



Department for
Communities and
Local Government

Model Agreement for an Assured Shorthold Tenancy and Accompanying Guidance

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Introductory guidance note and checklists

If you intend to rent a home to or from someone, then you should have a written tenancy agreement. To help tenants and landlords the Government has produced this model assured shorthold tenancy agreement which can be used free of charge. No fee may be charged by anyone for its use.

If you are considering using this agreement, it is very important that you first read this introductory guidance note.

Why has Government produced this model agreement?

This model tenancy agreement has been developed by the Government with the aim of producing an agreement which strikes a fair balance between the interests of landlords and tenants. It is particularly focussed on supporting tenants who want to negotiate a longer fixed term period at the start of the tenancy. There is no legal requirement to use this particular agreement.

The Government recognises that there is growing interest in tenancies that have a longer fixed period – e.g. three years. Such agreements can give tenants – particularly families with children - greater certainty and stability to plan for the future. Entering into longer tenancies is also beneficial to landlords as it offers greater certainty on rental income, minimises periods when the property is vacant and avoids the costs associated with finding new tenants. It also means that neither tenants nor landlords need to pay fees to renew a tenancy.

This agreement has been designed for those wanting the stability of a longer tenancy. But the Government recognises that the circumstances of either the tenant or the landlord may change during the tenancy which is why, if the agreement is for two years or more, either the landlord or the tenant can bring it to an end earlier where certain conditions apply (see the break clauses in section F).

Can this agreement be used if we want to enter into an agreement for a fixed term of less than 2 years?

Whilst this agreement has been developed with longer tenancies in mind, the Government realises that many landlords and tenants find that an agreement with a fixed period of 6, 12 or 18 months suits their needs. If you only wish to have a fixed term period of, say, 6 or 18 months, then you should fix the rent for the whole period (see clause B6) and can ignore the break clauses in section F of this agreement as they have been drafted so that they only apply to tenancies of 2 years or more. The agreement can then be renewed at the end of that period, if the parties so wish, or the tenancy can simply run on from month to month until terminated.

When shouldn't this agreement be used?

The model agreement is intended for use when a private landlord and tenant enter into a fixed term assured shorthold tenancy for a privately rented property in England (this is the standard type of tenancy in the private rented sector). It should not be used in the following situations:

- Social housing (local authority or housing association properties);
- Business lets (i.e. where the tenant is a company renting residential accommodation for its employees);
- Holiday homes;
- If none of the tenants will occupy the property as their only or principal home;
- Renting a room in shared premises, such as a bedsit (i.e. if the tenants are not, together, renting the whole of a house or a self-contained apartment within a block of flats);
- Lodger living in the landlord's own home;
- Commercial properties (shops, offices, etc.).

What should we do before signing this agreement?

Before agreeing to let their property, landlords will want to confirm their prospective tenant's identity, credit history and possibly employment. Landlords must also check that all people aged 18 and over living in the property as their only or main home, whether they're named in the tenancy agreement or not, have the [right to rent](#) property in the UK.

Further guidance is available at the Government's How to Rent guide which is available at <http://ow.ly/X3pIV>.

Before signing this agreement you should take time to read through it thoroughly and to satisfy yourselves that you understand and are happy with the content. If you have any concerns then you should ask questions of the person you are signing the agreement with or seek independent advice from another person.

There are also certain clauses in this model tenancy agreement which need to be agreed specifically between the parties (e.g. the rent and length of the agreement) and the necessary information filled in.

On the next two pages of this introductory guidance note you will find some checklists to help you check that you have filled in all of the relevant parts of the agreement and space which you can use for making a note of key dates during the tenancy.

The checklists are intended to help both landlords and tenants comply with their respective obligations and to ensure that they have read through and filled in all of the necessary information before signing the agreement. They do not form part of the legal terms of the agreement. Landlords and tenants can use the 'key dates to remember' section below to make a note of any key dates which they may need to remember during the lifetime of the tenancy.

Landlord's checklist and key dates to remember

Checklist

I have checked that all adults living at the property as their only or main home have [right to rent property in the UK](#)

I have filled in the following clauses of the agreement: B1.1 (the parties), B2.1 (other occupiers), B2.3 (max number of occupiers), B3.1 (address and description of property), B3.2 (common parts / shared facilities), B3.4 (mortgaged property), B4.1 (the term of the tenancy), B6 (the rent), B7 (whether council tax etc. included in the rent), B8.1 (rent payment dates), B8.3 (method of payment), B10.1 (the deposit), Section G (additional terms (if any)) and Section H (contact details and service of written notices).

If an inventory and/or report of condition have been prepared, I have provided the tenant with a copy.

I have provided the tenant with information about the property and its installations (see clause B3.3).

If applicable, I have given the tenant a copy of the notice in Annex 2 (Prior notice to tenant of certain grounds for possession – see clause B5.2 and Annex 2).

I have provided a copy of the gas safety certificate and energy performance certificate to the tenant.

I have given the tenant a copy of the Government's 'How to Rent' Guide (available on the private rented sector page at www.gov.uk).

I have provided the tenant with a record of any electrical safety inspections which have been carried out (by law landlords are required to ensure that all wiring, installations and any electrical appliances they supply are safe and checks every 5 years are recommended).

If the tenant has paid a tenancy deposit, I have protected the deposit and sent the tenant information about the deposit protection.

I have printed out copies of the agreement for myself and my tenant(s).

I have installed a smoke alarm on every floor used as living accommodation and a carbon monoxide detector in any room with a solid fuel burning appliance, again used as living accommodation.

I have checked the above alarms are in working order on the first day of the tenancy.

Key dates

A. Deadline for protecting any deposit and sending prescribed information to tenant (see clause B10.1 and guidance note): []

B. Next gas safety inspection due on or before: []

C. Date on which fixed term ends (landlords should contact tenants well in advance of this date to agree what will happen at the end of the fixed term): []

D. Next electrical safety inspection due (recommended every 5 years): []

E. Date that first Right to Rent check was undertaken []

F. Date that any subsequent Right to Rent check is due []

(Only applicable where a tenant has limited right to rent)

Tenant's checklist and key dates to remember

Checklist

I have read through and am content with the agreement and with the information that has been inserted into the following clauses: [] B1.1 (the parties), [] B2.1 (other occupiers), [] B2.3 (max number of occupiers), [] B3.1 (address and description of property), [] B3.2 (common parts / shared facilities), [] B3.4 (mortgaged property), [] B4.1 (the term of the tenancy), [] B6 (the rent), [] B7 (whether council tax etc. included in the rent), [] B8.1 (rent payment dates), [] B8.3 (method of payment), [] B10.1 (the deposit) and [] Section G (additional terms (if any)).

[] I have inserted my contact details in section H of the agreement and the landlord has done so also.

[] I have been given a copy of the Government's 'How to Rent' guide and I have read and understood my rights and responsibilities.

[] If I am responsible for paying for utilities (see clause B7), I have been given final meter readings by my landlord and understand that I am responsible for any consumption of gas etc. above the final readings.

Key dates

A. Rent due date (*insert date e.g. 1st of every month*)

B. Rent review dates (if it has been agreed that the landlord can review the rent annually, you may want to make a note of the latest date by which the landlord can send you a notice setting out the new rent for the forthcoming year and a note of the tenancy anniversary dates – see clause B6): []

C. Deadline for comments on the inventory and/or report of condition if there is one (See clause B9):

D. Date on which fixed term tenancy ends (see clause B4.1): []

E Date that first Right to Rent check was undertaken []

F Date that any subsequent Right to Rent check is due ()
(Only applicable where a tenant has limited right to rent)

Assured shorthold tenancy agreement

This is an agreement for letting a dwelling on a fixed term assured shorthold tenancy under Part 1 of the Housing Act 1988 (as amended).

This document is important. It sets out the rights and responsibilities of tenants and landlords under the agreement. **You are strongly advised to read it carefully before agreeing to it.** It should be kept for the lifetime of the tenancy as you may need to refer to it in the future. The document contains some guidance notes on particular clauses of the tenancy agreement which are intended to help you to understand the agreement. These appear next to the relevant clauses in the text boxes. These guidance notes do not form part of the legal agreement itself.

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Disclaimer

This document is being made available free of charge to anyone wishing to use it, and whilst every care has been taken in its preparation ultimately only a court can decide on the legal effect and enforceability of contractual terms. The Government cannot, therefore, guarantee the legal effect of this model agreement and shall not be held responsible for the consequences of the use of, or reliance on, this model agreement, including for any financial loss suffered by any landlord, tenant or other person. If you are in any doubt as to the implications of using this document you should seek independent legal advice.

Section A: Definitions and interpretation

Guidance Note: This section of the agreement defines certain terms and sets out certain rules of interpretation which apply throughout the agreement. Where a defined term is used in this agreement, this will be indicated by the use of a capital letter for the first letter of each word of the term e.g. “Common Parts”.

The definition of ‘Landlord’ makes it clear that if, for example, the landlord(s) named in section B1.1 of this agreement sells the Property with the tenancy in place, all of the landlord’s obligations and rights set out in this agreement transfer to the new landlord. The new landlord is required, by law, to notify the tenant of their contact details.

Definitions and interpretation

The definitions and rules of interpretation in this clause apply in this agreement:

Common Parts: Common Parts means any part of a building containing the Property and any land or premises which the Tenant is entitled under the terms of this Tenancy to use in common with the owners or occupiers of other dwellings (*see clause B3.2*).

