

## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order requires persons who engage in lettings agency work and persons who engage in property management work to belong to a redress scheme for dealing with complaints in connection with that work. The Order also makes provision for enforcement of that requirement.

Article 3 imposes the requirement to belong to a redress scheme on persons who engage in lettings agency work.

Lettings agency work is defined in section 83(7), (8) and (9)(a) of the Enterprise and Regulatory Reform Act 2013 (2013 c.24). Section 83(9)(b) provides that lettings agency work does not include things of a description or things done by a person of a description specified in an Order. Article 4 prescribes those things that are not lettings agency work for the purposes of section 83.

Article 5 imposes the requirement to belong to a redress scheme on persons who engage in property management work.

Property management work is defined in section 84(6) and (7)(a) of the Enterprise and Regulatory Reform Act 2013. Section 84(7)(b) provides that property management work does not include things of a description or things done by a person of a description specified in an Order. Article 6 prescribes those things that are not property management work for the purposes of section 84.

Article 7 imposes a duty on enforcement authorities to enforce the Order.

Article 8 provides for the monetary penalty that may be imposed by the enforcement authority where a person has failed to comply with the requirement to belong to a redress scheme. The Schedule provides for the procedure to be followed where the enforcement authority intends to impose a monetary penalty.

Article 9 provides for rights of appeal against a monetary penalty.

Article 10 provides for the enforcement of a monetary penalty.

A regulatory impact assessment will be prepared in relation to the Order. It will be placed in the Library of each House of Parliament and copies may be obtained from the Department for Communities and Local Government, Eland House, Bressenden Place, London. SW1E 5DU or viewed [www.gov.uk](http://www.gov.uk).