

Amendments to the TPO Code of Practice for Residential Letting Agents June 2014

Introduction	<p>Effective from date updated</p> <p>First paragraph re-worded to ¶This Code of Practice is mandatory for all TPO Members who are entitled to display the above logo and who offer residential letting and/or management services. Copies of this Code of Practice and the TPO Consumer Guide should be made available in all your offices. You should prominently display the logo in the window of all your offices.q</p>
General Provisions	<p>Paragraph 1b and 1c updated - relevant legislation listed</p> <p>1d amended to ¶You should provide a service to both landlords and tenants consistent with fairness, integrity and best practice; and you should not seek business by methods that are oppressive or involve dishonesty, deceit or misrepresentation. You must avoid any course of action that can be construed as aggressive behaviour (*) or harassment (*).q</p> <p>1e amended to ¶You must treat consumers equally regardless of their race, religion or belief, sex, sexual orientation, gender reassignment status, disability or nationality. Unlawful discrimination includes giving less favourable treatment because someone is perceived to have one of these personal characteristics or because they are associated with a person with such a characteristic.q</p>
Duty of Care and Conflict of Interest	<p>Brought forward to section 2 (previously section 14).</p> <p>Section updated/new paragraphs</p>
Advertising for New Business (Canvassing)	<p>New section 3 - previously found under ¶Marketing and Advertisingq</p> <p>New paragraph added ¶You must act promptly if a landlord or tenant asks you to stop canvassing them.q</p>
Market Appraisal	<p>4g amended to ¶You must, where appropriate, make a potential client aware of requirement to adhere to the Finance Act 1995 and the special rules q</p>
Instructions, Terms of Business, Fees etc	<p>Paragraphs re-ordered</p> <p>5f amended to include new 14 calendar day cancellation period which applies to contacts agreed off-premises and online.</p> <p>Second bullet point of 5j amended to ¶Make clear that a liability to renewal commission will only arise where you are instructed to renew the tenancy or where the landlord has otherwise specifically agreed to your entitlement; where you intend to charge a fee for renewal of a tenancy you should remind the</p>

landlord of that liability at the time of renewal even if that liability is stated in the management agreement;q

New paragraph added ~~Y~~ou must not make a tenant or landlord pay a charge for or be liable for an element of your service that the other party has also been charged for in the course of the same transaction.q

Marketing and Advertising	Letting Boards section updated / new paragraphs
Published Material	New section 7 . previously found under M arketing and Advertisingq Section updated and new paragraphs added
Viewings and Access	8h amended to Y ou must exercise reasonable diligence in ensuring that, after any visit by you or an authorised third party, a property is left secure.q
Offers	9g amended to W ithout prejudice to paragraph 9k and as appropriate to any local legislation..qand second bullet point added w ithout prejudice to paragraph 9cq 9j amended and new paragraph 9k
Referencing	A pplicantqamended to p rospective tenant or guarantorq 10e amended to Y ou must be diligent in verifying the identity and nationality of an applicant or guarantor including verifying the nature of any visa, status of residency and work permit and you must retain a record of steps you have taken.q
Tenancy Agreement, Inventories and Deposits	11a . reference to the Housing Act 2004 added 11b amended to Y ou must give the tenant the opportunity to raise queries in order to clarify and understand his rights and obligations under the tenancy agreement, particularly those relating to rent, deposit or ancillary fees and charges. Whilst you should not seek to vary the tenancy agreement during the period of your agreement with the client, there may be occasions where this may occur. In such circumstances the tenant and the client must be given the opportunity to see and confirm the changed tenancy agreement.q 11e Inland Revenue updated to HM Revenue and Customs 11h amended to T he tenant must be given sufficient time, up to 7 working days from receipt to read and comment upon and sign the check-in report and inventory, and given a copy. If the tenant fails to sign and return the inventory within the time frame and before they take occupation the tenant can be deemed as to have accepted the inventory as accurate. You must hold a copy on file. You must actively flag and specifically draw to the attention of the tenant that their failure to sign and return the inventory will result in the relevant documentation being accepted as accurate. If the tenant

refuses to sign within the relevant timescale they should be asked to explain why and the reason recorded.q

11j amended to ~~Deposits~~ taken for any Assured Shorthold Tenancy (or form of agreement appropriate to Scotland or Northern Ireland) or ~~replacement~~tenancy must be protected by a recognised Tenancy Deposit Protection Scheme duly authorised under the Housing Act (England and Wales) 2004, the Housing (Scotland) Act 2006, the Tenancy Deposit Schemes Regulations (Northern Ireland) 2012. Tenancy deposits must be protected within the timescales and otherwise in accordance with the relevant scheme rules.q

New paragraph ~~Deposits~~ belong to the tenant and where it is passed to the landlord for protection under paragraph 11j above any charges due from the landlord for fees etc must be dealt with as a separate issue and not deducted from the funds passed to the landlord.q

11l ~~or~~ form of agreement appropriate to Scotland or Northern Ireland~~added~~

11m ~~or~~ form of agreement appropriate to Scotland or Northern Ireland~~added~~ and last sentence amended to ~~Any~~ deposits for which you hold the money whether or not this is covered by a recognised Tenancy Deposit Protection Scheme must be treated as clients~~money~~.q

Bonds

New section 12 . Bonds

New paragraph ~~Where~~ the deposit is in the form of a Bond (for example provided by a local authority) you must advise the landlord.q

Rent Collection

13f Inland Revenue updated to HM Revenue and Customs

End of Tenancy - Deposits

16c amended to ~~When~~ the final check-out has been completed and the parties have agreed there are no intended deductions or any dispute, you must refund the full deposit to the ex-tenant(s) or instruct the landlord or tenant~~s~~ deposit holder in respect of Assured Shorthold Tenancies (or agreement appropriate to Scotland or Northern Ireland within a maximum of 10 working days. Where practical the agent should use fast payment schemes.q

16f amended to ~~Wherever~~ possible, once proposed deductions have initially been raised with the parties, you must pay over to each relevant party any amount of the deposit that is not subject to a dispute, as soon as administratively practicable and ensure that the parties to a disputed tenancy are advised of the timescales and procedures for progressing a dispute.q

Clients~~Money~~

17b amended to ~~You~~ must transfer monies due to a client and provide an appropriate, regular statement of income and expenditure in accordance with agreed terms. Other than for

minor amounts, adequately detailed invoices or receipts should support payments made on behalf of a client and copies provided to the client upon request.q

In-house Complaints
Handling

18a amended to ~~Y~~ou must maintain and operate an in-house complaints procedure. Such procedures must be in writing; explain how to complain to your business and to the Ombudsman; be readily available in each office for consumers; and be available for inspection by both the Ombudsman and/or TPO Limited.q

18b amended to ~~A~~ll verbal and written complaints must be recorded by you at the time they are made.q

Glossary of Terms

New definitions added for ~~A~~ggressive Behaviourq ~~A~~verage Consumerq ~~H~~arass/Harassmentq ~~M~~aterial Informationq and ~~T~~ransactional Decisionq