Landlord: A reference in this agreement to the Landlord includes a reference to the person who is entitled to the immediate reversion to the Tenancy and anyone who becomes entitled, by law, to receive the rent payable under this Tenancy.

Property: A reference to the Property is to the property (or any part of the property) described in clause B3.1.

Tenancy: A reference in this agreement to the Tenancy is to the tenancy created by this agreement.

Tenant: A reference to the Tenant includes a reference to anyone who succeeds to or inherits this tenancy on the death of the Tenant.

- 1.1 A reference to one gender shall include a reference to the other gender.
- 1.2 A reference to a statute (e.g. an Act of Parliament such as the Landlord & Tenant Act 1985) or statutory provision (e.g. a section of an Act – for example section 11 of the 1985 Act) is a reference to it as it is in force for the time-being, taking account of any amendment, extension or re-enactment of the law concerned.
- 1.3 References to clauses are to clauses of this agreement.

Section B: Main terms of the agreement

Guidance Note: This section of the agreement sets out the terms which are particular to this agreement. Whilst the whole agreement is important, it is extremely important that both parties understand and are content with the terms agreed in this section.

1 THE PARTIES

1.1 This is an agreement for a fixed term assured shorthold tenancy:

Between (*insert names of landlord(s)*): (“the Landlord”)

Landlord (*insert name*)

and (*insert names of tenant(s)*): (“the Tenant”)

Tenant 1 (*insert name*)

Tenant 2 (*insert name*)

Tenant 3 (*insert name*)

(*insert additional names if there are more tenants*)

1.2 The obligations and liabilities of the parties under this agreement are joint and several.

Guidance Note: Joint and several liability.

Joint and several liability means that where there are two or more tenants or landlords under this agreement, all of the named tenants or landlords will be ‘jointly and severally liable’ for the tenants’ or landlords’ obligations. That means, for example, the landlord can take legal action against any or all of the tenants for any breach of the agreement by any of them. This means each tenant is also responsible for their fellow tenants’ share of the rent and other obligations.

2 OTHER OCCUPIERS

2.1 The Landlord agrees that, in addition to the Tenant, the following person(s) (who for the avoidance of doubt are not tenant(s)) may live at the Property:

(a) the Tenant’s children or other dependants who are under 18 years of age at the start of the Tenancy; and

(b) the following adults (if any):

Section B: Main terms of the agreement

Adult 1 (*insert name*)

Adult 2 (*insert name*)

Referred to in this agreement as “Members of the Tenant’s Household”.

- 2.2 The Tenant must not allow any other adults to live at the property without the written consent of the Landlord which must not be unreasonably withheld or delayed.
- 2.3 The Tenant must ensure that not more than (*insert number*) persons live at the Property.
- 2.4 Any obligation on the Tenant under this agreement to do or not to do anything shall also require the Tenant not to permit or allow any Member of the Tenant’s Household or visitor to do or not to do the same thing.

Guidance Note: Other Occupiers

Clause B2.1 allows the tenant to live in the property with children or dependents provided they are under the age of 18 at the start of the tenancy. If there are any other adults (including adult children or other adult dependents) who will be living in the property (but not as one of the named tenants), then as for the tenant(s), the relevant Right to Rent checks will need to be carried out before the start of the tenancy and their names need to be included in the agreement.

The landlord's permission must be sought if the tenant wants any additional people to move in. For example, they may decide that they wish to share the property with a lodger. A lodger is a person who shares the property but simply has a licence to occupy rather than a tenancy and such a person does not therefore have exclusive possession of any part of the property. If the tenant decides to grant exclusive possession of part of the property to another person for part or all of the tenancy then this will be subletting, for which the consent of the landlord is also required (see clause C7).

If the tenant decides to share the property with a lodger who will be using the property as their only or main home, a check will need to be undertaken to confirm that the lodger has the [Right to Rent](#).

Normally the tenant would be responsible for making this check on a lodger. However, sometimes it may be sensible or more appropriate for the landlord to conduct the check (e.g. at the start of a tenancy when the landlord is checking the tenant's own right to rent). In these circumstances the tenant and landlord should formally agree between themselves in writing who will take responsibility for carrying out this check.

Clause B2.3 allows the landlord to specify the maximum number of people who can live in the property. This is to prevent overcrowding and other risks. Clause B2.4 explains that the tenant is responsible for the conduct of any member of the household or visitor to the property. The tenant will be liable if, for example, visitors cause a nuisance or damage the property.

3 THE PROPERTY AND COMMON PARTS

3.1 Address and description (e.g. 1 bedroom ground floor flat) of the Property:[]

The Property is: *(place a cross [x] in the boxes which apply)*

Fully furnished []

Part furnished []

Unfurnished []

The Property includes:

Private garden []

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(insert description if necessary)

Garage []

(insert details if necessary)

Other: *(insert details if applicable)*

3.2 In addition to the Property, the Tenant shall also have use of the following Common Parts *(place a cross [x] in the boxes which apply)*:

[] Shared access to the Property

(insert description if necessary)

[] Shared garden which is shared with *(insert details)*

Other shared facilities: *(describe any other shared facilities)*

3.3 The Landlord must provide the Tenant with such information about the Property, the Property's installations and any services provided to the Property as is reasonably necessary to enable the Tenant to comply with the obligations contained in clauses C2 (payment of council tax, utilities and other charges) and C4 (care and maintenance of the Property) of this agreement.

3.4 The Property is / is not *(delete as appropriate)* currently subject to a mortgage.

Guidance Note: Mortgaged properties. Clause B3.4 requires the landlord to say whether the property is subject to a mortgage. Landlords must have the consent of their mortgage provider in order to rent out the property. If the landlord has mortgaged the property and is in breach of the mortgage conditions (for example by not paying the instalments due under the mortgage) the mortgage provider (usually a bank or building society) may become entitled to receive the rent from the tenant either through the appointment of a receiver of rents or by repossessing the property from the landlord.

Where this has happened, the mortgage provider may want the tenant to leave so they can sell it as an empty property. For that reason the receiver or the mortgage provider has the right, in certain circumstances, to ask the tenant to leave before the end of the fixed term - see ground 2 of schedule 2 to the Housing Act 1988 (referred to in clause E1 of this agreement and Annex 2) and clause F4 (break clause where landlord is in mortgage arrears and a receiver has been appointed).

Section B: Main terms of the agreement

4 THE TERM AND EXPIRY OF THE FIXED TERM

4.1 The Tenancy created by this agreement:

begins on: (*insert date*)
and
ends on: (*insert date*)

unless terminated early in accordance with the clauses in section E (landlord's grounds (reasons) for possession during the fixed term) or, where applicable, section F (break clauses for tenancies of two years or longer) of this agreement, or unless terminated early by mutual agreement between the parties.

Guidance Note: The Term. The start date and end date of the tenancy must be entered into clause B4.1 – this is known as ‘the term’ of the tenancy. This clause explains that the tenancy could be brought to an end early by the landlord if one of the statutory grounds (reasons) applies (see section E of the agreement). It also sets out that in the case of a tenancy which is for two years or more, section F of the agreement contains some break clauses which allow the tenant, and in some circumstances the landlord, to end the tenancy early. Landlords and tenants can also agree to end the tenancy early – this is known as surrendering the tenancy.

4.2 If the Tenant continues to live in the Property after the expiry of the fixed term and no further tenancy has been entered into by the parties, then from the expiry of the fixed term the Tenant shall occupy the Property under a statutory periodic tenancy in accordance with section 5(2) of the Housing Act 1988.

Guidance Note: Expiry of the fixed term. Clause B4.2 provides that unless the landlord and tenant enter into a new tenancy at the end of the fixed term, a statutory periodic tenancy will come into being. This simply reflects what the law says happens where the fixed term expires but the tenant remains in the property without entering into a new tenancy agreement with the landlord. A statutory periodic tenancy is a tenancy which runs from month to month or week to week (depending on how often the rent is paid). Most of the clauses set out in this agreement (for instance the tenant's and landlord's obligations) will be the same in the statutory periodic tenancy, however, the landlord will be able to increase the rent and may be able to change other terms in the agreement if he follows the correct procedure. Further information about statutory periodic tenancies can be found on the private rented sector page at www.gov.uk.

Section B: Main terms of the agreement

5 TERMINATION BY THE LANDLORD AT THE END OF THE FIXED TERM

- 5.1 If the Landlord wants the Tenant to leave the Property at the end of the Tenancy, the Landlord must:
- (a) give the Tenant at least two months' notice in writing before the end of the fixed term in accordance with section 21 of the Housing Act 1988 (this is known as a "section 21 notice"); or
 - (b) seek possession on one or more of the grounds contained in Schedule 2 to the Housing Act 1988 (if any of those grounds apply).
- 5.2 If ground 1 of Schedule 2 to the Housing Act 1988 applies in relation to the Property (see *guidance note below*) then the Landlord should complete the notice in Annex 2 of this agreement and give it to the tenant(s) prior to the date on which this agreement is entered into.

