

RISK REDUCTION RECOMMENDATIONS, TIPS AND SUGGESTIONS FOR RESIDENTIAL LANDLORDS

Property is subject to a very wide range of possible risks both from what goes on inside the building and from events and activities occurring outside the building.

Some of these can be anticipated and sensible precautions made to reduce the likelihood of them affecting you whilst others are dependent upon precautions, or lack of them, taken by others.

The comments below are designed to help property owners think about the risks and problems that they may face and to offer some suggestions as to how these might be mitigated.

Regulatory requirements

Landlords have a legal responsibility to comply with :-

(a) the Gas Safety (Installation and Use) Regulations of 1998

The landlord has a responsibility to arrange maintenance by a Gas Safe registered engineer for all pipework, appliances and flues which you own and have been provided for your tenant's use.

You must also arrange for an annual gas safety check to be carried out every 12 months by a Gas Safe registered engineer.

You must keep a record of the safety check for two years and issue a copy to each existing tenant within 28 days of the check being completed and issue a copy to any new tenants before they move in

(b) the Furniture and Furnishings (Fire Safety) Regulations of 1998 (as amended)

All soft furnishings supplied must be fire retardant. The regulations apply to beds and mattresses headboards sofa-beds futons etc nursery furniture garden furniture scatter cushions and seat pads pillows bean-bags loose and stretch covers for furniture. Compliant items should be labelled when supplied. Bed bases and/or mattresses should carry the label "BS7177". All other furnishings should carry a label "carelessness causes fires".

(c) the Electrical Equipment (Safety) Regulations 1994

There are no compulsory regulations regarding the electrical testing but we recommend that landlords arrange the relevant electrical testing to ensure the property complies with the Electrical Equipment (Safety) Regulations of 1994. This must be undertaken by a suitably qualified Electrician.

(d) the Energy Performance Certificate Regulations for all new or renewed lettings after 1 October 2008.

Under the European Directive relating to energy performance certificates, with effect from 1 October 2008 a landlord will be legally required to provide an Energy Performance Certificate to all prospective tenants on request. This certificate will rate the property's energy performance and make recommendations of how to improve energy efficiency. Once issued certificates will be valid for ten years. Certificates are only required for new or renewed lettings and must be valid at the time of that transaction.

Tenancy Agreements

A tenancy agreement is a legally binding contract between a landlord and tenant that sets out both the legal and contractual responsibilities and obligations of the two parties. It should be written in plain and intelligible language and its terms and clauses should be fair and balanced, taking account of the respective positions of the parties and should not mislead about legal rights and responsibilities. Landlord and tenant should take care to individually negotiate any particular terms or conditions that are important to them or especially relevant to the particular let or property.

Landlords are at liberty to enter into whatever form of Tenancy Agreements they feel appropriate to their circumstances and that of their tenants, however the most popular form of tenancy is an Assured Shorthold Tenancy drawn up in compliance with the Housing Act 1988 (as amended in 1996). This provides readily recognised methods

for giving proper notice to obtain repossession of the property and a standard process for taking legal action should the tenant not vacate the property of their own volition. If a tenancy is not drawn up in accordance with these terms obtaining legally enforceable repossession for a property may become both expensive and protracted.

Many areas have residential landlord associations which can be worth joining as membership often includes access to specialist lawyers, at a sometimes discounted rate, to deal with legal action for repossession etc should this become necessary.

Houses in Multiple Occupation (HMO)

The Housing Act 2004 introduced the concept of houses in multiple occupation and the need for these to be formally registered with and licensed by the Local Authority. The definition of a house in multiple occupation is a house of three or more storeys and occupied by five or more persons (comprising at least two households). If your property falls within this definition and is not registered with your Local Authority this should be addressed as a matter of urgency as a fine of up to £5,000 can be levied for non-licensing.

Inventory

It is recommended that landlords renting out property on a furnished basis arrange for the completion, either by themselves or through their managing agents, of an inventory and condition report at the time of the issue of each new tenancy and at its end. This will give a clear record of the contents and their condition at the point at which the tenancy was granted and will provide substantive evidence should this be needed if there is any dispute over losses or damage that lead to the landlord to wish to retain the deposit or part of it.

Rent Deposits

All rental deposits are now subject to the Tenancy Deposit Scheme introduced under the Housing Act 2004 to provide surety for the tenants in respect of their deposit monies.

A survey in June 2008 showed that 62% of buy to let and other landlords are prepared to tell clients that they are not registered with a Tenancy Deposit Scheme.

There are several schemes in operation and landlords should ensure that they are making use of one of these. There are harsh penalties for failing to meet the legislation including the inability to serve a Section 21 Notice.

