

TENANT'S GUIDE

A guide to Full Repairing & Insuring lease obligations 2021

A lease is a legally binding contract defining the responsibilities and obligations on both you, the tenant and Fife Council as landlord. This guide is intended to explain the principal lease obligations in plain terms. However, you should always refer to your lease for the details on any given obligation. Tenants should seek their own independent legal advice before entering into a lease in order to fully understand their legal obligations.

1. Property

There will be a description of the property you are leasing which should also describe any external areas and rights of access. Usually a plan will be attached to the lease.

2. Duration

The lease will have a fixed term and an end date. Prior to the end date the landlord will serve a notice to quit requiring the tenant to remove from the property at the end date. The landlord may provide the tenant with an opportunity to extend the lease if the tenant requests this. If neither party takes action to terminate the lease it continues for a further year at the same rent and on the same terms and conditions until one party gives notice to terminate.

3. Rent and rent review

Rent is normally payable by Direct Debit. It is the tenant's responsibility to ensure that rent is paid on time. The landlord is entitled to receive rent. Should the tenant fail to pay the rent on the dates specified in the lease then the landlord will serve notices demanding any outstanding rent be paid. If the rent continues to be unpaid then the landlord's ultimate remedy is to terminate the lease.

The landlord will require the rent to be reviewed at regular intervals and the lease will provide a mechanism for how this is calculated. Once agreed/established then the tenant will be asked to sign a rent review memorandum recording the new rent.

4. Insurance

The Council will arrange and maintain buildings insurance for the external fabric of the building and fixtures and fittings belonging to the Council e.g.

sinks, toilets, built in units. The Council will recover the premium from the tenant. This is invoiced by the Risk Management Team & is usually paid annually.

The Council arranges two building insurance policies for tenants to choose from. <u>Both</u> cover standard risks such as fire, lightning, explosion, aircraft, riot and civil commotion, earthquake, escape of water, storm, flood and impact. The second policy provides additional cover items. **If you are unsure which policy is most suitable for you, you should seek your own independent insurance advice.**

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The tenant is required to maintain suitable insurance for all <u>contents</u> placed in the property. Tenant's insurance should also cover external doors, windows and glass.

The tenant is required to maintain Public Liability Insurance to cover you for any damage or injury to a third party (or their property) attending the building. The tenant is also liable to indemnify the landlord against all claims for loss, damage and injury, including death if the tenant is at fault.

5. Repairs

The tenant is typically responsible for all repairs and maintenance to the property, both internal and external. The tenant will be required to either accept the property in good and tenentable condition at the start of the lease OR the landlord and the tenant will record the condition of the property at the date of entry by agreeing a schedule of condition. The maintenance obligation will include, but will not be limited to, the repair and where necessary replacement of:

- roof coverings and structure and any roof lights.
- Any external flues or cowls
- wall cladding and any other walling material or fabric,
- Chimney
- gutters and downpipes
- any yard surface covered by the lease and associated fencing
- external doors and all ironmongery (including locks)
- roller or sectional doors (including locks and any electric mechanism)
- windows and glass
- security shutters and grilles
- toilet and kitchen fittings including service pipes and drainage
- wash sinks and water supplies including service pipes and drainage
- electric hot water boilers or gevsers
- internal pass doors and all ironmongery
- lighting, heating and electrical equipment
- electrical power points and installations (including annual system test)
- decorative order and cosmetic finishes
- Security Systems Including sensors
- Intruder, Fire and Smoke alarms
- Septic Tanks
- Garden Maintenance
- Flooring

A tenant may use any equipment or installation left by a previous occupier, but this will be at their own risk and no warranty is offered by the landlord as to safety or compliance.

The landlord is entitled to inspect the property (on giving prior notice) and may issue a notice to repair if the tenant is not complying with the repairing obligations.

6. Reservations

The landlord will reserve rights to come onto the property to inspect the property or to maintain an adjacent property owned by the landlord. Notice will be given to the tenant in advance. The landlord may also take entry for the purposes of marketing the property towards the end of the lease.

7. Business Rates

The tenant is liable for paying Rates to Fife Council along with all water, drainage and sewerage charges.

8. Utilities

The Tenant must take out their own contracts for utilities. Gas, electricity, water and telecoms charges are payable direct to the tenant's contracted supplier of choice.

9. Waste

The tenant is responsible for all collection and disposal of waste and should take out their own contracts for this.

10. Use

Use of the property will be stated in the lease and is exclusive to the tenant. If a change of use (or additional use) is required, the tenant will require to apply to the landlord (and possible the planning authority) for consent to this.

11. Alterations

Alterations, additions, modifications or enhancements to any part of the property is prohibited without landlord's prior written consent. The tenant will be asked to provide as much detail as possible including plans and drawings to describe the works required. The tenant will be required to enter into a Licence for Works and will have to pay the landlord's reasonable legal and estates fees for consenting to this.

12. Legislation

The tenant must comply with all relevant Legislation, Regulations and Codes of Practice, including (but not limited to):

Bacterial infection (e.g., Legionella)

https://feedwater.co.uk/legionella-control-association/#:~:text=Legionella%20Control%20Association%20The%20Legionella,companies%20providing%20legionella%20control%20services

https://www.hse.gov.uk/legionnaires/

Health & Safety

https://www.hse.gov.uk/guidance/index.htm

https://www.worksafe.uk.com/health-and-safety-legislation/#:~:text=List%20of%20Health%20and%20Safety%20Legislation%201%20Health,Reform%20%28Fire%20Safety%29%20Order%202005%20More%20items...%20

• Fire Risk Assessment

https://www.gov.uk/workplace-fire-safety-your-responsibilities/fire-risk-assessments

- Asbestos (Risk register is provided by landlord at entry), tenant is then
 responsible for monitoring of Asbestos and
 updating the Register
 https://www.hse.gov.uk/asbestos/
- Electrical Safety Hard Wire and Portable Appliance Testing

https://www.hse.gov.uk/electricity/information/testing.htm

 Gas Regulations- the tenant is required to service and maintain boilers and heating systems in a safe condition. A valid safety certificate should be provided at lease termination.

https://www.hse.gov.uk/pubns/priced/l56.pdf

13. Dilapidations

At the end of the lease (regardless of how the lease is terminated) the tenant will be responsible for any dilapidations (repairs/replacements) required. If a schedule of condition was entered at the start of the lease, the landlord will require the property to be returned to at least the same condition as was accepted by the tenant at date of entry.

Any dilapidations will include the provision of an up-to-date Electrical Installation Certificate, especially if alterations to the electrical circuits has occurred, and an up to date asbestos register.

14. Assignation and Sub-letting

The tenant cannot assign the lease to another party, share occupation or sublease the property to another party without the landlord's written consent. If consent is granted this will need to be documented and the tenant will be liable to pay the landlord's reasonably incurred legal and estates fees.

15. Energy Performance

The tenant will be required to operate the property in an energy efficient manner.

16. Disclaimer

Please note links to relevant guidance and information are valid at the time of producing this document. Current legislation should be checked at the date of requirement.

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