Guidance Note: Termination by the landlord at the end of the fixed term. In practice, landlords and tenants should discuss what is going to happen at the end of the fixed term well in advance of that date and where the tenant does want to stay the parties can either enter into a new agreement or let the agreement roll on as a statutory periodic tenancy (see clause B4.2). However, if the parties are unable to come to an agreement and the landlord wants the tenant to leave at the end of the fixed term, this clause explains that he has to serve a notice under section 21 of the Housing Act 1988 giving the tenant at least two months' notice in writing stating that he requires possession of the property. The correct procedure must be followed. This is detailed at <http://www.gov.uk/government/publications/notice-seeking-possession-of-a-property-let-on-an-assured-shorthold-tenancy>. As of 1 October 2015, all landlords must use the prescribed form when giving notice under section 21 (except for where there is a statutory periodic tenancy which has come into being on or after 1 October 2015 at the end of a fixed term assured shorthold tenancy that was created before 1 October 2015.)

The purpose of clause B5.2 is to alert landlords who have previously occupied the property as their only or principal home or who may need to occupy the property as their home at the end of the fixed term tenancy, to the fact that they should give tenants the notice contained in Annex 2 of this agreement before entering into this agreement. This is necessary if a landlord wants to be able to rely on this reason (i.e. ground 1 of schedule 2 to the Housing Act 1988) to get possession of the property at the end of the fixed term and is also relevant if the property is mortgaged. See Annex 2 for more detail on clause B5.2.

If the tenant does not leave by the date specified in the notice the landlord will need to apply to a court for a possession order and the tenant is entitled to continue to live in the property until a court decides that a landlord is entitled to take possession of the property. Only a bailiff, appointed by the Court, can evict a tenant.

6 THE RENT

Guidance Note: The Rent

Tenancies of less than two years: If the landlord and tenant have agreed a fixed term of less than two years then it is recommended that you fix the rent for the whole of the term. You should fill in **option 1** only.

Tenancies of two or more years: If the landlord and tenant have agreed a tenancy of two or more years then you need to agree whether the rent will stay the same for the whole term or whether the landlord can choose to increase it each year.

If you agree that the rent should stay the same for the whole term then you need to use **option 1**. If you agree that the landlord should be able to increase the rent each year then you need to agree whether this should be by way of a fixed percentage increase each year-**option 2** - or by the annual change in the consumer price index ("CPI") - **option 3**. **You should only fill in the option that you have chosen.**

Further guidance on each of these options and some worked examples are attached at the end of this agreement.

OPTION 1: Rent fixed for the whole of the fixed term

6. The rent is £ (insert amount) per week/month (delete as appropriate) for the fixed term.

OPTION 2: Option for landlord to increase the rent annually up to an agreed percentage

- 6.1 The rent is £ (insert amount) per week/month (delete as appropriate) for the first year of the fixed term.
- 6.2 Subject to compliance with the requirements specified in clause B6.3, the Landlord may increase the rent on each review date by a maximum of [] % (insert agreed percentage).
- 6.3 The requirements are that the Landlord must serve a rent review notice on the Tenant not less than 28 days but not more than 90 days before the relevant review date specifying:
- (a) the percentage by which the rent will increase on the relevant review date; and
 - (b) the new rent payable from the relevant review date.
- 6.4 If the Landlord fails to comply with the requirements specified in clause B6.3, the rent will not change until the next review date.
- 6.5 In clause B6 "review date" means the first anniversary of the start of the Tenancy and each anniversary of that date.

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OPTION 3: Option for landlord to increase the rent annually by reference to the Consumer Prices Index

- 6.1 The rent is £ *(insert amount)* per week/month *(delete as appropriate)* for the first year of the fixed term.
- 6.2 Subject to compliance with the requirements specified in clause B6.3, the Landlord may increase the rent on each review date by a maximum of the percentage change in the Consumer Prices Index over the preceding year. This must be calculated by reference to the last index published before the date on which the Landlord serves the notice under clause B6.3 and the index published 12 months prior to that.
- 6.3 The requirements are that the Landlord must serve a rent review notice on the Tenant not less than 28 days but not more than 90 days before the relevant review date specifying:
- (a) the percentage by which the rent will increase on the relevant review date; and
 - (b) the new rent payable from the relevant review date.
- 6.4 If the Landlord fails to comply with the requirements specified in clause B6.3, rent will continue to be payable from the relevant review date until the next review date at the rate payable immediately before the relevant review date.
- 6.5 In clause B6 “review date” means the first anniversary of the start of the Tenancy and each anniversary of that date.

7 COUNCIL TAX, UTILITIES AND OTHER CHARGES FOR SERVICES INCLUDED IN THE RENT

The following charges are included in and payable as part of the rent (*place a cross [x] in the boxes which apply*):

Council tax []

Water and sewerage charges []

Gas []

Electricity []

Television licence fee []

Telephone line rental []

Broadband []

Other charges included: (*please state*)

8 PAYMENT OF THE RENT BY THE TENANT

Rent payment dates

Section B: Main terms of the agreement

8.1 The first payment is to be made on *(insert date)* and further payments are to be made on *(insert agreed rent payment day e.g. "1st day of each month" or "Monday of each week")* beginning on *(insert date)*.

Interest payable on overdue rent

8.2 Interest of 3% above the Bank of England's base rate will be payable on any rent which is more than 14 days overdue. The interest will be payable from the date on which the rent fell due until the date it is paid.

Method of payment

8.3 The rent must be paid by: standing order / direct debit / cheque / cash *(delete as appropriate)*.

9 THE INVENTORY AND REPORT OF CONDITION

9.1 If the Landlord, or someone acting on behalf of the Landlord, has prepared an inventory and/or report of condition, it must be attached to this agreement (see *Annex 1*).

9.2 Unless the Landlord receives written comments on or amendments to the inventory and/or report of condition within 14 days of the start of the Tenancy, the Tenant shall be taken as accepting the inventory and report of condition as a full and accurate record of the condition of the Property and its contents.

9.3 The Landlord must ensure that any comments or amendments received from the Tenant under clause B9.2 are attached to the inventory and/ or report of condition annexed to this agreement.

Guidance Note: The inventory and/or report of condition. The completed inventory and / or report of condition (and any comments or amendments received from the tenant within 14 days of the start of the tenancy) should be attached to the completed agreement. There is no legal requirement to prepare an inventory or report on the condition of the property, however, this is standard practice and will make things easier if there is a dispute about the deposit at the end of the tenancy. As an extra safeguard, tenants and landlords may wish to take photos of the condition of the property and any items listed on the inventory at the start of the tenancy.

10 THE DEPOSIT

10.1 The Tenant has paid a deposit of £ *(insert amount)* which the landlord has protected / will protect *(delete as appropriate)* in the following Government approved tenancy deposit protection scheme *(insert name of scheme)*.

Section B: Main terms of the agreement

Guidance Note: Tenancy deposit protection. Under the Housing Act 2004 the landlord is legally required to protect the deposit with a Government approved scheme and send the Tenant certain information within 30 calendar days of receiving the deposit. Penalties apply where a landlord fails to comply. Further information about tenancy deposit protection can be found on the private rented sector page at www.gov.uk.

10.2 The Tenant agrees that the Landlord may make reasonable deductions from the deposit at the end of the Tenancy for the following purposes:

- (a) except for fair wear and tear, to make good any damage to the Property, the Common Parts or any of the items listed in the inventory caused by the Tenant's failure to comply with the Tenant's obligations under this agreement;
- (b) to replace any items listed in the inventory which are missing from the Property at the end of the Tenancy;
- (c) to pay any rent which remains unpaid at the end of the Tenancy;
- (d) where the Tenant has failed to comply with clause C8.2 of this agreement, to cover the reasonable removal, storage and disposal costs incurred by the Landlord;
- (e) where the Tenant has failed to comply with clause C8.1 of this agreement, to pay the reasonable cleaning costs incurred by the Landlord to remedy that failure;
- (f) where the Tenant has failed to comply with the obligation in clause C2.4, to recover any reconnection charge paid by the Landlord;
- (g) where the Tenant has made any addition or alteration to the Property or has redecorated the Property without the Landlord's prior written consent (see *clause C4.2*), to cover the reasonable costs incurred by the Landlord in removing or reversing any such addition or alteration or in reinstating the former decorative scheme.

Guidance Note: Fair wear and tear. Residential landlords must allow for what is called 'fair wear and tear' to the property which means that the landlord cannot withhold money from the deposit or seek money from the tenant to compensate for 'fair wear and tear' to the property. The courts have described it as "Reasonable use of the premises by the tenant and the operation of natural forces" however there are no detailed or precise rules on what constitutes 'fair wear and tear'. In assessing 'fair wear and tear' to a property regard must be had to factors such as the length of the tenancy, the number and age of the occupiers and the quality of the accommodation. For instance, the longer the tenancy the more wear and tear it is reasonable to expect. The tenancy deposit protection schemes give guidance on what may be considered 'fair wear and tear'.

Section C: Tenant's obligations

Guidance Note: This section sets out the Tenant's obligations under this agreement. It is important that the tenant complies with the obligations set out in this agreement as failure to do so may result in the tenant being evicted from the property.

1 PAYMENT OF RENT

The Tenant must pay the rent in advance, on or before the dates agreed (see *clause B8.1*).