REDUCIBLE RISKS

1. Fire

Internal sources of fire:

- a) Cooking is an activity requiring heat to be applied to ingredients and there is always a risk that excessive heat can lead to a fire.

The most dangerous is around the area of frying or cooking with oil such as chip pans. In 2006 there were 8,600 chip pan fires recorded in the UK, causing 31 deaths. When cooking particularly on an open stove the area should never be left for any extended period and particularly if frying or deep fat frying then the food being cooked should never be left unattended while heat is being applied.

It is always useful to have a fire blanket in a readily accessible place within a kitchen that can be used to cover and hopefully extinguish quickly any fire that may start whilst cooking. It is important that clear instructions for the use of a fire blanket or similar are clearly available next to the blanket itself.

- b) The other most common cause of fires within houses is from smoking. Adequate ashtrays should be available and all furniture particularly such as chairs, sofas etc., should meet the latest standards for fire resistance. This is a legal requirement in property that is being let for profit.
- c) In houses that still have open coal or wood fired fires then another common problem is with chimney fires caused by a build-up of soot or other items within the chimney.

Chimneys should be swept ideally by a properly qualified person at least every 12 months even if the fire is not used on a regular basis.

- d) Electrical appliances, sockets, wiring etc. can also cause fires where sockets are overloaded by the use of multiple adaptor plugs that place an undue demand on the supply leading to overheating and possible combustion in the wiring.

Always use proper extension sockets if it is necessary to run more than one appliance from a wall socket and always check the wiring of any appliance that is being used to ensure that there are no obvious signs of fraying, bare wires, loose connections etc. as all of these can lead to causes of fire.

- e) Finally should fire break out in the house for any reason it is important that all exits are kept clear and that boxes, bicycles and other items are not stacked in front of doors that can be used as a means of escape even if they are not used regularly for entering or leaving the building.

In any public building it is an offence to obstruct a designated fire escape.

- f) Explosions are less likely to occur than fires but gas whether used for heating or cooking can be a source of explosion. Always ensure that any boiler, cooker etc. is properly maintained and when not in use is properly switched off. Care should be taken when coming to use a cooker or to light a boiler that has not been in use for some time to ensure that there has not been a build-up of gas in the area before applying a naked flame to light the gas in the normal way.
- g) Care also should be taken where gas cylinders are used as a supply of fuel. These should be stored outside the building and properly connected to the gas piping within the building. Care should be taken to ensure that valves etc. do not become rusty or pipes become corroded due to the affect of outside weather.
- h) When lightning is believed to be imminent then TV or similar aerials should be disconnected. Ensure that all electrical circuits within the building are properly earthed.
- i) Smoke damage is normally related to fire and smoke can be an insidious visitor moving silently and often without any noticeable smell through a building leading to a serious risk of suffocation and death. All houses should be fitted with at least one smoke alarm that covers the main staircase with a second in the kitchen or cooking area to give early warning of problems arising during cooking.

Once fitted the batteries should be checked and changed at intervals in line with the manufacturer's recommendations. It is important also not to ignore the intermittent bleeping that most devices give off as a warning that the batteries are running low. A smoke alarm with no batteries is even less use than no smoke alarm at all as its presence may have engendered a false feeling of safety and security.

If your house is filled or partly filled with smoke everyone should remember that there is usually a small area of clearer air at the lowest point in the room and therefore the safest means of moving around is by crawling close to the floor.

- j) The Tenancy Agreement should prohibit the use of portable heating appliances within the property and as this is a major cause of fire this should be checked during the regular visits mentioned below.
- k) Appropriate fire extinguishers and fire blankets should be installed at the property and particularly for extinguishers should be subject to a maintenance contract.

2. Water

- a) Flooding is becoming an increasing risk due to the impact of climate change. Flooding is not necessarily just from rivers, although these are the highly visible risk and the one that is likely to be better known and prepared for.

One of the impacts of climate change we are seeing is increasing occurrences of extremely short periods of very heavy and very intense rainfall that can cause flash flooding virtually anywhere.

- b) It is important to ensure that any drains in your property both those dealing with down spouts from gutters and those draining larger areas such as yards, car parks etc. are properly maintained so that they are able

to do the job that they have been designed to do and it is important to ensure that they are not obstructed so that water is able to flow freely across open spaces to reach the drains and thus move away.

