



arla | propertymark

PROTECTED

Trust the experts

arla | propertymark





Regional and national ARLA Propertymark Conferences keep our members up to date with legislation and the latest thinking on industry best practice.

The Private Rented Sector in Scotland has undergone dramatic changes.

We have a new Private Residential Tenancy, a new Letting Agent Code of Practice, registration and training requirements for all letting agents and the introduction of the First-tier Tribunal for Scotland (Housing and Property Chamber). It's now more important than ever that landlords use an agent that they can trust, is qualified and provides you with protection.

ARLA Propertymark has long been at the heart of the private rented sector, providing letting agents with training and legal advice and supporting over 9,000 letting agents to help landlords.

Agents who display the ARLA Propertymark Protected logo are up to date on the latest legal changes and offer higher levels of protection. But we also hold our agents accountable. We expect them to meet high standards, hold client money separately and have their accounts independently inspected regularly.

ARLA Propertymark has been providing financial protection for landlords and tenants for years through our membership requirements. In January 2018, our campaign to make Client Money Protection mandatory for letting agents came to fruition under the new Letting Agent Code of Practice which includes a requirement for all agents to have client money protection as well as professional indemnity insurance.

Choose an agent with the tools to protect you, your property and tenants.

WHY USE AN ARLA PROPERTYMARK PROTECTED AGENT?

All agents who belong to ARLA Propertymark are required to operate in a transparent way, providing services which are subject to independent scrutiny. Any agent who falls below Propertymark's standards will be subject to disciplinary action.

USING A PROPERTYMARK PROTECTED AGENT PROVIDES GUARANTEES:

- Your income is backed by Propertymark Client Money Protection, a scheme which reimburses landlords and tenants for missing rent or deposits if their agent's business fails*
- The responsible agent holds a Propertymark Qualifications Level 6 Technical Award in Residential Letting & Property Management
- Your agent's experience is supported by regular continuing professional development and refresher training
- Your agent is up to date with complex legislative changes and best practice
- Letting agents must have applied to join the Register of Letting Agents by 1 October 2018 to continue operating
- All agents offering Propertymark Protection hold appropriate Professional Indemnity insurance
- If they hold client money their accounts are independently inspected regularly
- If your agent is also dealing with sales they need to be registered with HM Revenue and Customs for anti-money laundering

ARLA Propertymark members are required to undertake training every year. This means that agents are up to date with best practice and understand legislative changes which regularly alter the requirements involved in residential lettings.



*Subject to scheme limits

CONFUSED?

GAS
SAFETY
(INSTALLATION AND USE)
REGULATIONS 1998

ANTISOCIAL
BEHAVIOUR ETC.
(SCOTLAND)
ACT 2004

TOWN AND
COUNTRY
PLANNING
(CONTROL OF ADVERTISEMENTS)
(SCOTLAND)
REGULATIONS 1984

BUILDING
STANDARDS
DIVISION
(TECHNICAL HANDBOOKS
2013: - DOMESTIC - FIRE)

PRIVATE
HOUSING
(TENANCIES)
(SCOTLAND)
ACT 2016

TOWN
AND COUNTRY
PLANNING
(SCOTLAND)
1997

HOUSING
(SCOTLAND)
ACT 2006

LAND AND
BUILDINGS
TRANSACTION TAX
(SCOTLAND)
ACT 2013

RENT (SCOTLAND) ACT 1984

TENANCY DEPOSIT SCHEMES
(SCOTLAND) REGULATIONS 2011

CONTROL OF SUBSTANCES
HAZARDOUS
TO HEALTH
REGULATIONS 1989

HOUSING (SCOTLAND)
ACT 2006

THE FURNITURE
AND FURNISHINGS
(FIRE SAFETY)
REGULATIONS

HOUSING
(SCOTLAND)
ACT 1988

HOUSING
(SCOTLAND)
ACT 2014

LETTING AGENT
CODE OF
PRACTICE
(SCOTLAND)
REGULATIONS 2016

LICENSING
OF HOUSES IN
MULTIPLE
OCCUPATION
(ORDER) 2000

FINANCE ACT 1995

LAND AND BUILDINGS
TRANSACTION

TAX
(AMENDMENT)
(SCOTLAND) ACT 2016



ENFORCEMENT

If you are a letting agent working or managing property in Scotland you need to understand the Letting Agent Code of Practice and join the Scottish Letting Agent Register. The Register is now open for applications and the Scottish Government have set an application deadline of 1 October 2018.

- It will be a criminal offence to do letting agency work if your agent isn't on the register. If you're convicted, an agent could face a fine of up to £50,000, up to 6 months imprisonment or both
- The rent can only be increased once in any 12 month period and is done by serving a prescribed notice, Rent Increase form, on the tenant. It must be given to tenant at least 3 months prior to the rent increase taking place
- On 1 December 2017 a new type of tenancy came into force, called the Private Residential Tenancy, **replacing** assured and short assured tenancy agreements for all new residential tenancies
- Since 1 December 2016 the First-tier Tribunal for Scotland (Housing and Property Chamber) replaced the Private Rented Housing Panel

If you decide to use an agent, make sure you ask the following questions:

- What is your letting agent registration number?
- Is your agent offering ARLA PropertyMark Protection?



PROTECTING YOUR MONEY

There is now a requirement for all agents to have a separate and dedicated client account covered by a Client Money Protection scheme (CMP).

ARLA Propertymark has campaigned for many years for all letting agents to be required to belong to a scheme which provides essential protection for landlords and tenants.

If your agent offers Propertymark Protection, independent checks will be made regularly on your agents' finances and you will be covered by our reimbursement scheme in the event that anything goes wrong.* Other agents who are not Propertymark Protected are not subject to these stringent and thorough inspections.

Rogue letting agent Manish Manek was found guilty of 17 counts of theft involving tenants' deposits and rent owed to landlords. He stole £47,000 before fleeing the UK in October 2012. A police investigation found that Manek had been putting tenant deposits and rent into his personal account.

He was finally arrested and sentenced to jail leaving landlords and tenants out of pocket. His victims never saw their money returned. If a letting agent is not covered by Client Money Protection, both landlords and tenants can lose their money.

All registered agents will have CMP now, but those not Propertymark Protected, for example only with an insurance-backed policy, are not guaranteeing the robustness of their client account.



HOW MUCH DOES YOUR AGENT KNOW?

Ask your agent these questions and satisfy yourself that they are equipped to manage your property.

What have you based your valuation on and how do the comparables relate to my property?

Whilst there is no law in agents having to display fees in Scotland, the code of practice states clear information must be given to potential landlords on the services that will be provided and also the fees being charged, which will be inclusive of VAT.

Which Client Money Protection scheme do you belong to?

Are you giving tenants all of the documentation required by law at the start of a tenancy?

What do you do about inventories and property schedules?

What are your arrangements for checking smoke and carbon monoxide alarms?

What is your approach to electrical testing on portable appliances? And legionella testing?

How often do you visit the property and what reporting procedures do you have in place?

How can you protect me and my property in this increasingly litigious world?

The agent should have written policies for dealing with debt recovery (COP requirement).

If I need to regain possession of my property, how will you go about it?

What is your agent registration number?

PRINCIPLED, PROFESSIONAL, PROPERTYMARK PROTECTED.

arla | propertymark

PROTECTED

#LOOKFORTHELOGO
www.arla.co.uk/find-agent