2 PAYMENT OF COUNCIL TAX, UTILITIES AND OTHER CHARGES

- 2.1 Except where included in the rent (see *clause B7*) the Tenant must pay to the relevant local authority all council tax due in respect of the Property during the Tenancy.
- 2.2 Except where included in the rent (see *clause B7*) the Tenant must pay to the relevant suppliers all charges in respect of any electricity, gas or water (including sewerage) services used at or supplied to the Property during the Tenancy and pay all charges to the provider for the use of any telephone, satellite, cable or broadband services at the Property during the Tenancy.
- 2.3 Except where included in the rent (see *clause B7*), the Tenant must pay any television licence fee payable in respect of the Property during the Tenancy.
- 2.4 Where any service mentioned in clause C2.2 has been disconnected as a result of the Tenant's failure to comply with the Tenant's obligation to pay for the service, any reconnection charge will be payable by the Tenant.

3 USE OF THE PROPERTY, PETS AND PROHIBITED CONDUCT

- 3.1 The Tenant must occupy the Property as the Tenant's only or principal home.
- 3.2 The Tenant must not use the Property for the purposes of a business, trade or profession except with the prior written consent of the landlord which must not be unreasonably withheld or delayed. In particular, it will not be unreasonable for the Landlord to withhold consent if there is a reasonable likelihood that the use proposed would:
 - (a) give rise to a tenancy to which Part II of the Landlord and Tenant Act 1954 (business tenancies) applies; or
 - (b) cause a nuisance to the occupiers of neighbouring properties or significantly increase wear and tear to the Property.

Section C: Tenant's obligations

Guidance Note: Business use.

The tenant should normally be allowed to carry out a low impact business from home, provided that the property remains a private residence first and business use is secondary. Clause C3.2 permits a tenant to carry out a home business from the property as long as the landlord gives consent in writing. This does not mean that the landlord's permission is required for all home-working - modern practice means that an office-based worker or a teacher, for instance, may sometimes work at home or bring papers home to work on and permission would not be required for that type of activity. If the tenant wants to run a business from home and the landlord refuses consent, written reasons need to be given. The reasons have to be reasonable. The clause identifies the main reasons for which it would not be unreasonable for a landlord to withhold consent. These are that the business use would cause a nuisance to neighbours or might result in significantly more wear and tear (see guidance note under clause B10.2) to the property or that the proposed business use of the property might give rise to a business tenancy.

However, sections 35 and 36 of the Small Business, Enterprise and Employment Act 2015 (which came into force on 1st October 2015) establish a new concept of a 'home business tenancy'. This allows landlords to permit residential tenants to run a home business without the tenancy falling within the protection of Part 2 of the Landlord and Tenant Act 1954 (so long as tenants are not permitted to run any other kind of business from home). A home business is a business of a kind that might reasonably be carried out at home – for example, this could include an internet business, a financial consultancy, an advertising copywriting or translation service.

The landlord's consent to a home business must be provided either through the terms of the tenancy agreement or by the landlord's subsequent consent or agreement to such a home business.

- 3.3 The Tenant must not use the Property for any illegal, immoral, disorderly or anti-social purposes.
- 3.4 The Tenant must not do anything to or on the Property or any Common Parts which may reasonably be considered a nuisance or annoyance to the occupiers of neighbouring properties.
- 3.5 The Tenant must not keep any pets or other animals at the Property without the prior written consent of the Landlord which must not be unreasonably withheld or delayed. If permission is given, it may be given on the condition that the Tenant pays an additional reasonable amount towards the deposit.

Guidance Note: Keeping pets. Clause C3.5 prohibits the keeping of pets in the property without the landlord's consent which must not be unreasonably withheld. This means the landlord cannot exercise a blanket ban on pets and should not turn a request down without good reason. For example a landlord might consider a large dog would be reasonably likely to damage the property but clearly a goldfish would not. If consent is given on the condition that additional deposit is paid by the tenant, then the landlord must also protect that additional deposit in an authorised tenancy deposit scheme.

Section C: Tenant's obligations

4 CARE, MAINTENANCE AND REDECORATION OF THE PROPERTY

- 4.1 The Tenant must take reasonable care of the Property, any items listed in the inventory and the Common Parts (if any). This includes (but is not limited to):
- (a) taking reasonable steps to keep the Property adequately ventilated and heated so as to prevent damage from condensation;
 - (b) taking reasonable steps to prevent frost damage occurring to any pipes or other installations in the Property, provided the pipes and other installations were adequately insulated at the start of the Tenancy; and
 - (c) disposing of all rubbish in an appropriate manner and at the appropriate time.

Guidance Note: Tenant's obligation to take reasonable care of the property

There is a legal duty on tenants to avoid, or repair, wilful or negligent damage caused by the tenant, the tenant's family members or guests and to do the minor acts necessary to keep the property in a reasonable state. This would include jobs such as changing light-bulbs, unblocking sinks (where the blockage has been caused by the tenant's waste) and doing other little jobs around the property that a reasonable tenant would do. This is known as the duty to behave in a tenant-like manner. Clause C4.1 lists some specific things which it is particularly important for tenants to do in order to prevent damage to a property.

- 4.2 The Tenant must not make any addition or alteration to the Property or redecorate the Property (or any part of it) without the Landlord's prior written consent which must not be unreasonably withheld or delayed.

Guidance Note: Alterations to the property and redecoration. Clause C4.2 prohibits the tenant from making any alterations to the property or carrying out any redecoration, without the landlord's permission. That permission must not be unreasonably withheld. The more minor the alteration (e.g. putting a shelf up) the less likely it is that a refusal would be reasonable. The landlord can give the permission subject to reasonable conditions, such as the tenant will restore the property to the original condition by removing the shelf and filling any holes or requiring the original decoration scheme to be reinstated, before the end of the tenancy. If the tenant does not, the landlord may be able to withhold funds from the deposit in order to do so.

- 4.3 The Tenant must notify the Landlord as soon as reasonably possible about any repairs that are needed to the Property or to any items listed on the inventory for which the Landlord is responsible (*see clause D3*).
- 4.4 The Tenant will be liable for the reasonable cost of repairs where the need for them is attributable to the Tenant's failure to comply with the obligations set out above in clauses C4.1 and C4.2 or where the need for repair is attributable to the fault or negligence of the Tenant, any Member of the Tenant's Household or any of the Tenant's visitors.

Section C: Tenant's obligations

Guidance Note: Tenant's liability for cost of repairs. Clause C4.4 allows the landlord to recover reasonable costs that are incurred in carrying out repairs that are attributable to the misuse of the property – e.g. deliberate or negligent damage – by the tenant, his household or visitors.

- 4.5 The Tenant shall promptly replace and pay for any broken glass in windows at the Property where the Tenant, any Member of the Tenant's Household or any of the Tenant's visitors cause the breakage.

5 SECURITY OF THE PROPERTY AND PERIODS OF ABSENCE OF MORE THAN 28 DAYS

- 5.1 The Tenant must not leave the Property unoccupied for more than 28 consecutive days without giving notice in writing to the Landlord.
- 5.2 The Tenant must take reasonable steps to ensure that the Property is secure whenever the Property is unoccupied.

6 ACCESS TO THE PROPERTY BY LANDLORD OR AGENT

Routine access

- 6.1 Provided the Landlord has given the Tenant at least 24 hours' prior notice in writing, the Tenant must give the Landlord (or any person acting on behalf of the Landlord) access to the Property at reasonable times of day for the following purposes:
- (a) to inspect its condition and state of repair;
 - (b) to carry out the Landlord's repairing obligations and other obligations under this agreement; and
 - (c) to carry out any inspections required by law including (but not limited to) gas safety inspections, fire safety inspections and inspections of any smoke or carbon monoxide alarms installed in the Property and to carry out any works, repairs, maintenance or installations (including the installation of any smoke or carbon monoxide alarm) required by law.

Access for the purposes of selling or re-letting the property

- 6.2 Provided the Landlord has given the Tenant at least 24 hours' prior notice in writing, the Tenant must give the Landlord (or any person acting on behalf of the Landlord) access to the Property at reasonable times of day in the following circumstances for the purposes specified:
- (a) where the Tenant has given notice under clause F2 (Tenant's rolling 3 month break clause), to show prospective tenants or purchasers, letting agents or estate agents around the Property, but only during the last 3 months of the Tenancy;
 - (b) where the Landlord has served a notice on the Tenant under clause F3 stating his intention to sell the property, to show estate agents or prospective purchasers around the Property; and

Section C: Tenant's obligations

- (c) during the last month of the Tenancy, for any of the purposes mentioned in paragraph (a) above.

Access during periods of absence of more than 28 days

- 6.3 The Tenant agrees that if the Property is to be unoccupied for a period of more than 28 consecutive days, the Landlord may have access during that period for the purposes of keeping the Property insured and taking such steps as may reasonably be necessary to mitigate the risk of damage to the Property during that period.

Emergency access

- 6.4 The Tenant must give the Landlord (or persons acting on the Landlord's behalf) immediate access to the Property in the event of an emergency on the Property.

Guidance Note: Emergency access by the landlord. An emergency would include something which, if not dealt with by the landlord immediately, would put at imminent risk the health and safety of the tenant or members of his household or other persons residing in the vicinity. It does not apply to carrying out routine repairs.

7 ASSIGNMENT AND SUBLETTING

Assignment

- 7.1 The Tenant must not assign (i.e. transfer to another person) the tenancy, either in whole or in part without the consent of the Landlord in writing. Such consent must not be unreasonably withheld.

Subletting of whole Property

- 7.2 The Tenant must not sublet the whole of the Property for the entire duration of the Tenancy.
- 7.3 The Tenant must not sublet the whole of the Property for any period which is less than the entire duration of the Tenancy without the consent of the Landlord in writing. Such consent must not be unreasonably withheld.

