



**Landlord Law  
Services**

Support, training & legal resources for property professionals in the private rented sector

**12**

# **COSTLY LEGAL MISTAKES**

**EVERY LANDLORD  
SHOULD AVOID**

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**A LANDLORD LAW GUIDE**

Prepared by solicitor  
Tessa Shepperson

Helping landlords stay compliant since 2001.





# A LANDLORD LAW GUIDE

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Landlord Law was founded by solicitor Tessa Shepperson and has been providing specialist guidance to landlords since 2001. Find out more at >>[landlordlaw.co.uk/join](https://landlordlaw.co.uk/join)





# 1 Failing to thoroughly check and reference new tenants

## Why it matters

Under the new rules brought in by the **Renters Rights Act 2025**, your tenants could remain in your property for many years. Landlords no longer have the reassurance of being able to recover possession using the no-fault section 21 procedure (now abolished) simply because they have made a poor choice of tenant.

For example, it is not unknown for applicants to forge documents and lie about their employment and their resources.



## What can happen if you get it wrong

Choosing the wrong tenant can be one of the most expensive mistakes a landlord makes!



What you want are tenants who:

- ✓ Pay their rent in full and on time
- ✓ Comply with the terms of their tenancy agreement, and in particular
- ✓ Keep the property in good condition, and
- ✓ Are pleasant to deal with

However, if you just take the first person who comes along, you may find that you are stuck with tenants who:

- ✗ Fail to pay regularly or at all
- ✗ Fail to look after the property properly – or worse, cause damage
- ✗ Won't let you in to do inspection visits (see »[mistake #8](#))
- ✗ Are generally difficult to deal with
- ✗ They could even be agents for a criminal gang!



## Practical tip

Whether you find tenants yourself or use a letting agent, make sure proper referencing is carried out. In particular, consider using a reputable referencing service that checks documents for fraud.



## Where to find more help

Landlord Law members can use the New Tenant Checklist, which provides a practical step-by-step guide to choosing suitable tenants and avoiding some of the most common and expensive mistakes.



# 2

## Unlawfully discriminating against prospective tenants



### Why it matters

When choosing new tenants, landlords now need to be aware of two separate sets of legal rules:

- **The Equality Act 2010**, and
- **The Renters Rights Act 2025**.

They overlap in some areas but are not the same. You need to understand both and take both into account.



### What can happen if you get it wrong

**The Equality Act** sets out nine 'protected characteristics'. If you unlawfully discriminate against someone because of one of these, tenants can bring a claim against you through the courts and seek compensation.

**The Renters Rights Act** only applies to discrimination against applicants who receive benefits or who have children. It does not entitle applicants to bring a claim against you, but your Local Authority can impose a Civil Penalty fine of up to £7,000.



### Practical tip

Treat all applicants the same and do not reject anyone out of hand, for example, just because they receive benefits or have children. Many of these will be able to afford your rent and will make excellent tenants.

Reasons for rejecting applicants with children should be based on the nature of the property (for example, if it is dangerous for children) or the reasonable objections of other occupiers. Not on assumptions or blanket policies.

Keep careful records of your reasons for rejecting applicants and take care that you record reasons that are compliant with the rules of both pieces of legislation.



### Where to find more help

The Government provides guidance on discrimination under the Equality Act and on the new rental discrimination rules introduced by the Renters' Rights Act.

Landlord Law also provides practical guidance on complying with these rules and avoiding costly mistakes.



# 3 Allowing tenants to move in before signing a tenancy agreement



## Why it matters

The Renters Rights Act requires landlords (or their agents) to provide tenants with a 'statement of terms' before the tenancy is signed by the parties. In practice, this information is normally included in your written tenancy agreement.

A properly drafted tenancy agreement will also include many clauses designed for your protection.



## What can happen if you get it wrong

Failure to provide a statement of terms/tenancy agreement to tenants before the tenancy is entered into will entitle your Local Authority to impose a Civil Penalty Fine of up to £7,000.

Clauses which are solely included for your protection, but which are not disclosed before the tenancy is created, may not be enforceable.

If one or more joint tenants don't sign the tenancy agreement, you may have difficulty enforcing its terms against them, including liability for the rent.



