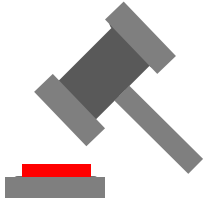


R3 BRIEF

Legal Update #9



Executive Summary

We're delighted to publish our ninth legal newsletter in our effort to provide updates twice a year on any relevant information that affects tenants and their rights.

MATERIAL INFORMATION DISCLOSURE



From end of May 2022, Agents will need to disclose further information on all properties listed, such as Council Tax band or rate.

SMOKE AND CARBON MONOXIDE



Additional rules may come into effect later in the year extending the requirements around smoke and carbon monoxide alarms.

RENTERS REFORM BILL



The recent Queen's Speech has confirmed the Government's plan to introduce some reforms affecting the private rental sector.

Material information disclosure

Improving listings information

The National Trading Standards Estate & Letting Agency Team ("NTSEALT") have specified that from end of May 22 further information will need to be disclosed by Agents on all property listings. This will happen in three distinct phases: Part A, B and C

Part A

From the end of this month, information that, regardless of outcome, is always considered material for all properties will need to be disclosed. This information generally involves unavoidable costs that will be incurred by the occupier regardless of the use of the property such as

- council tax band or rate
- monthly rent
- deposit

Part B and C

Two further phases will be introduced at future dates to include information relating to utilities (and similar), where non-standard features would affect someone's decision to look any further at that property, or additional information that may impact a decision to buy or rent.

Smoke and carbon monoxide regulations

Current rules

Landlords need to ensure that a smoke alarm is fitted on every floor of their property (for living accommodation).

They also must install a carbon monoxide alarm in rooms where solid fuel is burnt (e.g. wood, coal or biomass including open fires). It does not currently include gas, oil or LPG (appliances that use propane).

The legislation requires landlords to ensure that the alarms work **at the start of each new tenancy**.

Consultation

A consultation took place back in November 2020 to see how regulations can be extended.

Recommendations

Following the consultation some changes have been proposed, including

- **carbon monoxide alarms** will be mandatory in rooms with a fixed combustion appliance (excluding gas cookers)
- **carbon monoxide alarms** will also be mandatory upon installation of any heating appliance such as a boiler (excluding gas cookers) through building regulations
- **repair and replace** - landlords will be expected to repair or replace alarms once informed that they are faulty

These additional requirements should come into force towards the end of the year.

Renters Reform Bill

Queen's Speech

The recent Queen's Speech has confirmed the government's plan to introduce the Renters Reform Bill.

Broad terms that may be included

- Section 21 will be removed to provide better security for tenants in the private rented sector
- Possession grounds for landlords will be reformed to introduce new and stronger grounds for repeated incidences of rent arrears
- A new ombudsman for private landlords will be introduced so that disputes can easily be resolved without the need to go to court
- A new property portal will be introduced to help landlords understand their obligations and give tenants performance information

White paper

Details are not yet available and a white paper is due to be published later in the year which will set out more detail on the government's proposals for reform in the private rented sector.

Watch this space for more updates as this progresses!