Subletting of part of the Property

- 7.4 The Tenant can request to sublet part of the Property for either the whole or part of the duration of the Tenancy. The Tenant must not sublet any part of the Property without the consent of the Landlord in writing. Such consent must not be unreasonably withheld.

GUIDANCE NOTE

Clause 7 prohibits the subletting of the whole of the property for the entire duration of the tenancy. If the tenant does sublet the whole property for the duration of their tenancy or for a significant period of time such that the property is no longer the tenant's main residence, they may lose their status as an assured shorthold tenant and the statutory protections that this provides.

Where the tenant wishes to sublet the whole of the property for shorter periods of time or wishes to sublet part of the property, the tenant must only do so with the landlord's written consent, which must not be unreasonably withheld. This means the landlord cannot exercise a blanket ban on subletting and should not turn a request down without good reason. Good reasons could include:

- If the property is leasehold and the freeholder prohibits subletting.
- If the property's mortgage or insurance terms prohibit subletting.
- If the tenant refuses to provide references on the proposed sub-tenant.
- If the proposed subletting would cause the property to become overcrowded or would breach a licence condition where the property is licensed.
- If the proposed subletting would cause the property to fall within the definition of a licensable House in Multiple Occupation due to the number of unrelated occupants.

A request to sublet would include letting the property out on a short-term holiday let basis through sites such as Air BnB, or on a longer fixed term flat share basis through sites such as SpareRoom.co.uk.

If consent to sublet is given on the condition that an additional deposit is paid by the tenant, then the landlord must also protect that additional deposit in an authorised tenancy deposit scheme. The landlord must respond to requests to sublet the property within 28 working days and must state reasons if not granting consent.

Before agreeing to sublet the property, the tenant will want to confirm the prospective sub-tenant's identity, credit history and possibly employment. If the property is to be used as the sub-tenant's only or main home, the tenant must also check that all people aged 18 and over living in the property have the [right to rent](#) property in the UK (unless it is agreed in writing that the superior landlord will take responsibility for this).

Short-term letting in London: The use of residential premises as temporary sleeping accommodation in Greater London (for stays of less than 90 nights) no longer requires planning permission following the introduction of section 44 of the Deregulation Act 2015, provided that:

- such use does not exceed 90 nights in the same calendar year,
- the person who provided the sleeping accommodation was liable to pay council tax in respect of the premises, and
- the local planning authority or the Secretary of State has not excluded the premises from this provision by direction.

Section C: Tenant's obligations

8 MOVING OUT AT THE END OF THE TENANCY

- 8.1 Except for fair wear and tear, the Tenant must return the Property and any items listed on the inventory to the Landlord in the same condition and state of cleanliness as they were at the start of the Tenancy.
- 8.2 The Tenant must remove all possessions (including any furniture) belonging to the Tenant or any Member of the Tenant's Household or visitor and all rubbish from the Property at the end of the Tenancy. If any such possessions are left at the Property after the Tenancy has ended, the Tenant will be responsible for meeting all reasonable removal and storage charges. The Landlord will remove and store the possessions for one month (other than any perishable items which will be disposed of immediately) and will take reasonable steps to notify the Tenant. If the items are not collected within one month, the Landlord may dispose of the items and the Tenant will be liable for the reasonable costs of disposal. The costs of removal, storage and disposal may be deducted from any sale proceeds.
- 8.3 The Tenant must give vacant possession and return all keys to the Landlord at the end of the Tenancy.
- 8.4 The Tenant must provide the Landlord with a forwarding address at the end of the Tenancy.

Guidance Note: This section sets out the landlord's obligations under this agreement. It should be noted, however, that there are other legal requirements that landlords are required to comply with and which will apply to this tenancy (for instance the requirement to carry out an annual gas safety check) even though they are not set out in this section. Landlords can find out where to go for further information about their legal responsibilities on the Private Rented Sector page at www.gov.uk.

1 TO GIVE THE TENANT POSSESSION AT THE START OF THE TENANCY

The Landlord must give the Tenant possession of the Property at the start of the Tenancy.

2 NOT TO INTERFERE WITH THE TENANT'S RIGHT TO QUIET ENJOYMENT OF THE PROPERTY

The Landlord must not interrupt or interfere with the Tenant's right to quiet enjoyment of the Property.

Tenant's right to quiet enjoyment. The right to 'quiet enjoyment' means that the tenant has the right to live in the property, as their home, without interference from the landlord or anybody else. The landlord cannot make unannounced visits and must comply with the terms of this agreement and the law in all dealings with the tenant. Even where the landlord or his agents give notice of visits to the property, if the visits are very frequent and/or are made for little good reason, this may amount to a breach of the tenant's right to quiet enjoyment and could amount to harassment.

3 REPAIR AND MAINTENANCE OF THE PROPERTY AND ITEMS LISTED ON THE INVENTORY

- 3.1 In accordance with section 11 of the Landlord and Tenant Act 1985 (repairing obligations in short leases) the Landlord shall:
- (a) keep in repair the structure and exterior of the Property (including drains, external pipes, gutters and external windows);
 - (b) keep in repair and proper working order the installations in the Property for the supply of water, gas and electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity); and
 - (c) keep in repair and proper working order the installations in the Property for space heating and heating water.

Section D: Landlord's obligations

- 3.2 In accordance with section 11 of the Landlord and Tenant Act 1985, the Landlord is not required:
- (a) to repair anything which the Tenant is liable to repair by virtue of the Tenant's duty to take reasonable care of the Property (*see clause C4.1*);
 - (b) to rebuild or reinstate the Property in the case of destruction or damage by fire, storm or flood; or
 - (c) to keep in repair or maintain anything which the Tenant is entitled to remove from the Property.

Guidance Note: Landlord's repairing obligations. The landlord's repairing obligations under the tenancy are contained in section 11 of the Landlord and Tenant Act 1985 and the key parts of section 11 have been included in the agreement for ease of reference. These cannot be limited or restricted by anything in a tenancy agreement. Section 11 makes the landlord responsible for repairing (not improving) the structure and the exterior of the property (e.g. the walls, the roof, the steps and windows) and the installations for the supply of gas, electricity, water, and for sanitation, heating and hot water. This includes installations such as water and gas pipes, electrical wiring, boilers, water tanks, radiators, sinks, baths and toilets. Repairs must be carried out within a reasonable time of the landlord being notified of or becoming aware of the need for repair.

The landlord's obligation does not extend to re-building the property if it is destroyed or to repairs for which the tenant is responsible because the tenant has failed to take reasonable care of the property (*see clause C4.1*). Section 11 also specifies that when deciding the standard of repair required, the age, character, prospective life of the property and the locality in which it is situated must be taken into account.

Obligation to maintain common parts: If the property forms part of a building and the landlord retains control of other parts of the building, the landlord is under a legal obligation to take reasonable care to keep the parts retained in repair so as to prevent injury to the tenant or damage to the property.

Under this agreement (*see clause D3.3 below*), the landlord is also responsible for keeping in repair any appliances which are supplied by the landlord and listed on the inventory.

In addition to these contractual obligations, if the property contains hazards or is otherwise unsafe or unhealthy the landlord may also be required to carry out works to the property under other legislation; for instance the housing health and safety rating system in Part 1 of the Housing Act 2004. Further guidance for landlords is available in the guidance called 'The Housing Health and Safety Rating System: Guidance for Landlords and Property-related Professionals' which can be found on www.gov.uk.

Section D: Landlord's obligations

- 3.3 The Landlord must keep in repair and proper working order any furniture, fixtures, fittings and appliances which are listed in the inventory, except where the damage or need for repair is a result of the Tenant's failure to comply with the obligations in clause C4.1.

4 INSURANCE AND RENT SUSPENSION

- 4.1 The Landlord must insure the Property against fire, flooding and other risks usually covered by a comprehensive insurance policy and must use all reasonable efforts to arrange for any damage caused by an insured risk to be remedied as soon as possible. The Tenant is responsible for arranging insurance of the Tenant's own belongings.
- 4.2 The Landlord must provide the Tenant with a copy of the insurance policy at the request of the Tenant.
- 4.3 Where the Property is uninhabitable because of damage caused to the Property by an insured risk then, unless the damage was caused by the Tenant's negligence or failure to comply with the Tenant's obligations under this agreement, the Tenant shall not be required to pay rent until the Property is fit for occupation and use.

Guidance Note: Rent suspension. Clause D4.3 provides that if the tenant cannot live in the property because it is uninhabitable due to damage from an insured risk, then unless the tenant is responsible for that damage, no rent is payable until the property is fit to be lived in. For example, if the property is damaged by flooding and the tenant has to move out while the damage is repaired, then the tenant does not have to pay rent during this period.

Section E: Landlord's grounds for possession during the fixed term

Section E: Landlord's grounds (reasons) for possession during the fixed term

Guidance note: This section of the agreement sets out the grounds (reasons) on which a Landlord may seek to evict a tenant during the fixed term.

