

New Law from today for Residential Landlords and Tenants.

In recent years, residential rental values have increased slowly, but surely. In the current climate where many are finding it difficult to buy their first house, or move to a larger house to accommodate a growing family, renting is becoming increasingly popular.

From today (1st October) new legislation (*The Assured Tenancies (Amendment) (England) Order 2010*) comes into force, which means that tenancies with an annual rent of up to £100,000.00 will be Assured Shorthold Tenancies with rights given under the Housing Act 1988 (as amended).

Landlords (and letting agents) should be aware, that deposits received for new tenancies entered into after this date will need to be protected in one of the three government schemes. This will also apply if a tenancy is renewed. It is not considered necessary to protect deposits received prior to today, but would be good practice.

Deposit Protection is the only aspect which is not retrospective. The requirements for statutory notices will be in accordance with the Housing Act 1988, i.e. Section 21 and Section 8 notices, with the relevant grounds.

Checklist for Landlords:

1. Deposit will need to be protected in a Deposit Protection Scheme for any new Assured Shorthold Tenancies under £100,000.00 per annum in rent and entered into after 1st October, including renewals. Failure to comply can ultimately result in compensation being awarded to a tenant of three times the deposit, plus the deposit itself.
2. Statutory notices must be served to end the tenancy. A section 21 notice would be used for ending the tenancy at the end of the agreement. It is 2 months' notice, so check your agreements.
3. The tenancy is automatically for a minimum of six months.

For further information on this or other residential property matters.

Call Claire Dunn on 01923 43167

Email Claire@dunnlegal.co.uk

www.dunnlegal.co.uk

Further information is also available at

<http://www.communities.gov.uk/housing/privaterentedhousing/annualrentalthreshold/>