

Homes On Offer Tamworth

AGREEMENT FOR MANAGEMENT OF A RENTED DWELLING

Date:

Parties:

(1) Tamworth Borough Council of (“the Council”)

and

(2) [Name] of

[Address]

..... (“the Owner”)

IT IS AGREED as follows:

1. Definitions 1.1 In this agreement the following expressions shall have the following meanings:-

“the Property” means

.....

“Contract Period” means the period starting on the date of this agreement and continuing until

Unless this agreement is previously terminated in accordance with clause 7; upon expiry of the contract the arrangement will become periodic on a quarterly basis with the Council being required to give 1 months notice and the owner required to give 3 months notice if wishing to terminate the arrangement.

“the Fee” seven per cent of the weekly rent exclusive of VAT payable in respect of the Property during the Contract Period; and an annual fee of £100 for administration costs for each year until the termination or expiry of the arrangement.

“the Account” the Owner’s bank or building society account

Name

Account No

Bank/BSoc name and address.....

Sort Code-.....-.....

Or as otherwise notified by the Owner to the Council;

“Services” means the services to be provided by the Council in relation to the Property set out in Clause 3.

1.2 Unless the context requires otherwise, neuter words shall include the masculine and the feminine and vice versa, and singular words shall include the plural and vice versa.

2. Appointment

2.1 The Owner appoints the Council to be his agent to perform the Services during the Contract Period.

2.2 During the Contract Period, the Council will be the sole letting agent, and will be entitled to receive the Fee in respect of all of the time that the Property is let during the Contract Period, irrespective of the introducer. By entering into this agreement the Owner confirms that no introduction of a prospective tenant has already been made and that he will not instruct any other agent to let the Property during the Contract Period.

2.3 The Owner authorises the Council to sign on his behalf any tenancy agreement or notice or other document relating to the letting or management of the Property.

3. The Services

3.1 In return for the Owner paying the Fee and complying with his obligations under this agreement, the Council agrees to perform the following Services throughout the Contract Period:

a) Tenant finder Service

To identify tenants for the Property, being families or single people in housing need, threatened with homelessness, so as to ensure, that void periods are kept to a minimum.

b) Arrange tenancy agreements

To issue on behalf of the owner assured shorthold tenancies of the Property in accordance with the Housing Act 1988, each tenancy being for a minimum period of six months and thereafter continuing until terminated in accordance with that Act, at a rent equivalent to the Local Housing Allowance for the Property. The rent will be per week, and rent will be subject to increase or decrease annually depending on the Local Housing Allowance at the time of the commencement of any new tenancy and for tenants in situ for longer than 12 months after the first and then each subsequent year of their tenancy.

c) Rent Payment

To collect all rents and other sums from time to time payable to the Owner in respect of the Property.

d) Default by tenant

- (i) the Council will account to the Owner for unpaid rent under clause 4.1 as if it had been paid.
- (ii) Subject to below, if at the end of a tenancy the Property is not in the same condition as at the beginning of that

tenancy, or any fixtures, fittings or furniture shown on the initial inventory are missing or not in the same condition, subject to fair wear and tear, to meet the cost of putting them into that condition. The same applies if, at the end of the Contract Period, the Property or any of the items on the inventory are not present or in the same condition as at the beginning of the tenancy existing at that date.

e) Maintenance checks

To visually inspect from the ground the state of repair of the exterior of the Property once during the first six weeks of the Contract Period and at appropriate intervals thereafter, and to visually inspect the state of repair of the interior of the Property at similar intervals, to establish that tenants are complying with the obligations of their tenancies;

Except in case of emergency to notify the Owner of all reasonably necessary works of repair and maintenance of the Property

To arrange for all works of repair and maintenance of the Property

to arrange annual gas safety inspections at the Property for each annual check during the Contract Period (the Owner being responsible for the cost of works found to be necessary as a result of the inspections).

f) Voids

To pay to the Owner during void periods 100% of the amount of rent which would have been payable had the Property been occupied,

4. Financial Arrangements

4.1 Every month in arrears during the Contract Period, the Council shall pay into the Account, after deducting the Fees and the expenses incurred by the Council in arranging works following inspections in accordance with clause 3.1 (e)

a. the rent received in respect of the Property (including Local Housing Allowance or it's replacement received on account of rent);

b. sums due under clause 3.1 (f)

4.2.1 In the event that an insurance claim by the Owner is necessary because of any act or omission of the Council or a tenant during the Contract Period, which claim is paid subject to an excess, the Council will reimburse the Owner the amount of the excess, up to the sum of £500.

4.2.2 In the event that it is necessary for the Owner to take legal proceedings against a tenant of the Property to obtain possession and/or recover sums due to the Owner, the Council will reimburse the Owner the cost incurred in taking proceedings, up to the sum of £300.00.

4.3 The Council will maintain all reasonably necessary s, accounts and records, in particular so as to enable all necessary notices to be served on tenants of the Property, and to enable the Owner or his accountants to compile statements of account and tax returns in respect of the Property.

4.4 When requested to do so by the Owner, his accountants, tenants or others entitled to production, the Council will produce to them the receipts or other evidence of the expenses paid, and all VAT invoices

5. General matters

5.1 The Council will keep proper records concerning the Property, including details of tenants and their tenancy agreements, and will supply a copy to the Owner upon request.