1 LANDLORD'S STATUTORY GROUNDS (REASONS) FOR POSSESSION DURING THE FIXED TERM

- 1.1 If any of the grounds (reasons) specified in clause E1.2 apply, the Landlord may seek to repossess the Property (sometimes referred to as forfeiture and re-entry) during the fixed term by giving the Tenant notice under section 8 of the Housing Act 1988 of his intention to apply to court for possession and, subsequently, applying to the court for a possession order.
- 1.2 The grounds referred to in clause E1.1 are the following grounds which are contained in Schedule 2 to the Housing Act 1988:
- Ground 2 (mortgagee (lender) entitled to possession);
 - Ground 8 (at least 8 weeks' or two months' rent arrears);
 - Ground 10 (some rent overdue);
 - Ground 11 (tenant persistently late in paying rent);
 - Ground 12 (breach of any term(s) of tenancy agreement);
 - Ground 13 (condition of property or common parts has deteriorated due to acts etc. of tenant or other occupant);
 - Ground 14 (the tenant or other person residing in or visiting the property is guilty of nuisance / annoyance in the locality or convicted of a criminal offence in relation to the property or committed in the locality);
 - Ground 15 (condition of furniture provided under the tenancy agreement has deteriorated due to ill-treatment by tenant or other occupant); and
 - Ground 17 (landlord was induced to grant the tenancy by a false statement made knowingly or recklessly by the tenant or a person acting on the tenant's behalf).

Guidance Note: Landlord's ground (reasons) for possession during the fixed term. Grounds 2 and 8 are mandatory grounds - i.e. grounds on which the court **must** order possession – the other grounds listed are discretionary grounds - i.e. grounds on which the court **may** order possession. To see the grounds in full look at Schedule 2 to the Housing Act 1988 on www.legislation.gov.uk.

2 LANDLORD'S GROUNDS (REASONS) FOR POSSESSION WHERE THE TENANCY CEASES TO BE AN ASSURED TENANCY

If the Tenancy ceases to be an assured (shorthold) tenancy, the Landlord reserves the right to end the Tenancy (usually referred to as forfeiture and re-entry) if:

Section E: Landlord's grounds for possession during the fixed term

- (a) the rent is unpaid 14 days after becoming payable whether it has been formally demanded or not;
- (b) the Tenant is declared bankrupt; or
- (c) the Tenant breaches any term of this Tenancy.

Guidance Note: Landlord's grounds (reasons) for possession if the tenancy ceases to be an assured shorthold tenancy.

There are a few limited circumstances in which a tenancy can cease to be an assured (shorthold) tenancy. For instance, if all of the tenants cease to occupy the property as their principal or only home, the tenancy will no longer be an assured (shorthold) tenancy and will not, therefore, be governed by the legal framework applying to assured shorthold tenancies contained in the Housing Act 1988. In those circumstances, clause E2 gives the Landlord the right to end the tenancy on certain additional grounds as set out in the clause. Landlords in this situation who want to end the tenancy on one of these grounds and obtain possession of the property should seek professional advice, for instance from one of the landlord bodies, about the correct notice and court procedure to follow.

Section F: Break clauses for tenancies over two years

Guidance Note: The break clauses contained in this section of the agreement have been drafted so that they only apply where the agreement is for two or more years. While this agreement has been developed to provide greater stability with a longer fixed term, there will be situations in which the tenant or landlord may need to end the tenancy early to take account of unexpected changes in their circumstances. This section of the agreement sets out the circumstances in which either the tenant or the landlord may bring the tenancy to an end early (i.e. before the end of the fixed term). Landlords should be aware that tenants cannot, in any circumstances, be evicted without a court order and that eviction without a court order is a criminal offence.

1 APPLICABILITY OF CLAUSES F2 TO F5

- 1.1 The break clauses contained in clauses F2, F3, F4 and F5 shall only have effect where the fixed term which has been agreed between the Landlord and Tenant (as specified in clause B4.1) is for two years or more. Accordingly, clauses F2, F3, F4 and F5 shall be of no effect where the term which has been agreed is for less than 2 years.

2 TENANT'S ROLLING 3 MONTH BREAK CLAUSE

- 2.1 Subject to clause F2.2, the Tenant may end this Tenancy before the Tenancy end date specified in clause B4.1 by giving the Landlord at least 3 months' notice in writing.
- 2.2 The Tenant cannot give notice under clause F2.1 within the first 3 months of the Tenancy.

Guidance Note: Tenant's break clause

Clause F2 provides that the tenant may give the landlord 3 months' notice in writing to end the tenancy early. The tenant cannot give notice during the first 3 months of the tenancy which means that the earliest a tenant will be able to end the tenancy is after the first 6 months of the term.

This break clause reflects that the circumstances of a tenant might change unexpectedly, for example, because he or she has to move out of the area for employment reasons and that it would in such circumstances be inappropriate to compel them to be locked into the agreement for the full term. The three months' notice requirement gives the landlord sufficient time to find a replacement tenant, whilst at the same time ensuring he continues to receive a rental income.

3 LANDLORD'S ONE-OFF BREAK CLAUSE AFTER THE FIRST 6 MONTHS OF THE TENANCY

- 3.1 The Landlord may end this Tenancy on the date which is 6 months after the start of the Tenancy by giving the Tenant at least 2 months' notice in writing.

Guidance Note: Landlord's one off break clause.

Clause F3 gives the landlord a one-off chance to end the fixed term tenancy at 6 months by giving the tenant at least two months' written notice. This would enable the landlord to recover possession after the first six months. This means the first few months of the tenancy can serve as a probation period. If so, provided he gives at least two months' written notice, the landlord can ask the tenant to leave the property on the date which falls six months after the start of the tenancy. If the break clause is not exercised within the strict time-frame it falls away.

This clause could, for instance, be used by the landlord if the tenant's behaviour causes the landlord to be concerned to such an extent that the landlord would not wish to continue with the tenancy in the long term.

The exercise of a break clause by the landlord does not affect the Tenant's right not to be evicted without a court order. Landlords should be aware that in order to be able to regain possession of the property through the courts after the date specified in the break notice, the break notice served on the tenant under this clause will also need to comply with the requirements of section 21 of the Housing Act 1988 or, alternatively, a separate section 21 notice will also need to be given to the tenant.

4 BREAK CLAUSE WHERE THE LANDLORD IS IN MORTGAGE ARREARS AND A RECEIVER HAS BEEN APPOINTED

- 4.1 The Landlord or the Tenant may end this Tenancy before the Tenancy end date specified in clause B4.1 in the circumstances specified in clause F4.2. This is subject to compliance by the terminating party with the requirements specified in clause F4.3.
- 4.2 The circumstances are that:
- (a) the Property is subject to a mortgage under which the Landlord is the mortgagor (borrower);
 - (b) the mortgagee (lender) under that mortgage has appointed a receiver in relation to the Property; and
 - (c) the receiver has notified the Tenant of his appointment by giving the Tenant a copy of the letter of appointment.
- 4.3 The requirements are that:
- (a) the terminating party must give notice in writing to the other party specifying the termination date (and where the Tenant is the terminating party the notice should be given to both the Landlord and the receiver);
 - (b) the notice must not be given within the first 4 months of the Tenancy; and
 - (c) the termination date specified in the notice must be at least two months after the date of service of the notice.

Section F: Break clauses for tenancies of two years or longer

- 4.4 In this clause “receiver” means a person appointed by the mortgagee (lender) under the terms of the mortgage or pursuant to powers in the Law of Property Act 1925.

Guidance Note: Break clause where the property is mortgaged and the lender has appointed a receiver. Where a tenanted property is mortgaged and the landlord falls into mortgage arrears, the lender can appoint a receiver without the need for a court order. The main tasks of the receiver are to collect the rent from the tenant and, in most cases, to manage the property. The receiver effectively steps into the shoes of the landlord. Clause F4 enables the landlord or the tenant to bring the tenancy to an end early where a lender has appointed a receiver in respect of the property and the receiver has notified the tenant of his appointment. In reality, provided the receiver has been given sufficient powers under the mortgage, **it would be the receiver (acting as the landlord) who would use this break clause** rather than the landlord named in clause B1.1 of this agreement. A break notice under this clause can only be served where at least 4 months of the fixed term have passed and the receiver has given the tenant a letter confirming his (or her) appointment. At least two months’ notice must be given.

Landlords / receivers should be aware that in order to be able to regain possession of the property through the courts after the date specified in the break notice, the break notice served on the tenant under this clause will also need to comply with the requirements of section 21 of the Housing Act 1988 or, alternatively, a separate section 21 notice will also need to be given to the tenant.

5 LANDLORD’S BREAK CLAUSE FOR THE PURPOSE OF SELLING THE PROPERTY

- 5.1 Where the Landlord intends to sell the Property, the Landlord may end this Tenancy before the Tenancy end date specified in clause B4.1 by following these steps:

Step 1: Landlord gives written notice to the Tenant stating his intention to market the Property for sale, but no such notice may be given to the Tenant within the first 2 months of the Tenancy.

Step 2: Not more than 4 months after service of the notice required under Step 1, Landlord gives a break notice to the Tenant which:

- (a) specifies the date on which the Tenancy will end which must be at least 2 months from the date of service of the break notice and at least 4 months after the date on which written notice was given under Step 1; and
- (b) is accompanied by evidence showing that the Property is genuinely on the market for sale.

- 5.2 If the Landlord follows the steps set out in clause F5.1, the Tenancy will end on the date specified in the break notice.

