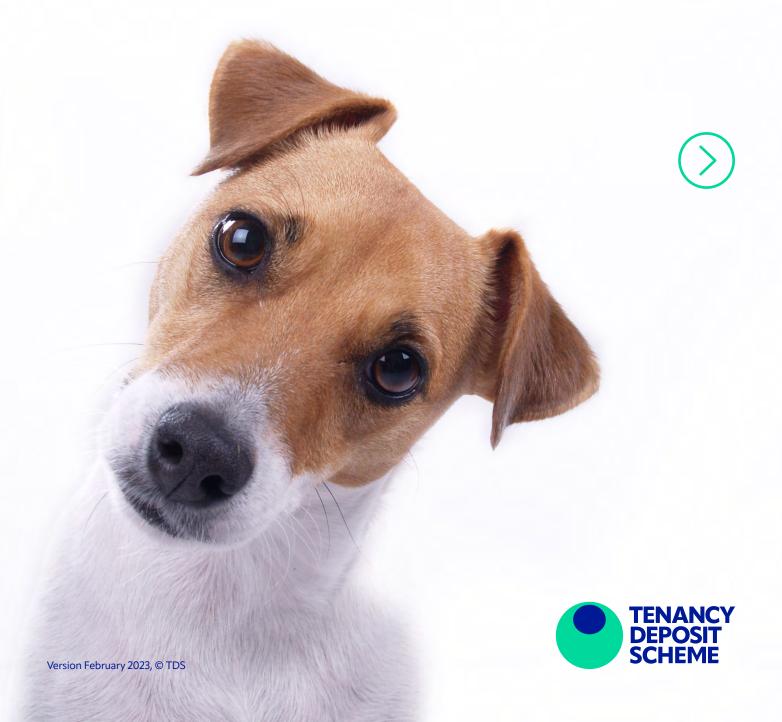
A GUIDE TO PETS IN RENTED PROPERTIES



Fairer Renting White Paper [England] published

"The Government in England is proposing some changes to legislation in the Fairer Renting White Paper [published in June 2022].

If this is passed, landlords will be able to require the tenant to purchase pet insurance to indemnify the landlord for any damage. Landlords will also not be able to refuse to apply a blanket ban on pets, refusing only where it is reasonable to do so.

Both TDS and the NRLA will be working with government in England to ensure that the legislation meets the needs of landlords and tenants alike. As pet ownership in the UK continues to rise, landlords are increasingly faced with the decision on whether to allow pets in rented properties.

New Model Tenancy Agreement [England]

For landlords who use the Government's Model **Tenancy Agreement, the template has been** updated to enable tenants to keep pets as default. **Under the new Model Tenancy Agreement, (that** is recommended by the Government), landlords can no longer issue blanket bans on pets. Instead, landlords will need to actively object, in writing, within 28 days of a written pet request from a tenant and provide a good reason. This could be, for example, the property being too small meaning it would be impractical to keep a pet.

If consent is given on the condition that an additional deposit is paid by the tenant, the total deposit must not breach the deposit cap introduced under the Tenant Fees Act 2019 (for tenancies in England only) and must be protected in an authorised tenancy deposit scheme such as TDS. It may surprise you to know that the Tenancy Deposit Scheme (TDS) doesn't see many pet-related deposit disputes. With that in mind, this guide aims to help landlords, letting agents and tenants prepare properly for pets in properties and protect themselves from deposit disputes at the end of the tenancy.

WHY ALLOW PETS IN PROPERTIES?

There's no denying that some pets (although not all) pose an increased risk of damage to a landlord's property but, with 51% of UK adults owning a pet (according to the PDSA), it's not always feasible to prevent animal-loving tenants from renting a property.

Nor is it fair. At a time when loneliness and isolation has come under the spotlight, the companionship from pet-ownership has been shown to improve wellbeing and bring significant physical and mental health

There are commercial reasons for allowing pets, too. By giving consent for pets (within reason and with conditions), a landlord can increase the potential rental income. Often, tenants with pets stay longer in tenancies too, as once they've found a willing landlord, they are less likely to leave.

Providing the conditions of a tenancy are crystal clear for responsible pet owners, with additional pet clauses included in the tenancy agreement where required, landlords should be able to achieve some peace of mind and protection.

HOW PETS CAN DAMAGE PROPERTIES

Preparation is key when it comes to having a successful tenancy and this is particularly relevant when renting to pet owners.

It's therefore worth considering what kind of damage pets can afflict, as this will allow the landlord to include specific conditions in the tenancy agreement. It also focuses attention on common problem areas when conducting the inventory/check-in report and check-out report.