## Practical tip

Never hand over the keys until:

- ✓ All tenants have signed the tenancy agreement,
- ✓ You have completed all the necessary pre-tenancy formalities, and
- ✓ You hold a properly signed copy of the agreement.

If the agreement is signed with wet signatures, make sure you have the original signed document before allowing occupation.

Taking a few extra minutes to ensure everything has been completed properly can save a great deal of trouble later.



## Where to find more help

The Landlord Law New Tenant Checklist provides step-by-step guidance on the process of signing up new tenants and completing the necessary formalities. There are also articles and FAQ on tenancy agreements and their preparation.



# 4 Using an old tenancy agreement form



## Why it matters

Housing law changes regularly, and tenancy agreements need to change with it. An out-of-date agreement is likely to omit important clauses designed to protect your position. It may also fail to comply with current legal requirements.

For example, since 1 May 2026, landlords have been required to provide tenants with a Statement of Terms, which is normally incorporated into the tenancy agreement. The Renters' Rights Act also abolished fixed-term assured tenancies.



## What can happen if you get it wrong

The Renters Rights Act brought in new penalties for non-compliance with its rules.

Giving tenants a tenancy agreement that does not include all the information required in a Statement of Terms, or granting what purports to be a fixed-term assured tenancy, can each attract a Civil Penalty of up to £7,000.



## Practical tip

Always use a professionally drafted tenancy agreement and make sure the version you use is fully up-to-date. Do not use a form which predates 1 May 2026.

**NEVER** use a free tenancy agreement downloaded from the internet. It will probably not comply with the new rules.



## Where to find more help

Landlord Law provides a range of compliant tenancy agreements. » [The Which Tenancy Agreement Guide](#) will help you choose the right form for your circumstances.

Other organisations, such as the **NRLA** and **Propertymark-regulated agents**, also provide professionally drafted documentation.



# 5 Failing to create a detailed inventory / schedule of condition



## Why it matters

Most landlords will take a deposit, a sum of money which can be used as a fund to cover any damage to the property or rent arrears.

Disputes over deductions will normally be referred to the tenancy deposit scheme's free adjudication service, where the adjudicator will expect you to prove that any damage occurred during the tenancy.

A detailed inventory or schedule of condition signed by your tenant at the start of the tenancy is usually the best way to do this.

If you prepare the inventory yourself, make sure it is detailed and supported by photographs.



## What can happen if you get it wrong

The worst-case scenario, if you have to go to adjudication, is that the adjudicator will reject all your claims.

Without evidence of the property's condition at the start of the tenancy, you may be unable to prove that the tenants caused the damage.



## Practical tip

Where possible, use an independent inventory company to prepare your inventory or schedule of condition.

Although landlord-prepared inventories can be accepted, an independent document is often likely to carry greater weight.



## Where to find more help

Many reputable inventory companies are members of the **Association of Independent Inventory Clerks**. You can carry out a search for a local firm on their website <https://theaiic.co.uk>.



# 6 Failing to protect a deposit within the 30 day limit



## Why it matters

Since 2007, landlords taking tenancy deposits have been required to protect them with a government-authorised tenancy deposit scheme within 30 days of receipt of the money.

They must also serve the required Prescribed Information within the same time limit.

Originally, this only applied to assured shorthold tenancies. Since 1 May 2026, the legislation has been amended to refer to assured periodic tenancies.



## What can happen if you get it wrong

If you fail to protect the deposit in time, you may be unable to recover possession unless the money has been returned to the tenants.

Tenants also have the right to bring a claim to the County Court for an award of up to three times the deposit sum if the deposit is not protected in time.

There is no defence to this claim – the only issue for the court is the size of the



## Practical tip

Protect the deposit as soon as you receive it - even if the tenancy has not yet started. That way, there is no risk of forgetting and accidentally missing the deadline.



## Where to find more help

All three government-authorised tenancy deposit schemes provide detailed guidance and free telephone support.

If you have a query, your deposit scheme should usually be your first port of call.



# 7 Ignoring repair reports or delaying repairs



## Why it matters

Keeping your property in good condition is one of your most important legal responsibilities as a landlord.

