

HOUSING (SCOTLAND) ACT 2014

EXPLANATORY NOTES

THE STRUCTURE AND A SUMMARY OF THE ACT

Part Four – Letting Agents

Code of practice

108. [Section 46](#) provides for the establishment of a letting agent code of practice. It gives a power to the Scottish Ministers, by regulations to create a code which sets out the standards of practice; the handling of tenants' and landlords' money and the professional indemnity arrangements which are required of persons who carry out letting agency work (which is defined at section 61). Before finalising the code, the Scottish Ministers must carry out consultation on a draft of it. The regulations will be subject to the affirmative procedure for the first version of the Code; and any future complete replacement of the Code. Section 101(4) requires draft regulations setting out the first code must be laid before the Scottish Parliament within 18 months after this Act receives Royal Assent. Revisions to the Code would be subject to the negative procedure.
109. [Section 47](#) provides that where the terms of an agreement between the letting agent and either a landlord or tenant purport to exclude or limit any duty of the letting agent under the code or impose any penalty, disability or obligation in the event of a person enforcing compliance by the agent, the terms will have no effect.