Potential issues include:

- Chewing of skirting boards
- Scratching of doors and furniture
- Stained carpets
- Damage to lawns and gardens
- Odours

• Pet hair on furniture and carpets

















HOW TO AVOID PET-RELATED PROBLEMS IN TENANCY

Add a pet clause to the tenancy agreement

It's recommended that you add a pet clause to the tenancy agreement. This will need to clearly state the tenant's responsibilities for keeping the pet in the property, such as specific cleaning requirements, pest treatment, extra garden maintenance and the rectification of any carpet stains and scratch-marks on doors and woodwork.

Make sure you include specific details on the number and type of pet(s) allowed in the property to avoid misunderstandings which could lead to issues during

Using a specific clause to reflect special circumstances gives less room for dispute over what the tenant is responsible for and whether deposit deductions are reasonable.



Ask for details about the pet in question

It is acceptable to ask for further information about the tenant's pet before deciding. Each situation is unique and each decision can be made on individual merit. For example, ask if your tenant can provide a reference from a previous landlord as to the pet's behaviour.

If this isn't possible, your tenant should be able to provide details about the pet's breed, such as whether it is hypoallergenic, low-shedding, large or small, noisy and whether it has been trained and neutered.

Importantly, you should clarify with the tenant how much time their pet will be left alone in the property. Whilst more people are currently working from home, this may change in the future as people return to work.

You should also ask for the pet's name with details of who would care for it in case of emergency.

Conduct a thorough inventory report

A comprehensive inventory/check-in report is essential for minimising deposit disputes – regardless of whether a tenant owns pets or not. It provides clear evidence at the end of tenancy as to how the condition of a property has changed when compared to an equally thorough checkout report.

To ensure you don't miss out the key points for inventory reporting, we recommend using the below checklist:

- When recording the condition of each room in the property, note the small details such as paintwork, flooring, carpets, doors, curtains and skirting boards as these are common problem areas for pets.
- Include dated photographs to support the written
- Make sure you record any smells in the property.
- Don't forget the outside space. What is the condition of the lawn? Are there any holes in the garden or fences?
- Note whether or not the property has had a professional clean at start of tenancy.

Key Points

- Request a reference on the animal from a previous landlord if applicable.
- Record details about the pet's breed, age, behaviour, size and characteristics.
- Include details of a nominated person to take care of the animal in case of emergency.
- Specify that no animals are to be kept if listed under the Dangerous Wild Animals Act or Dangerous Dogs Act.
- State that the tenant should not leave a pet alone in a property for more than the recommended hours and they must ensure it does not cause damage when unsupervised.
- Add a pet clause to include specific tenant responsibilities regarding damage, cleaning and garden maintenance.
- Include dated photographs and details about odours when conducting the inventory/check-in for all areas of the property, inside and out.

FREQUENTLY ASKED QUESTIONS ABOUT PETS IN PROPERTIES

Is it worth adding a pet clause to the tenancy agreement?

When allowing a pet in the property this should be reflected within the tenancy agreement with a 'pet clause' that clearly states the tenant responsibilities for keeping the pet in the property.

The standard expectation of all tenants is to return the property in the same condition it was at the start of tenancy, allowing only for fair 'wear and tear'. Having a pet in a property does not affect that responsibility, so for example if the property was cleaned to a professional standard at the start of the tenancy, the expectation would be for the property to be professionally cleaned at the end.

Using specific clauses to reflect special circumstances gives less room for dispute over what the tenant is responsible for and whether deposit deductions are reasonable.

Can I ask for an additional pet deposit?

No, you can't ask for an additional pet deposit in England, unless your existing deposit is under the maximum allowed, as set out in the **Tenant Fees Act**. The current legislation states that the total deposit must not exceed the equivalent of five weeks' rent (for tenancies with an annual rent of less than £50,000) or six weeks for tenancies where the rent is £50,000 or higher. This is not however, the case in Wales as under Welsh legislation, landlords are able to charge a higher deposit if there will be pets in the property.

If you are unsure how much deposit you can charge, use the instant online <u>TDS deposit cap calculator</u>.

Is a breach of the pet clause enough to claim for a deposit deduction?

While a landlord should include in the terms of the tenancy agreement if pets are allowed to be kept in the property or not, a breach of this clause is not reason enough for the adjudicator to make an award to the landlord.

The adjudicator is only able to make an award to compensate any financial loss to the landlord, so it is essential that the landlord can demonstrate how this breach in contract resulted in a loss.

