transfer the status evidence to the Landlord and the responsibility for maintaining immigration status checks will return to the Landlord.

#### **24. COMPLAINTS:**

Where the Landlord is unsatisfied with any service provided by the Agent the Landlord should contact the Agent in the first instance to try to resolve matters. The Agent has an in-house complaints policy which must be followed, a copy of which has been provided with or prior to entering into this Agreement. The Agent is a member of The Property Ombudsmann and where the Landlord is dissatisfied with the way the complaint has been handled they may refer the matter to the scheme for a further decision, details of which are available upon request from the Agent.

#### **25. KEEPING RECORDS AND DATA PROTECTION:**

The Agent undertakes to comply with data protection regulations and not to divulge any personal details of the Landlord or Tenant to any other third party or organisation without prior approval unless this is necessary to comply with a statutory obligation. The Agent will make every effort to keep such information safe and secure and will keep copies of agreements and other documents in relation to the tenancy for the period of the tenancy and for a reasonable period from the date of expiry of the tenancy. The Agent will keep copies of all financial information for seven years.

The Landlord undertakes to comply with data protection regulations and not to divulge any personal details of the Tenant to any other third party or organisation without prior approval unless this is necessary to comply with a statutory obligation. Where the Landlord processes and stores any personal details of the Tenant (for example, where the agent is instructed on a let only basis and the landlord is managing the property) the Landlord is required to provide the Tenant with a privacy notice of how their data will be processed or used by the Landlord. The Landlord is also required to ensure that any data held is adequate, relevant and not excessive for the purposes for which it is processed and is accurate and kept up to date. Data should not be kept for longer than necessary and should be deleted or shredded appropriately when no longer required.

#### **26. ABOUT THIS AGREEMENT:**

No amendments or variation to this Agency Agreement will have any contractual effect unless agreed by the parties in writing. This Agreement shall be governed by and construed in accordance with the laws of England, and each of the parties submits to the exclusive jurisdiction of the courts in England.

This Agency Agreement constitutes the entire written agreement between the parties and supersedes any previous agreement, discussion, correspondence or understanding between the parties but this will not affect any obligations in any such prior agreement which are expressed to continue after termination. In the event that any part of this Agreement is held to be void or unenforceable it will be severed from the Agreement and the remainder of the Agreement will continue in force to the fullest extent possible.

The terms and conditions of this Agreement may be varied by the Agent, but only with two months' prior written notice.

I consent to the Agent carrying out work immediately following the date of this Agreement and waive my rights to a 'cooling off' period under Clause 15.6. I understand that by doing so I will be responsible for any reasonable costs incurred by the Agent in carrying out their duties during the 14 day 'cooling off' period.  
(Tick box if this applies).

I wish the Agent to undertake the following service:

- Standard Management Service
- Letting Only Service – see Clause 1.2
- Letting Only plus Deposit Protection – see Clause 1.3
- Letting and Rent Collection – see Clause 1.4

- I agree that my personal contact details and relevant information may be shared with trusted third parties as necessary (the Agent will not share any personal information with third party organisations for marketing purposes).
- I/we confirm that we are the sole/joint owners of the Property:

27. **PROPERTY:** In this Agreement any reference to the Property includes all properties listed in the First Schedule attached hereto.

**THE FIRST SCHEDULE** (attach a separate sheet if necessary)

.....  
(Property to be let)

.....  
(Property to be let)

.....  
(Property to be let)

.....  
(Property to be let)

<b>Agent details</b>	(Provision of Services Regulations 2009)
Name of business	<u>ILGS Ltd T/A Newbrix</u>
Company Number:	<u>3595206</u>
Address	<u>2 Winey Close</u> <u>Chessington</u>
Postcode	<u>KT9 2SP</u>
Telephone no.	<u>020 8396 7171</u>
Fax No.	<u></u>
Email Address	<u>akhil@newbrix.co.uk</u>
Client Money Protection Scheme	<u>Client Money Protect</u>
Redress Scheme membership details	<u>The Property Ombudsman</u>
VAT number (if registered)	<u>745284124</u>
Contact details of Professional Liability Insurance including cover details	<u>Hiscox</u>

**IMPORTANT NOTICE:** Clients should carefully read and understand the above terms of business before signing.

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

Date: \_\_\_\_\_

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

Date: \_\_\_\_\_

**(IF PROPERTY IS JOINTLY OWNED ALL PARTIES SHOULD SIGN)**

Landlords

Full Name(s) \_\_\_\_\_

Signed on behalf of the Agent \_\_\_\_\_

Date \_\_\_\_\_

# Notice Of Right To Cancel

The Consumer Contracts (Information, Cancellation and Additional Charges) Regs 2013

The right to cancel only applies if the Landlord enters into an agreement with the Agent where the Landlord is a consumer (being an individual acting wholly or mainly outside of their own trade or business) and this Agency Agreement is signed:

- at a place which is not the Agent's office;
- at the Agent's offices but following a meeting between the parties away from the Agent's offices; or
- without meeting face to face at all.

## Information for Landlords:

You have the right to cancel this contract within 14 days without giving any reason. The cancellation period will expire after 14 days after the day on which this contract was entered into.

To exercise the right to cancel, you must inform the Agent at [Insert address, tel, fax and email] of your decision to cancel this contract by a clear statement (eg a letter sent by post, fax or email). You may use the model cancellation form below, but it is not obligatory.

To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired.

## Effects of cancellation

If you cancel this contract, the Agent will reimburse to you any payments received from you without undue delay, and not later than 14 days after the day on which the Agent was informed about your decision to cancel this contract. The Agent will make the reimbursement using the same means of payment as you used for the initial transaction, unless you have expressly agreed otherwise; in any event, you will not incur any fees as a result of the reimbursement. However, if you requested that the Agent begins the performance of services during the cancellation period, you shall pay an amount which is in proportion to what has been performed until you have communicated to the Agent your cancellation of this contract, in comparison with the full coverage of the contract.

----- cut here -----

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

## Cancellation Notice to be Included in Notice of the Right to Cancel

To: \_\_\_\_\_ [Insert Agent's name, address, fax number and email address]

I/We\* hereby give notice that I/we\* wish to cancel my/our\* contract \_\_\_\_\_

[Agent to insert reference number, property address or other details to enable the contract to be identified. The Agent may also insert the name and address of the consumer.]

Signed \_\_\_\_\_

Name and Address \_\_\_\_\_

Date \_\_\_\_\_

\* delete as appropriate