- c) Particular areas to be aware of are possible ditches and other normally dry drainage channels that may run close to the edge of your property but which can easily fill and overflow when there is sudden and very heavy rain. These in particular are particularly prone to becoming obstructed with weeds, bushes etc. which may then be swept away by heavy rushes of water and cause blockages at the entrance to tunnels, bridges or other drains. As in all areas, good maintenance and housekeeping can reduce the likelihood of problems occurring.
- d) Water/oil escape
 - i) This can cover areas such as leaking tanks, either cold water in lofts or hot water cylinders normally elsewhere within houses. Again proper maintenance and periodic checks for any visible sign of weakness, loose joints etc. can help prevent what can be a very disturbing and disruptive set of damage that can take considerable time to repair.
 - ii) Oil escape is a particular problem for those properties heated by oil and where there is a large external tank holding supplies of heating oil. Again leakage through failure, age or damage can be prevented by good maintenance and regular inspection. Unfortunately with the recent increases in the price of heating oil theft is becoming more of a problem and this is often accompanied by damage caused by the thieves.
 - iii) Prevention of this is a balancing act between putting the tank in a secure condition by fencing, padlocks etc. whilst also not impeding the easy access by the delivery vehicles of your oil supply company.
 - iv) Where possible the access cap to the tank should be locked and a bund or similar created around the tank to avoid any potential problems should for any reason the tank leak and at least this will then stop the oil from travelling far from the point of the leak. It may be worth investigating fixing some form of movement sensor alarm either to the tank itself or to security lighting that would light the area should an intruder or thief tamper with the tank.
- e) Frost damage
 - i) One of the benefits of climate change is that overall our weather would appear to be becoming warmer but frost is still something that happens in the winter time and can cause damage to water and heating systems by freezing water leading to split or damaged piping once the ice thaws.
 - ii) Main precautions for the avoidance or minimisation of this are the lagging or coating of any pipes that are in any way exposed particularly those within the loft of the house or which travel outside of the building for any part of their length.
 - iii) Heating systems can also be set to operate on a frost precaution basis whereby when temperatures fall below a set figure minimal heating is applied to the entire system not to heat the building but merely to ensure that the water in the system does not freeze.
 - iv) Like all problems frost will find the weakest point in any system and therefore again regular inspection and checking and proper maintenance can help minimise the risk of this occurring.
- f) Storms

The damage that can be inflicted by storms is usually related to either wind or very heavy rain. In both cases a well maintained and secure building is less likely to be damaged than one that is not properly maintained and has weaknesses such as loose tiles or slates, hanging gutters, insecure doors and windows etc.
- g) If all or part of the property has a flat roof this must be inspected at least once every two years. This is both good practice and a condition of the policy.

3. Theft and Malicious Damage

- i) Theft of property from houses is unfortunately still on the increase but the greater majority of this occurs on an opportunistic basis whereby the thief looks for the easiest target to attack.

It is therefore a good idea to put simple precautions in place that will reduce the likelihood of your property being selected and encourage the thief to move on to another, in their eyes easier, target.

Precautions include:

- a) Movement sensitive lighting that illuminates the drive, doors, garage etc. of the building when anyone comes within range. This has the added benefit of providing lighting to you the legitimate owner of the property when you return from work, social outings etc. during the hours of darkness as it will provide a light to your route back to the front door.
- b) All windows should be properly closed at all times when the building is not being occupied and this includes very small windows as some thieves can wriggle through a remarkably small entrance. Windows that are not regularly used should also be fitted if practical with locks to resist forced entry from outside. Care needs to be taken with the locking of windows to ensure that keys are readily accessible from inside the building so that a locked window does not impede the escape of an occupant in the case of fire.
- c) Doors should also be kept closed and locked with the main doors having at least a five lever mortice lock fitted into a secure and strong frame again to reduce the ability to force the door open by means of a jemmy or similar.
- d) Garages and sheds are a particular attraction to burglars as they usually obtain machinery, tools etc. that can be readily sold on and may also include ladders that can be used to gain access to the upper floors of the building. Once again these buildings should be kept properly closed and locked at all times when there is no-one actually in them.
- e) Local Police forces provide a great deal of assistance and guidance in crime prevention measures and you should contact your local force for further information. Many Police forces either directly or through Neighbourhood Watch groups provide you the marker pens that can be used to unobtrusively mark your postcode on your property. This will not have an impact on the likelihood of it being stolen but can dramatically increase the likelihood of it being returned to you if found and recovered by the Police.
- f) Similarly if there is any doubt over any of your property which may be difficult to describe then it is a good idea to take photographs against a ruler or similar. This will not only describe the property more accurately but give a reasonable indication of its dimensions.
- g) Look around your neighbourhood to try and predict if you are in an area that appears to be subject to vandalism. There are some precautions that can be taken such as toughened glass for windows, wire mesh covers for particularly vulnerable windows, anti-climb paint on down spouts to discourage access to higher levels of the building etc.
- h) Know your neighbours and this means any building within say a quarter mile radius of your property particularly where it is not a house. You need to know whether there are any high profile buildings reasonably near to your property that could attract events such as town halls, Police Stations, research laboratories, high profile employers with a record of labour disputes, buildings with strong political connections particularly to fringe organisations known for non-main stream views etc.

