NEWSLETTER | MAY 2021



R<mark>3</mark> BRIEF Legal Update #7



Executive Summary

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





New recommended guidance on pets has been issued by the government. It is not mandatory but does provide some indication as to the possible evolution of the legislation in this area.

SUPPORT FOR TENANTS



New legislation brought in at the onset of the COVID pandemic has been extended to at least 31st May, including the need for landlords to provide 6 months' notice to end the tenancy.

HOW TO RENT GUIDE



A new How to Rent Guide was issued in December 2020, reflecting some of the changes brought about by the COVID pandemic.

Tenancies and pets

New Model Tenancy Agreement

Under the new Model Tenancy Agreement announced by the government earlier this year, landlords will no longer be able to issue blanket bans on pets.

Consent is the default position

Consent for pets will be the default position, and landlords will have to object in writing within 28 days of a written pet request from a tenant and provide a good reason.

Landlord's consent

This does not mean tenants have an overriding right to keep pets. Landlord's consent takes precedence and valid objections include situations where it is not practical to keep pets (i.e. large dogs in small flats, head leases prohibitions, allergies etc).

Moreover, the government's Model Tenancy Agreement is a "recommended" contract for landlords. Its use is certainly not mandatory, and landlords have no obligation to use this when drafting contracts.

Support for tenants

Notice period during COVID

As a result of the COVID pandemic, the government amended legislation last year (see R3's <u>Nov 20 Legal Update</u>) meaning that landlords had to provide to tenants a minimum of six months' notice in order to regain possession of their property.

Extension to 31st May

This legislation was expected to remain in place until 31st March 2021 but the government has extended these temporary measures to the 31st May 2021.

6 months notice

Broadly, residential tenants will be supported as the ban on bailiffenforced evictions in all but the most serious circumstances – such as incidents of fraud or domestic abuse.

Additionally, the requirement for landlords to provide 6-month notice periods to tenants before they evict has been extended until **at least** 31st May.

How to Rent Guide

Assured Shorthold Tenancies

The How to Rent Guide needs to be provided by landlords to tenants when entering into an Assured Shorthold Tenancy.

A new guide was issued in December 2020 to reflect changes brought about by the ongoing Coronavirus pandemic.

Useful checklist

The guide covers key questions to be considered prior to entering into a binding contract, including:

- Fees: Is the landlord or letting agent trying to charge any fees? Many have been banned since 1st June 2019.
- Deposit: Is the right cap being applied to the deposit? 5 weeks' rent if the total annual rent is less than £50,000, otherwise no more than 6 weeks' rent.
- Length of tenancy: The landlord must allow you to stay in the property for a minimum of 6 months, but it is possible to negotiate a longer tenancy of 12 months or more.
- Affordability: Generally, 35% of the take-home pay is the guide that many landlords will use for references to gain comfort of credit worthiness.
- Referencing: Landlords and agents will want to confirm identity, immigration status, credit history and possibly employment status.
- Right to rent: Landlords in England must check that all people aged 18 or over, living in their property as their only or main home have the right to rent. landlords must carry out this check before occupation of the property.

Section 21 Notice

It is a legal requirement for landlords to provide this guide. A valid Section 21 notice cannot be served if a guide is not provided.

FINALLY – note that face to face Right To Rent checks will return as of Monday 17th May 2021. Another positive sign of a return to business as usual.