If serious hazards are found, your Local Authority may serve an Improvement Notice. Tenants may also bring claims based on your statutory repairing obligations or under the Fitness for Human Habitation legislation.

Future changes, including the Decent Homes Standard and Awaab's Law, are likely to make compliance even more important.



## What can happen if you get it wrong

Failure to comply with an Improvement notice can bring forth a Local Authority civil penalty fine.

It may also entitle your tenants to bring a claim for a rent repayment order, which can now be for up to 2 years' worth of rent.

Tenants may also bring claims for compensation if your property is not properly maintained.



## Practical tip

Make sure that properties are in tip-top condition when they are rented out, and always respond promptly when tenants report repair issues.

You may also want to incorporate a procedure into your tenancy agreement or 'House Rules' for tenants to follow, setting out your standard response times and procedures.



## Where to find more help

Landlord Law provides practical procedures that can be incorporated into tenancy agreements, together with guidance on repairs, damp and mould, pet applications, ending tenancies and other common issues.



# 8 Failing to carry out regular inspections



## Why it matters

Regular inspections are one of the most effective ways to protect both your property and your position as a landlord.

Without them, you may be unaware of unauthorised occupiers, licensing issues, illegal activity or repair problems until they have become serious and expensive.

If you remember just one thing from this guide, remember this!



## What can happen if you get it wrong

If tenants bring in lodgers or other unauthorised occupiers, you may find that you are in breach of the HMO licensing rules, which can carry a heavy fine.

So far as illegal conduct is concerned, the worst case scenario (more common than many think) is your property being converted to a cannabis farm.

Note that most insurers will expect landlords now to carry out regular inspections and may well refuse cover for claims if this is not done.



## Practical tip

Carry out your first inspection about a month after the tenancy starts. Thereafter, inspect every three months until you are confident that your tenants are reliable and looking after the property properly.

For long-standing, trustworthy tenants, you may then be able to reduce inspections to every four or six months, although some HMOs require much more frequent visits, sometimes on a weekly basis.



## Where to find more help

Many landlords feel uncomfortable carrying out inspections or are unsure what they should be looking for.

The » [Landlord Law Property Inspection Kit](#) (free to all Landlord Law members) provides practical guidance, checklists and forms to make the process straightforward.



# 9

## Failing to carry out gas or electrical safety inspections



### Why it matters

Gas and electrical safety inspections are legal requirements designed to keep tenants safe.

Gas safety inspections are particularly important as defective gas appliances can cause serious injury or death. Electrical safety inspections, required every five years, are also an essential safety measure.

When the new Landlords database is launched, it is expected that landlords will need to upload gas and electrical inspection certificates.



### What can happen if you get it wrong

The worst outcome is a fatal accident at the property due to defective gas or electric services.

Gas in particular can be extremely dangerous, and there are many tragic stories or even death due to defective equipment. It is also not unknown for faulty gas appliances to cause major explosions that can destroy whole properties.

Failure to carry out gas safety inspections can result in prosecution and may affect your ability to recover possession of the property. Failure to carry out an electrical safety inspection can result in a Civil Penalty of up to £30,000.



### Practical tip

The biggest problem landlords encounter is tenants failing to provide access.

If this happens, keep detailed records of all requests, reminders and responses. This evidence may be needed if you face enforcement action for non-compliance or if you need to apply to court for an injunction.



### Where to find more help

The Health and Safety Executive, Gas Safe Register and Government websites all provide guidance on landlords' gas and electrical safety obligations.

Landlord Law's » [Property Access Kit](#) contains practical guidance on dealing with tenants who refuse access for inspections.



# 10 Failing to check whether an HMO or selective licence is required



## Why it matters

Many landlords are unaware that their property requires a licence.

While larger HMOs are subject to mandatory licensing, smaller HMOs may also need a licence if the Local Authority operates an additional licensing scheme. Some councils also operate selective licensing schemes, which can apply to properties that are not HMOs at all.



## What can happen if you get it wrong

Failure to license a licensable property can result in substantial penalties of up to £30,000.