The adjudicator cannot assume that a pet has had a detrimental impact on a property without supporting evidence.

Can I charge a higher rent to tenant pet owners?

Yes, you can charge higher rent, but this should be reasonable and negotiated between the landlord and tenant. As a guide, previous pet deposits (before the Tenant Fees Act) equated to one week's rent so you could calculate what that would be when divided over the period of the tenancy. Research by The Negotiator found over 160 properties offered in and around London to rent which stipulate between £15 and £25 extra for pets per calendar month.

My tenant has a pet in the property without my permission – what do I do?

If a tenant takes a pet in the property without the landlord's permission, they are in breach of the tenancy agreement. It is then up to the landlord what action they take. If they are a good tenant and responsible pet owner, communication and negotiation is the best course of action.

What should I do if the tenant gets a pet midtenancy?

You don't need to create a new tenancy agreement, but you should include a pet addendum. Before doing this, carry out a thorough property inspection (before the pet arrives) to record the condition of the inside and outside spaces. Don't forget to note smells in the property and take dated photographs as additional evidence.

In the pet addendum, make sure you are specific about new tenant responsibilities and specially negotiated clauses that set out the basis for keeping a pet in the property.

Do I have to allow pets in my property?

There is no mandatory requirement to accept pets in a tenancy however the Government in England does encourage landlords to accept tenants that are pet owners.

If you are refusing, you should provide a good reason without being unreasonable, in writing within 28 days of the request.
Legitimate reasons for not allowing pets could include if the head lease doesn't allow it, there is no outside space, or the owner has allergies.









Tips for Tenants

Property owners and managers want to minimise damage

Tips for Tenants

Property owners and managers want to minimise damage to their building and outside spaces, so if you are intending on keeping a pet, you will need to reassure them this will not happen.

Provide as much detail about your pet(s) as possible

- Provide details of the pet's breed (whether it sheds hair, is hypoallergenic, is large or small, etc.) with confirmation that is not listed under the Dangerous Wild Animals Act or Dangerous Dogs Act.
- Include a profile of your pet including whether it has been treated for fleas, when it was vaccinated, if it has been neutered, whether it is microchipped, and if it has been trained.
- Demonstrate your pet's past behaviour by providing a reference from a recent landlord.
- Provide details of who will care for the pet in an emergency.

Not only will this extra information reassure your landlord, it will also help you decide if keeping a pet in the property is the right thing to do.

Agree to an additional pet clause

You may need to agree an additional pet clause and/or a higher rent to cover you and your landlord. You may also need to agree on specific tenant responsibilities such as extra garden maintenance, the rectification of any scratch-marks and pest control with regards to fleas.

Put the landlord's mind at ease

Offer to meet the landlord with your pet so you can provide reassurance regarding the behaviour and training of your animal. Acknowledge you will be a responsible pet owner and that you will be responsible for rectifying any damage caused by the pet during and at end of tenancy. It is up to you to return the property to the same condition it was in at start of tenancy (allowing for fair wear and tear).

Don't breach the tenancy agreement

Whilst it may be tempting to sneak a pet into your property, DON'T! If your landlord or letting agent has clearly prohibited pet ownership in the tenancy agreement, you would be in breach of contract. If you ignore the terms of your lease, this could result in eviction.

Instead, it's wise to communicate with your landlord, ideally face-to-face, to discuss your particular situation.

The TDS Information lounge is filled with more useful guides such as this one. You can also access real case studies from adjudicators, blogs and videos on tenancy deposit protection. To find out more information, please click here.

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The Case for Pets in Properties

A YouGov survey for Cats Protection found that 75% of cat-friendly private landlords report no problems at all from cats in their properties.

The paper published by AdvoCATS, a voluntary organisation supported by the NRLA and ARLA Propertymark, reported that "53% of pet owners, including 57% of dog owners and 55% of cat owners, would be willing to take out pet insurance if required by a landlord."

A survey carried out by Tenancy Deposit Scheme (TDS) amongst 1500 landlords revealed that half of landlords allowed pets in their rental property before the Tenant Fees Act was introduced – and 50% of landlords have never had damage from pets in their rental properties.

Battersea Dogs Home conducted a study that found pet owners are more likely to "stay longer in their tenancies, develop stronger community ties than non-pet owners, and be more willing to support and help others locally." The study also echoed findings that pets help to improve the mental and physical health of their owners.

There is clearly a case for pets in properties and, at TDS, we empathise with the posiiton of landlords and tenants. To make this a workable solution for all, we call on the pet insurance industry to provide property cover and help protect those who own private rented properties with pets.





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