

‘Right to Unwind’— A Tenant’s Guide

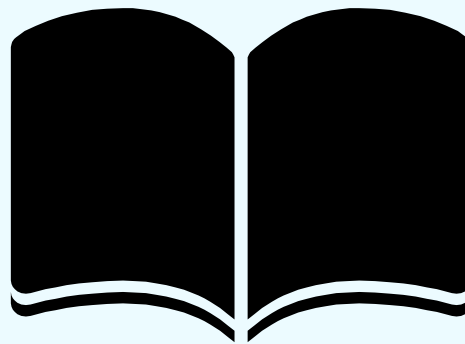
**Camden Federation of Private
Tenants**



Copyright © 2022 · Camden Federation of Private Tenants ·
13 Malden Road, London NW5 3HS · Tel: 020 7383 0151 · Email: admin@cfpt.org.uk

Table of Contents

1. What is the 'Right to Unwind'?
2. Why would I want to use it?
3. When can I use this right?
 - a. Misleading Action
 - b. Aggressive Trading Practice
4. How to use the 'Right to Unwind'?
5. What remedy should I expect?
6. What happens if my landlord refuses to co-operate?



What is the ‘Right to Unwind’?

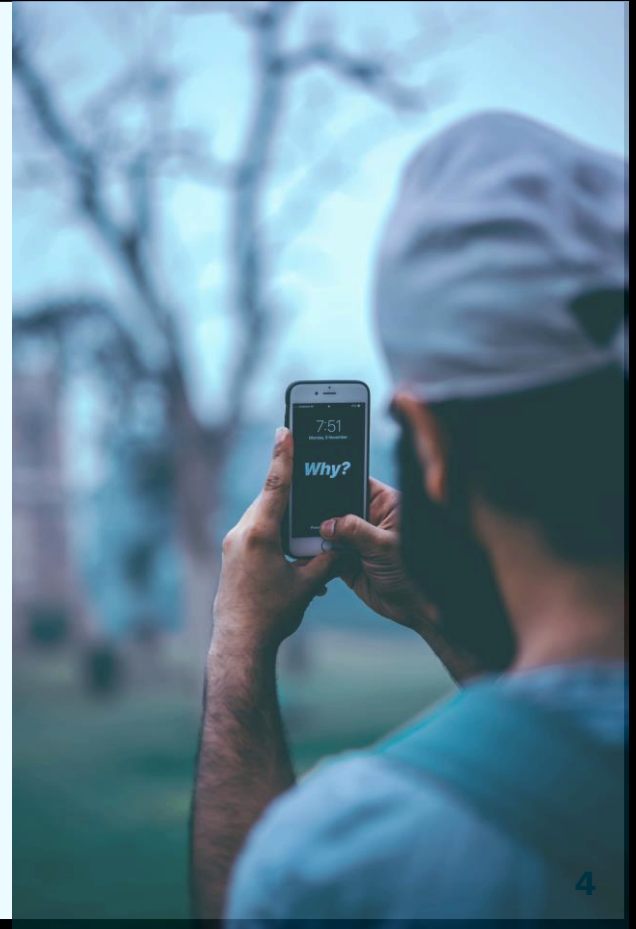


- Searching for a new flat can be a pretty stressful experience in itself. Therefore it is only natural that many of us, private tenants, would love to have some time to **unwind** after all of the formalities are completed.
- You might be surprised but such a right, albeit not in a literal sense, is guaranteed by the law under **Consumer Protection from Unfair Trading Regulations 2008**.
- That is, if you successfully use **the right to ‘unwind’** your tenancy, you will effectively **terminate the contract** with your landlord or letting agent. This, in turn, will **free you from any remaining contractual obligations**.

Why would I want to use it?

At this point you might be thinking: “I have just signed a contract for my new tenancy. Why on earth would I want to unwind it?”

Most commonly, your “dream home” turned out to be more of a nightmare after you properly examined the flat and you would not have entered into the contract **but for** some inappropriate conduct on behalf of the landlord/letting agent.





Right to unwind provides tenants with a convenient way to escape an unfair tenancy without having to pay rent for the remaining months under the prior agreement.

When can I use this right?

1. You have an **assured shorthold tenancy**, which means that:
 - You do not live with your landlord; and
 - You pay less than £100,000 but more than £1000 per year in rent.You can also check the type of your tenancy [here](#).
2. Your tenancy started on or after **1 October 2014**.
3. You entered the tenancy because of a prohibited practice such as:
 - Either a **misleading action** by the landlord/agent; or
 - An **aggressive trading practice**.
4. The prohibited practice was a **significant factor** in your decision to enter the contract.
5. No more than **90 days** elapsed since the lease began.