Tenants, and sometimes the Local Authority, may also be able to apply for a Rent Repayment Order requiring repayment of up to two years' rent.



## Practical tip

Always check with your Local Authority before renting out your property to see what licensing rules apply in your area.

You should then re-check regularly, for example, every six months, as licensing schemes can be introduced or expanded with relatively little notice.



## Where to find more help

You should be able to find all you need from your Local Authority website.

You can find your local council via the online search page at » [www.gov.uk/find-local-council](https://www.gov.uk/find-local-council).

Landlord Law has a Local Authority Directory for members where you can locate the information you need.



# 11

## Failing to carry out 'right to rent' checks on all tenants and occupiers



### Why it matters

Regulations were introduced in 2014 requiring all landlords (including landlords of residential licenses) to carry out checks to determine whether an applicant for your property has the right to rent in the UK.

Importantly, this applies not only to tenants named in the tenancy agreement but also to any other adult occupiers who will be living at the property.



### What can happen if you get it wrong

The most likely consequence is a fine.

These were substantially increased in 2024 and now start at £10,000 for a first breach and up to £20,000 for subsequent breaches.

In serious cases, landlords may face criminal prosecution and imprisonment.



### Practical tip

Always carry out checks before the tenancy starts and make sure that every adult occupier is checked, whether or not they will be named as a tenant.

If you prefer, you can appoint a letting agent to undertake the checks, but if so, you should have a written agreement transferring responsibility to them.

This will ensure that any fines are issued against your agent and not against you.



### Where to find more help

The Government publishes detailed guidance on right to rent checks, including guidance on acceptable documents and online checking procedures.

This should be followed at all times.



# 12

## Failing to keep proper records to prove you are compliant



### Why it matters

As you will have seen throughout this guide, landlords can be subject to penalties, prosecutions and fines if the authorities consider you are not compliant with the rules.

To be able to defend these claims, you should not only have acted within the law but be in a position to **prove** that you have acted within the law.



### What can happen if you get it wrong

Penalties for non-compliance with landlord legislation can range from a few thousand pounds to tens of thousands of pounds for serious breaches.

If you cannot produce evidence to support your position, it may be difficult to defend yourself against enforcement action or tenant claims.



### Practical tip

Before you let your property, set up a record-keeping procedure and stick to it.

Keep records of inspections, repairs, certificates, notices, emails, letters, meetings and telephone calls.

Where appropriate, ask tenants to sign inspection records and keep photographs to support your written notes.



### Where to find more help

Landlord Law provides guidance on record-keeping and compliance.

» **The Property Inspection Kit** (available to all members) is particularly useful, as it includes forms and guidance designed to help landlords create a proper audit trail following inspections.

There are many inexpensive online services that can be used for record keeping. For example, Google Docs is free and easily available.





# And finally

## The challenge for landlords

Housing law is becoming increasingly complex. The purpose of this guide is not to frighten you but to help you avoid the common mistakes that can lead to expensive problems.

Landlord Law has been helping landlords, agents and advisers stay compliant since 2001 through practical guidance, documents, training and regular legal updates.

Find out more at >> [landlordlaw.co.uk](https://landlordlaw.co.uk)

## See what reviewers are saying about Landlord Law

“ Landlord Law has been invaluable on our journey through the various changes that each Government have brought in during our time as Landlords. The Tenancy Agreements are plainly written and should be easy to understand by any tenant. There are not many websites like this that you can rely on 100%. Thank you!

**FRED, February 2025**

“ I have been a member of Landlord Law since 2010. It is an invaluable service to anyone who has residential rented property. The legal and regulatory framework in this field is continually changing and becoming more complex. It is now crucial for landlords to keep up to date. Which is why I refer anyone I meet who has some interest in private rented property to Landlord Law. Worth every penny!

**Melanie Williams, April 2025**

“ With the coming of the Renters' Rights Act selling was a serious consideration, but following the advice on the Landlordlaw site and the training sessions we have decided to consolidate to one house and continue as landlords.”

**Sue Steel, October 2025**

“ Tessa's impressive knowledge and generosity of spirit have helped me run my properties professionally over decades. Highly recommend her services and publications.

**Bridget, July 2025**