Guidance Note: Landlord's break clause for the purpose of selling the property. Clause F5 above enables the landlord to serve notice on the tenant when the landlord is selling the property. Landlords should not enter into a long-term tenancy unless they intend to retain ownership of the property for the full length of the fixed term (or are prepared to sell it with a tenant in place). However, there can be unforeseen changes in people's circumstances and landlords may sometimes need to sell properties with vacant possession during the fixed term. This clause allows the landlord to do that provided that he complies with the process set out in the break clause.

A break notice given to a tenant under this clause must also comply with the requirements of section 21 of the Housing Act 1988 to enable the landlord / receiver to seek possession through the courts if the tenant does not vacate the property by the date given in the notice. Further guidance on this clause is contained in Annex 3.

6 TERMS APPLICABLE WHERE TENANCY ENDS UNDER CLAUSE F2, F3, F4 OR F5

- 6.1 The ending of the Tenancy under clause F2, F3, F4 or F5 does not release the Landlord or Tenant from any outstanding obligations or claims.
- 6.2 Where the Tenancy is brought to an end under clause F2, F3, F4 or F5, any rent which has been paid by the Tenant in respect of any period after the Tenancy has ended must, provided the Tenant vacated the Property by the end of the Tenancy, be repaid to the Tenant within 14 days of the date on which the Tenancy ended.

Section G: Additional terms agreed between the landlord and tenant

Section G: Additional terms between the landlord and tenant

Guidance Note: Additional terms. This space should be used to record any additional terms which have been expressly agreed between the parties to this agreement.

The purpose is to record details that might be specific to this tenancy (e.g. upkeep of the garden, keeping of pets, retention of keys by the landlord) and it should not be used to contradict other clauses of the agreement or to attempt to limit or restrict legal responsibilities (such as the landlord's repairing obligations).

In negotiating any additional terms, landlords should be aware that any such terms must be fair. Terms that are unfair will be unenforceable. The Competition and Markets Authority's guidance called "Guidance on unfair terms in tenancy agreements" can be accessed here:

<https://www.gov.uk/government/publications/unfair-terms-in-tenancy-agreements-2>.

(insert details of agreed term)
(insert details of agreed term)
(Continue as necessary)

Section H: Contact details and service of written notices

Guidance Note: Written notices given under or in connection with the agreement.

During the course of the tenancy, the landlord or tenant may need to give the other person a written notice (for instance where a landlord wants to gain access to the property to carry out repairs or where the tenant wishes to request the landlord's consent to keep a pet at the property). As such, it is important that prior to signing the agreement the parties agree how those notices are to be given and provide each other with the correct contact details. Landlords are required by law (section 48 of the Landlord and Tenant Act 1987) to give an address for these purposes (which can be their agent's address if the property is being managed by an agent). Additionally, this section has been drafted so as to allow landlords and tenants to agree that certain notices given under or in connection with the agreement may be sent via email, except a notice given by the landlord under section 8 (notice of proceedings for possession) or section 21 (recovery of possession on expiry or termination of assured shorthold tenancy) of the Housing Act 1988 which should always be given to the tenant in hard copy at the property.

1 THE LANDLORD'S OR AGENT'S CONTACT DETAILS AND SERVICE OF NOTICES ON THE LANDLORD

Service of written notices by post or delivery by hand

- 1.1 The Landlord agrees that any notices given under or in connection with this agreement which are required to be given in writing may be served on the Landlord either by being left at the address given below or by being sent to that address by first class post. Notices shall be taken to be received the day after being left at the property or the day after posting.

The address for service of written notices and other documents on the Landlord is: *(insert address and where this is the landlord's agent's address, the name of the agent)*

Service of written notices by email

- 1.2 The Landlord does / does not *(delete as appropriate)* agree that any notices given under or in connection with this agreement which are required to be given in writing may, alternatively, be sent by email. Notices sent by email shall be taken to be received the day after being sent. The Landlord's / agent's *(delete as appropriate)* email address for these purposes is: *(insert landlord's or agent's email address if landlord wishes to agree to service by email)*.

Landlord's or Agent's Emergency contact details

- 1.3 The Landlord's / agent's *(delete as appropriate)* telephone number is: []

2 THE TENANT'S CONTACT DETAILS AND SERVICE OF NOTICES ON THE TENANT

Service of written notices by post or delivery by hand

2.1 The Tenant agrees that any notices given under or in connection with this agreement which are required to be given in writing may be served on the Tenant during the Tenancy either by being left at the Property or by being sent to the Tenant at the Property by first class post. Notices shall be taken to be received the day after being left at the Property or the day after posting.

Service of written notices by email

2.2 The Tenant does / does not (*delete as appropriate*) agree that any notices given under or in connection with this agreement which are required to be given in writing may, alternatively, be sent by email (except as set out in clause H2.3 below). Notices sent by email shall be taken to be received the day after being sent. The Tenant's email address for these purposes is: (*insert Tenant's email address if agreeing to service by email*).

2.3 Any notice given under section 8 (notice of proceedings for possession) or section 21 (recovery of possession on expiry or termination of assured shorthold tenancy) of the Housing Act 1988 must always be given to the Tenant in hard copy in accordance with clause H2.1 above.

Tenant's Emergency contact details

2.4 The Tenant's telephone number for use in emergencies is: (*insert contact details*)

Section I: Signature

Guidance Note: Signature by the parties and requirement for witnesses.

Tenancies for terms of more than 3 years must be executed as deeds. Tenancies granted for terms of 3 years or less may be executed as deeds but do not have to be. Executing a tenancy as a deed requires that the tenancy agreement contains wording specifying that it is being executed as a deed and requires that an adult witnesses each of the parties' signatures. The witness must be someone other than one of the parties themselves. **If your agreement is for three years or less and you do not want to execute the agreement as a deed, you do not have to have the signatures witnessed and should delete the wording at the top of the signature block.**

If you are filling this agreement in online, you should print it off before signing it.

Signed and executed as a deed by the following parties (*delete this wording if the agreement is not being signed and executed as a deed – see guidance note above*):

Tenant 1	Witness
Signature:	Signature:
Full name (block capitals):	Full name (block capitals):
Address:	Address:
Date:	Date:

Tenant 2	Witness
Signature:	Signature:
Full name (block capitals):	Full name (block capitals):
Address:	Address:
Date:	Date:

Tenant 3	Witness
Signature:	Signature:
Full name (block capitals):	Full name (block capitals):
Address:	Address:
Date:	Date:

(insert additional signature blocks if there are more than 3 tenants)

Landlord	Witness
Signature:	Signature:
Full name (block capitals):	Full name (block capitals):
Address:	Address:
Date:	Date: .

(insert additional signature blocks if there is more than 1 landlord)

Annexes

Annex 1: Inventory and report of condition (Clause B9)

(If there is an inventory and/ or report of condition they or it should be attached to the agreement here)

Annex 2: Prior notice to tenant of grounds for possession (See clause B5.2)

Guidance Note: Prior notice of landlord's grounds for possession

Some of the grounds (reasons) in schedule 2 to the Housing Act 1988 on which landlords may take back possession of the property require the landlord to give the tenant notice before the tenancy agreement is entered into. A landlord may seek to rely on ground 1 where he wants to get possession back at the end of the fixed term and has previously occupied the property as his only or principal home or requires the property as the only or principal home for himself or his spouse. Where a notice has been given and the landlord subsequently defaults on the mortgage, lenders who have repossessed the property from the landlord may also be able to rely on ground 2 (set out in the notice below) to get possession of the property from the tenant during the fixed term.

Instructions for completing this notice: Landlords should fill in the details and delete any of the grounds which are not relevant. The notice should be given to the tenant(s) prior to the date on which the tenancy agreement is entered into and should ask the tenant(s) to sign and return the notice.

PRIOR NOTICE OF LANDLORD'S GROUNDS FOR POSSESSION

Address: *(Insert Landlord's Address)*

Date: *(Insert date)*

Dear *(insert name(s) of tenant(s))*

Tenancy of *(insert address of property)*

You intend to enter into a tenancy with *(insert name of landlord)* in respect of the above property. The tenancy will be an assured shorthold tenancy, which means that the landlord can only recover possession of the property (i.e. take the property back from you) on certain grounds. Some of these grounds require the landlord to give you notice **before the tenancy is entered into** that the landlord might rely on those grounds in the future.

This letter is to give you notice of those grounds which are as follows:

Ground 1 (this can only be used once any fixed term has come to an end)

Not later than the beginning of the tenancy the landlord gave notice in writing to the tenant that possession might be recovered on this ground or the court is of the opinion that it is just and equitable to dispense with the requirement of notice and (in either case):

(a) at some time before the beginning of the tenancy, the landlord who is seeking possession or, in the case of joint landlords seeking possession, at least one of them occupied the dwelling-house as his only or principal home; or

(b) the landlord who is seeking possession or, in the case of joint landlords seeking possession, at least one of them requires the dwelling-house as his, his spouse's or his civil partner's only or principal home and neither the landlord (or, in the case of joint landlords, any one of them) nor any other person who, as landlord, derived title under the landlord who gave the notice mentioned above acquired the reversion on the tenancy for money or money's worth.

Ground 2 (this is available to lenders during the fixed term where the landlord has given the tenant notice that possession might be recovered under ground 1 as set out above)

The dwelling-house is subject to a mortgage granted before the beginning of the tenancy and:

(a) the mortgagee is entitled to exercise a power of sale conferred on him by the mortgage or by section 101 of the Law of Property Act 1925; and

(b) the mortgagee requires possession of the dwelling-house for the purpose of disposing of it with vacant possession in exercise of that power; and

(c) either notice was given as mentioned in Ground 1 above or the court is satisfied that it is just and equitable to dispense with the requirement of notice; and for the purposes of this ground "mortgage" includes a charge and "mortgagee" shall be construed accordingly.