4. **Subsidence/landslip**

The likelihood of this occurring is very much dependent upon the geology of the area and the type of soil on which the property is built. However it can be materially influenced by the existence of trees in the area.

Many newer houses have had small trees planted in their gardens as part of the developer's 'landscaping' efforts to make a new development appear more attractive.

Over the years these trees grow and may become a potential hazard. It is worth noting that a tree is normally as large in area beneath the ground as it is above the ground and can suck very substantial amounts of water from the soil in times of low rainfall and it is this that can lead to subsidence. Guidelines suggest that any tree should be at least 1 ½ times its height from the nearest building to minimise both the risk of it causing subsidence and also causing damage to the building should it fall or be blown down in storms etc.

Pruning or demolition of trees is a job that should be undertaken by suitably qualified and insured professionals to avoid the risk of causing further damage.

House owners should also remember that should the tree or trees be subject to a Tree Preservation Order (which should have been notified to you by the local Council) then no work by way of pruning, thinning etc. can be carried out without the permission from the local Council Planning Department.

5. Safety and General Controls

A landlord has an overriding general duty of care to any tenants who may rent any property for which the landlord is responsible.

The landlord should regularly visit the property either themselves or through their managing agent to ensure that there are no major obvious breaches of the Tenancy Agreement.

The preceding notes deal with specific areas and legislative requirements but there is no substitute for a positive approach to managing property that tries at all times to put the safety and wellbeing of the tenants foremost.

This means not just complying with the minimum requirements of the legislation but embracing all of the various codes of practice and guidance issued by a wide range of bodies dealing with all aspects that impact on tenanted property.

This approach will ensure that your property maintains its value as it will be maintained in a good condition and will also usually lead to happy tenants and reduced likelihood of non-payment of rent.

It is also worth noting that increasingly lenders are including in the small print of their lending agreements a requirement for borrowers to comply with all relevant legislation, with failure to do so leading to a possible breach of terms and thus the ability of the borrower to call in the lending leading at best to a loss of business and possibly to a loss of part of your investment.

It is however not all a one way street as landlords do have rights and compliance with all relevant legislation will strengthen your case should you need to take any form of enforcement action against a tenant.

Areas of self-protection include :-

- a. Having a proper tenancy agreement in place
- b. Ensuring that an inventory and condition statement is produced at the start and end of each tenancy
- c. Reading the meters to reduce the likelihood of unauthorised use of electricity etc.
- d. Ensuring that all the relevant safety checks regarding gas, electricity, furniture etc are carried, recorded and evidenced
- e. Having the proper insurance in place
- f. Any appliances such as ovens washing machines and dishwashers must be in good working order. Any appliance left at the property by the landlord will be the landlord's responsibility to maintain and test where appropriate (see earlier regarding electrical appliances).

1. Flat roofs – only allow access to the flat roof it has been specifically designed for this.

Inspect the surface generally at least twice a year with one inspection being shortly after rain to see how well the water has been draining away.

Repair any bare patches to the protective finish.

Clear leaves and other rubbish from gutters, outlets and downpipes.

Check any flashings for visible signs of deterioration.

Check all joints in the covering for any signs of deterioration.

Check any signs of deterioration on the H-trims both felt and wood.

Note the position of any blisters or puddles for further investigation.

Useful websites

Below are a number of websites that provide much more detailed information on some of the topics that have been covered above.

www.opsi.gov.uk – all UK legislation since 1987.

www.hse.gov.uk/gas/domestic/faqlandlord.htm - Guidance re use of gas appliances.

www.berr.gov.uk/files/file24685.pdf - Furniture Safety guidance.

www.berr.gov.uk/sectors/sustainability/regulations/ecdirect/page12441.html - Electrical equipment safety guidance.

www.homeinformationpacks.gov.uk/consumer/17_Energy_Performance_Certificate.html - Energy Performance Certificates

www.communities.gov.uk/rentingandletting/privateletting/housesmultiple. - Houses in Multiple Occupation.

www.direct.gov.uk/en/tenancydeposits/index.htm. - Tenancy Deposit Scheme.

www.firekills.gov.uk - Fire Safety Advice.

www.environment-agency.gov.uk/subjects/flood - Flood precautions/information.

www.crimereduction.homeoffice.gov.uk/cp_index.htm - Crime prevention advice.

www.rics.org/Services/Usefulguides/Consumerguides/subsidence.htm - Subsidence information/precautions.

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