5.2 The Council will ensure that its records relating to the Property comply with the Data Protection Act 1998.

5.3 The Council will notify the Owner of any apparent illegal drug use or supply at the property which come to its attention. The Council will also notify the Owner if it considers that legal action is required to recover any sums due, to recover possession of the Property, or to enforce any rights obligations owed to the Owner. In such circumstances the Council will provide the Owner or his solicitors with such assistance in producing evidence as they may reasonably require, and will if required attend Court to give evidence.

5.4 The Council will deal with any reasonable enquiries made by tenants, any tenants' association, or prospective tenants, or their respective professional advisers relating to the Property. The Council will also respond to any tenant's notice, application or request, having sought instructions from the Owner if necessary in the circumstances.

5.5 In the event that a tenant fails to pay two months rent or the Council suspects that the property is being used for illegal or immoral purposes then the Council may issue proceedings as legal representative for the Owner..

6. Owners Obligation

6.1 The Owner agrees with the Council throughout the Contract Period to pay to the Council:

6.1.1 the Fee;

6.1.2 any VAT chargeable in addition to the Fee;

6.1.3 upon demand, all expenses properly incurred by the Council in connection with maintenance under clause 3.1(e) (where applicable); and to permit the Council to deduct all such sums from money due to the Owner when crediting it to the Account.

6.2 The Owner will ensure that there is insurance (Which provides Public Liability cover up to the value of 2 million pounds) in force throughout the Contract Period in respect of the building comprising the Property, and the Owner's contents if any, and will produce evidence to the Council if required. In entering into this agreement the Owner hereby certifies that his insurance company has been notified that the Property is to be let..

6.3 The Owner will produce to the Council all documents necessary to demonstrate his entitlement to payment by the Council under clause 4.2.1 to 4.2.2.

6.4 Where the Council requests information or instructions from the Owner in order to manage the Property in accordance with this agreement, the Owner will promptly give such information or instructions in writing, or if given verbally will confirm them in writing within seven days.

6.5 The Owner agrees with the Council that they will comply with all of their obligations under tenancy agreements arranged by the Council, except where this agreement specifically provides for a particular task to be carried out by the Council.

6.6 In the event that the Owner becomes unavailable for a period exceeding one month, the Owner:-

6.6.1 shall grant Power of Attorney to an other person to manage the Property, and to perform the obligations and other functions of the Owner under this agreement;

6.7 Where the Property is subject to a mortgage, the Owner hereby certifies that prior permission has been obtained from the mortgage lender.

6.8 The Owner hereby certifies that all soft furnishings (where provided) comply with the Furniture and Furnishings (Fire)(Safety) Regulations 1993.

6.9 The Owner:-

6.9.1 shall be responsible for any changes required to be made to the Property or its contents during the Contract Period as a result of changes in legislation;

6.9.2 authorises the Council to have mandatory work and/or inspections carried out at the Property;

6.9.3 agrees to reimburse the Council for any costs incurred in ensuring that the Property can lawfully be used a rented dwelling, and authorises the Council to deduct such costs when accounting to the Owner for money received.

6.10 The Owner agrees that in the event of a dispute between the Owner and any tenant or tenants of the Property, the Council's Housing Advice Team, which is distinct from the Homes on Offa Tamworth Scheme shall act as arbitrator and the Owner agrees to abide by the Council's decision.

7. Termination

7.1 The council may end this agreement before the end of the Contract Period by giving not less than two months' written notice to the owner. The owner may end this agreement before the end of the Contract Period by giving not less than six months' written notice to the council. In the event of the Property being sold by the Owner, although the six month notice period shall not apply, the Owner shall give the Council as much notice as possible of his intentions, and at least one month's written notice advising of the date of completion.

7.2 This agreement will end immediately:-

7.2.1 if the Owner ceases to own the Property on the date he ceases to own it; or

7.2.2 upon service of notice to that effect if either party fails to comply with any of the terms and conditions of this agreement and

the failure, if capable of remedy, is not remedied within 28 days of receipt of a written notice of the failure from the other party, or

7.2.3 if the Owner is adjudged bankrupt on the date of the court order adjudging the Owner bankrupt.

7.3 On termination of this agreement the Council will:-

7.3.1 cease carrying on the Services;

7.3.2 return to the Owner all original documents relating to the Property, and supply copies of all records necessary to enable the Owner to manage the Property himself.

7.4 For the avoidance of doubt, termination of this agreement shall not cause the termination of any tenancy of the Property subsisting at that time.

7.5 Fourteen days prior to the expiry of the Contract Period or 28 days after termination of this agreement as a result of notice under clause 7.1 or 7.2 (as the case may be), the Council shall supply to the Owner:-

7.5.1 a statement of account for the period since the last such statement, showing all receipts and all expenditure by the Council in respect of the Property for the relevant period;

7.5.2 all receipts or other evidence of the expenses paid, and all VAT records and VAT invoices.
and shall pay into the Account any sums due to the Owner under this agreement.

7.6 On termination of this agreement by the Owner under clause 7.1 or by the Council under clause 7.2, the Owner shall repay to the Council any Grant received by him.

Signed on behalf of Tamworth Borough Council by

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Head of Housing Advice

Signed by the Owner

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