Next steps

You should read this notice carefully. If you have any questions about it you should get independent legal advice.

Please then sign and date the notice below and return it to the landlord.

Signed by the tenant(s):

Date: *(insert date)*

Yours sincerely

(insert name of landlord)

(insert date)

Annex 3: Further guidance on landlord's break clause for the purpose of selling the property

1. Clause F5 enables the landlord to bring the tenancy to an end if he intends to sell the property and follows the procedure set out in the clause.

2. That procedure can be explained as follows:

- The landlord decides that he needs to sell the property with vacant possession.
- As long as at least two months of the fixed term have passed, the landlord may serve a written notice on the tenant stating his intention to market the property for sale.
- Within 4 months of serving that first notice on the tenant, the landlord must genuinely put the property on the market for sale (for instance by engaging the services of an estate agent) and must serve a further notice (which is called the break notice) on the tenant. If the landlord does not do this within the 4 month period, the first notice he served on the tenant will be of no effect and the landlord will have to start the process again if he still wants to sell the property.
- The break notice which the landlord serves on the tenant must specify the date on which the tenancy will end. This date must be at least four months after the date on which the landlord served the first notice and at least 2 months after the date on which the break notice is served on the tenant. This means that tenants are given at least 4 months' warning that the landlord may bring the tenancy to an end early under this clause.
- The break notice which the landlord sends to the tenant must also be accompanied by evidence that the property is genuinely being marketed for sale, for instance evidence that the landlord has entered into a contract with an estate agent who is actively marketing the property.
- If the landlord follows the procedure correctly, the fixed term tenancy will come to an end on the date specified in the break notice. To be able to seek possession of the property through the courts after the date specified in the break notice, the landlord will need to ensure that the break notice complies with section 21 of the Housing Act 1988 or, alternatively, a separate section 21 notice will also need to be given to the tenant.

Annex 4: Rent Review: Further guidance and worked examples

1. For landlords who want to be able to review the rent annually, the agreement contains two different options (see option 2 and option 3 in clause B6). The landlord and tenant will need to agree which option to use and will need to fill in the relevant information under the option which has been chosen.
2. Both options are for upwards only reviews and neither requires the landlord to carry out a review in any year if he decides that the rent should stay the same in the coming year.
3. Where a review is properly carried out and the landlord sends the tenant a rent review notice, the new rent set out in the review notice will be payable from the rent review date (i.e. the next anniversary of the start of the tenancy) unless the tenant and landlord negotiate for a smaller increase or no increase at all.
4. Where the parties agree that no increase should be applied or that it should be less than that proposed by the landlord in the notice, the figure agreed should be set out in writing and acknowledged by both the landlord and tenant. This will avoid any dispute in the future as to what agreement was reached.

Review Date and Review Notice Period

5. The first review date is the anniversary of the date the tenancy started – see clause B4.1. This is the date from which the new rent will take effect following a review. If the tenancy is for more than two years any subsequent review date is the second, third or fourth etc. anniversary of the start of the tenancy. This is the date from which the new rent becomes payable.
6. The rent review notice must be given to the tenant at least 28 days before the review date. The notice period can be longer, but not longer than 90 days. This ensures that tenants are given sufficient warning of any increase to enable them to plan ahead, amend their standing orders etc. There is no requirement for the landlord to give the same notice period throughout the tenancy, so for example in a three year tenancy he could give 28 days' notice on the first review, but 40 days on the second.

Content of notice

7. There are a few basic things that should be included in the rent review notice. These are:
 - The name and contact details of the landlord;
 - The existing rent;
 - The percentage by which the rent will increase on the review date;

- If option 3 is being used, the notice should also specify which month has been used to calculate the annual change in the Consumer Price Index (see further below);
- The new rent; and
- The date the new rent is payable from.

8. The notice should be signed and dated by the landlord and given to the tenant using one of the agreed methods of service (see section H of the agreement).

Option 2: Fixed percentage increase

9. **Example 1.** In this example, the fixed term tenancy is for three years and the rent is agreed at £300 per week for the first year with an option for the landlord to increase the rent by no more than 1.4% in each of the subsequent two years of the fixed term. The tenancy commences on 1 May 2015. If the landlord carries out a review and increases the rent by the maximum amount each year, the rent which will be payable each year will be (rounded to the nearest penny):

Year 1 (from 1 May 2015)	Year 2 (from 1 May 2016)	Year 3 (from 1 May 2017)
£300 per week	$£300 \times 1.014 = 304.20$ per week	$£304.20 \times 1.014\% = 308.46$ per week

10. **Example 2.** In this example, the fixed term tenancy is for three years and the rent is agreed at £300 per week for the first year with an option for the landlord to increase the rent by no more than 1.4% in each of the subsequent two years of the fixed term. The tenancy commences on 1 May 2015. However, at the start of the second year, the tenant faced some financial hardships and agreed with the landlord to a rent increase that year of 1% instead of the 1.4% initially agreed. In the final year of the tenancy, the landlord decides to increase the rent by the full 1.4%. In this example, the rent payable each year will be (rounded to the nearest penny):

Year 1 (from 1 May 2015)	Year 2 (from 1 May 2016)	Year 3 (from 1 May 2017)
£300 per week	$£300 \times 1.01 = 303$ per week	$£303 \times 1.014 = 307.24$ per week

11. When agreeing at the start of the tenancy what the maximum percentage increase should be, the landlord and tenant may wish to consider movements either in inflation (i.e. consumer prices generally) or in rent levels in the private rented market. These will be best informed by the most recent changes in the CPI or rents in general, before the start of the tenancy. Future percentage increases can then be proofed against the trends.

Option 3: Increase in line with the consumer price index

12. Working out the percentage change in the CPI over a twelve month period is easy as this information is published by the Office for National Statistics (ONS) each month.

13. Remember you are looking for the last available data which has been published prior to giving the tenant the rent review notice. So if, for example, you give the review notice on 1st March 2016 the last available data will be January's data.

14. To find the latest available data you need to go to the ONS website at: <http://www.ons.gov.uk/ons/index.html>. In the search box, type in "latest CPI rate" and select your required information from the list of CPI statistical bulletins published by the ONS which should be the first search result.

15. **Example 3.** In this example the fixed term tenancy is for 3 years and the rent is agreed at £650.00 per month for the first year with a CPI linked rent review provision. The tenancy commences on 1st April 2015. The first review date is, therefore, 1st April 2016. The landlord must give notice of the review at least 28 days, but no more than 90 days before the 1st April. If the landlord serves the notice on the tenant on, say, 1st March the relevant CPI data would be the data for the year ending January 2015 (as this will be the latest available data). In this example we assume this is 1.8% and that the landlord chooses to increase the rent by the full amount. The following year (year 3) the landlord again decides to serve a rent review notice on the tenant on 1st March and to charge the full increase. The latest available CPI data will be for the year to January 2017 and for the purposes of this example we will assume the percentage change over the 12 months to January 2017 is 1.6%. In this example, the rent payable each year will be (rounded to the nearest penny):

Year 1 (from 1 April 15)	Year 2 (from 1 April 2016)	Year 3 (1 April 2017)
£ 650 per month	£650 x 1.018 = £661.70 per month	£661.70 x 1.016 = £672.23 per month

16. **Example 4.** In this example the fixed term tenancy is for 3 years and the rent is agreed at £650.00 per month for the first year with a CPI linked rent review provision. The tenancy commences on 1st April 2015. The first review date is 1st April 2016 and the notice of review must be given at least 28 days but no more than 90 days before then. If the landlord serves the notice on the tenant on, say, 1st March the relevant CPI data would be for the year ending January 2016 as this will be the latest data available. In this example we assume that this is 1.8% but that the landlord agrees to a lesser increase of 1%. The following year (year 3) the landlord again decides to serve a rent review notice on the tenant on 1st March but this time decides to charge the full increase. The latest available CPI data will be for the year to January 2017 and for the purposes of this example we will assume the percentage change over the 12 months to January 2017 is 1.6%. In this example, the rent payable each year will be (rounded to the nearest penny):

Year 1 (from 1 April 15)	Year 2 (from 1 April 2016)	Year 3 (1 April 2017)
£650 per month	£650 x 1.01 = £656.50 per month	£656.50 x 1.016 = £667.00 per month

Need to get the review notice right

17. The model tenancy agreement does not make any provision for the landlord to implement a review outside the framework set out in the agreement, so if mistakes are made or the landlord forgets to review the rent in time, the rent cannot be reviewed until the following year.

18. For example, if a tenancy began on 1st April 2015 and the landlord gives 21 days' notice of a proposed increase to £660 per month on 1st April 2016, despite the fact that the rent has been properly calculated and would come into force on the right date, the review will not be valid because the notice period is shorter than the required 28 days. The tenant can lawfully refuse to pay the proposed increase and will not be in arrears. The landlord cannot change the rent until the next rent review date (i.e. 1st April 2017).

19. A way of ensuring mistakes can be rectified would be to at least give the maximum notice required. That way if the landlord and tenant discover there is a mistake in, for example, the percentage increase used, the notice could be withdrawn and a fresh notice complying with the contractual time limits, could be given.