

Electrical safety standards factsheet

Background

The private rented sector accounts for around 4.6 million, or 19%, of households in England¹. With so many people living in rented accommodation, it's essential there are strict rules in place to protect the health and safety of tenants.



As electrical appliances were responsible for more than

15,000 fires

in homes in England in 2018/2019², new legislation has been passed to ensure electrical safety standards are met during any tenancy.

The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 (No.312) will come into force on 1st July 2020.

What does this mean for landlords?

From 1st July 2020, landlords in England will need to ensure every fixed electrical installation is inspected and tested for all new tenancies (from 1st April 2021 for existing tenancies). Rented properties will need to be certified as being safe by way of an Electrical Installation Condition Report (EICR) prepared by a suitably qualified person.

All new tenancies must adhere to the following legislation:



Landlords will have to obtain the EICR, supply it to each tenant within 28 days of the inspection (within seven days if requested by the local authority) and retain a copy until the next inspection is due.

If the report finds that remedial work is needed, this must be carried out within 28 days from the date of the original inspection by a qualified person and written confirmation obtained. If the local authority believes the remedial work has not been carried out, they may send an approved person to undertake the work and recover reasonable costs from the landlord. In addition, local authorities have the right to impose a fine of up to £30,000 for breaches.

Full details of the legislation are available from the government legislation portal, visit <https://www.gov.uk/government/publications/electrical-safety-standards-in-the-private-rented-sector-guidance-for-landlords-tenants-and-local-authorities/guide-for-landlords-electrical-safety-standards-in-the-private-rented-sector>.

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? How can brokers help their customers?

With the introduction of the new regulations, you may want to contact your customers to ensure they are aware of them and what it means in practice for landlords.

Once any work has been carried out, you could also add reminders in your diary to contact customers to check they have renewed their inspection and testing certificate. This could be especially helpful for those landlords who are self-managing. Make sure you leave enough time as there's likely to be a surge in demand for electricians close to the five year deadline as other landlords are likely to do the same.

? How can Precise Mortgages help?

Our Buy to Let Mortgages and Second Charge Loans could be the ideal solution for customers looking to bring properties in line with the electrical safety standards.

🏠 Buy to Let Mortgages

- ▶ Limited company and personal name ownership structures.
- ▶ Capital raising remortgages accepted. Please refer to product guides for further details.
- ▶ 6 bedroom HMOs and multi-unit buy to let (MUB) applications considered.
- ▶ Portfolio lending available.
- ▶ Joint tenancy or tenants in common accepted.
- ▶ Customers with less than perfect credit histories considered.

🔒 Second Charge Loans

- ▶ Could help customers looking to capital raise by releasing equity from their buy to let property.
- ▶ Can be used for any purpose, for example to improve a property or expand a portfolio.
- ▶ Could be suitable for customers who want to protect their existing mortgage.
- ▶ Offer an alternative solution for customers whose existing mortgage lender's criteria restricts further borrowing.
- ▶ Can be arranged quicker than a first charge mortgage as there is no solicitor involvement.

To find out more about how Precise Mortgages can help, please contact a member of our Sales Team. You can find their details at www.precisemortgages.co.uk.

Sources:

- 1 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/860076/2018-19_EHS_Headline_Report.pdf
- 2 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/830645/domestic-appliance-fires-dataset-guidance.pdf

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