Misleading Action or an Unfair Trading Practice?



An action of an agent or landlord is ‘misleading’ if:

- They provided you with false information or presented some factually correct information to you in a way that was likely to deceive you; and
- This information was likely to cause you to enter into a contract, which you would not have entered into otherwise.

The information may be presented to you in any form and the landlord/agent does not have to be negligent or act dishonestly.

You also do not have to show, that you have suffered any actual loss.

A trading practice is aggressive if:

- It is likely to limit your freedom of choice or conduct in relation to the tenancy either through the use of harassment, coercion or undue influence; and
- Is likely to cause you to enter into a contract that you would not have otherwise entered into.



Examples

An agent told you that you will be sharing the flat with other tenants. It turned out, that you also must share your room with another person. Although the information was factually correct, it was presented in a way that was likely to deceive you. You obviously would not have entered the contract had you been informed more clearly

Your landlord stated that your whole flat is fully refurbished. In fact, only one room in the flat had undergone any repairs. You would not have entered the transaction had you known this.

Those are Misleading Actions

This is an Aggressive Trading Practice →

The letting agent forces you to pay the rent deposit in advance without showing the property to you in the first place, claiming that it would become unavailable had you not paid.

How to use the ‘Right to Unwind’?

1. Check whether you have satisfied all of the listed conditions.
2. Inform the landlord/letting agent that you want to unwind your tenancy within the first 90 days either of:
 - the day you entered into the contract; or
 - the day, the tenancy startedwhichever is the later.

Note, that although you can do it in any way you wish, it is advisable to serve a **written notice** (for example by sending an e-mail) to the landlord/agent.

What to include in my written notice?

- **A clear statement**, that you want to “unwind your tenancy under reg 27E-F of The Consumer Protection from Unfair Trading Regulations 2008 as inserted by the Consumer Protection (Amendment) Regulations 2014.”
- **Give evidence** of either a misleading action or unfair trading practice, that was a significant factor in your decision to enter into the tenancy.
- **State your demands**. Usually they will involve return of the money already paid under the tenancy agreement, and if you incurred losses, relevant compensation.



What remedy should I expect?

- Your contract will come to an end, and you will be released from any obligations under the agreement.
- The landlord/letting agent will be under a duty to give you a refund:
 - If less than 31 days elapsed since you entered into the tenancy, you are entitled to full refund of any money paid under the contract.
 - If more than 31 days but less than 90 days elapsed since you entered into the tenancy, you are entitled to refund minus any benefits you enjoyed under the contract.

For example, if you were living in the property for one month you will not receive the one-month rent back unless your landlord's inappropriate behavior warrants it.



Can I claim damages for a breach of contract as well?

- If you either:
 - incurred any financial loss; or
 - suffered alarm, distress or physical inconvenienceyou can also claim contractual damages in addition to the refund.
- Such damages are capped at what was reasonably foreseeable at the time of prohibited practice.
- You will also not receive any damages if your landlord/letting agent was not at fault.

What happens if my landlord refuses to co-operate?

- If you cannot reach an understanding with your landlord, you will have to go to the County Court and claim for a refund/damages or a declaration that your contract has been unwound. If your claim is unsuccessful, you will be liable to pay any monies due under the contract (for example, the remaining rent) and the court costs.
- Note, that there is not much case law on the actual use of the ‘right to unwind’ in tenancy disputes. There are many legal points subject to interpretation, which can be resolved against you.
- Hence, it is strongly advisable, that you get some legal advice before engaging in litigation.

Any questions?

You can find us at:

- [Twitter](#)
- [Facebook](#)
- [Youtube](#)
- [CFPT Website](#)



Disclaimer

While care has been taken to ensure that information contained in the CFPT's publication is true and correct at the time of publication, changes in circumstances after the time of publication may impact on the accuracy of this information.

CFPT gives no warranty or assurance, and makes no representation as to the accuracy or reliability of any information or advice contained in the Guide, or that it is suitable for your intended use.

The Guide provides links to external internet sites. These external websites are outside the CFPT's control. It is the responsibility of internet users to make their own decisions about the accuracy, currency, reliability and correctness of information found. While care is taken to provide links to suitable material, the nature of the internet prevents the CFPT from guaranteeing the suitability, completeness or accuracy of any material that this Guide may be linked to.