

Active Inventories

How To Carry Out a Residential Lettings Inventory

A General Guide for carrying out inventory inspections in the residential property rental market sector.

Table of Contents

Guide Fundamentals	2
The object of the exercise	2
Before the inventory	3
Preparing a script to follow for the inventory inspection.....	3
Personal Safety / Insurance	4
Inventory inspection general	4
The inventory inspection procedure	4
Entrance	5
Hallway and beyond.....	5
Prepare the inventory for tenant check in	5
Check in.....	6
Check in practicalities.....	6
Check out	6
Check out inspection - Assessing Fair Wear & Tear.....	7
Important considerations.....	7
Scope of these instructions	8
Further information	8
Contact Details.....	8

Guide Fundamentals

This guide assumes you will not be using a paid for inventory inspection app or system as, if you are a landlord you may not be carrying out regular multiple inspections to justify the costs of an app, or, if you are self training as an inventory clerk you may wish to get the fundamentals of inventory inspections and reporting right before investing in a more technical professional solution when you have gained a fuller understanding of what you would need from an app

This guide is written from perspective of using our self training manual 'Practical Techniques For Inventory Clerks' and inventory reporting document template 'Inventory Templates Pro' available at <https://www.activeinventories.co.uk>

We hope the guide may be useful as general information even if not using our products.

The object of the exercise

Whether you're a landlord or tenant it is important that an inventory is taken of the contents and condition of a property to safeguard landlords and tenants interests and to minimize the risk of disputes during and at the end of a tenancy.

What you are trying to achieve with an inventory is to capture an accurate and true list of the contents and condition of a property. An advantage is that tenants may take better care of a property as they will be aware that the landlord is serious about the condition and contents of a property. Knowing that there is a detailed inventory, and to protect their deposit tenants may be positively motivated to return the property in the condition that they found it in at the start of their tenancy.

Before the inventory

A landlord should prepare the property so it is ready for tenants to move in to in all respects. This may involve carrying out any repairs that may be necessary, cleaning the property and possibly having curtains, carpets and windows etc professionally cleaned. The reason for this is that it will make commenting on items of the inventory less complicated and lead to less 'check in' comments by tenants. A landlord should ensure that they are complying with all their legal responsibilities and have all the relevant safety certification, safety labeling, appliance manuals and tenants information pack ready and visible so that these can be mentioned in the inventory.

Tip: If a landlord has carpets and / or curtains etc professional cleaned in their preparations to rent the property they could leave receipts that can be seen at the time of an inventory inspection and so can be noted in the inventory report. In this way the tenants can understand that the same items would need to be professionally cleaned at their expense at the end of the tenancy. The tenants should be provided with copies of the receipts at the time of a tenancy commencement.

Preparing a script to follow for the inventory inspection

Print out the inventory report document template relevant pages to match the rooms and areas anticipated to be inspected. This will be your guide / script to follow on your journey through a property to be inspected so you have a detailed prompt list and can include all you need in a methodical manner.

The inventory report template is a large document which you can reduce by printing only the pages for the rooms and areas you wish to include in your inventory. (refer to the Sample Inventory to see the suggested order of pages for an inventory)

When the printed pages are compiled in the correct order of your choice number the pages at the bottom of each page. You will now have your inventory script compiled ready to write in comments or dictate in to a voice recorder at your inventory inspection.

Once the inspection is completed compile a report using our inventory report template and carefully check before delivery

Tip: To save paper and make a smaller document set print using both sides of the paper if your printer allows this.

Personal Safety / Insurance

We suggest you fully research personal safety procedures and be aware of any related issues when carrying out inventories. It is beyond the scope of this guide to provide information on this issue other than to suggest that full precautions should always be taken to protect your personal safety. We suggest that you are fully insured for all eventualities in all respects to cover any activities you may undertake in carrying out inventories.

Inventory inspection general

Expect to spend 15 to 30 minutes for each room if this is your first inventory. The first room usually takes the longest to complete. After this many aspects of a properties items such as flooring, wall and ceiling decoration may follow through from room to room allowing you to make comments such as 'continues in style and finish from hallway' etc. The same may apply to window design, internal door design and fittings, skirtings, ceiling coving etc. Although this may be the case each area items need to be examined for damages and wear etc. Whilst you are completing the inventory you should be looking for any damage to room list items and cleanliness.

Tip: It is better to be honest and diplomatic about recording the true condition of items and condition as discrepancies may be picked up by the tenant when they check the inventory and will lead to time wasting.

Tip: If you can only spend a short time at the property it is a good idea to take photographs of each room or area to refer to later. Typically, with a digital camera or mobile phone photograph every room from each corner plus the ceiling and floor. Lift or move any items that may conceal damage or defects such as rugs etc. Please remember that you can have too few images but never too many.

The inventory inspection procedure

Start your inspection by having a quick walk around the property and rooms to get a general overview of the property.

Tip: Note any generalised comments (decorations, flooring, cleanliness and other) at the end of the inventory as at that time you will have a thorough overview of the property.

Tip: Note down meter readings etc at the end of an inspection when you will have found meters in the scripted journey through the property. (Much time can be wasted searching for meters in obscure locations at the beginning of an inspection.)

Tip: Follow the same order of inspection for each room as you journey through a property so that a consistent routine is established. (eg. Door, Ceiling, Walls, Floorings etc.

Entrance

Starting from the front door or porch make brief concise notes or dictate comments that describe each item and its condition For instance 'Door Furniture', Brass door knocker. Brass tarnished. Cross through or mark N/a any items that are not on the script..

Tip: Add any items you find that are not on the room form list in the 'Other' section at the end of a room on the script.

Hallway and beyond

When you have recorded all the outside entrance detail continue on the inside the property following the order of the scripted items making necessary comments as you go. Remember many properties have ceiling, wall decorations and floorings etc. that continue throughout a property so that once you have commented the first time if there is a reoccurrence in another room you can make simple comments such as 'continues in decoration, style and design from hallway' etc.

Tip: If for instance carpet or flooring threshold strips are present in the hallway to rooms leading off mention them on the hallway form. You can then, as they have been mentioned once, ignore them for subsequent rooms leading of the hallway.

Tip: If all the windows in a property are of the same type and design you can describe the first one you find as you follow the forms in full detail. All subsequent windows of the same type can be referred to in a simple fashion such as 'Same as Living Room in style and design. This can apply to any number of items in the property that follow a similar pattern such as ceiling and wall decorations etc. This will make the inventory easier to complete and read.

Follow the order of the script and fill in or dictate the details for all the rooms. The kitchen will probably be the most complicated room to complete. Follow the script order to make sure you capture all the items.

Prepare the inventory for tenant check in

When you have completed all the rooms and areas for your inventory you will need to prepare a report to be delivered to the tenant, landlord and managing agents. (if applicable) Thus at the 'check in' stage every party to the tenancy has the same inventory document

Check in

A copy of the inventory as previously prepared should be presented to a tenant at the time of their checking in to the property at the start of the tenancy and / or at the same time the tenancy agreement is signed. We suggest that a landlord never give the keys to the tenant before they have signed the check in declaration and initialled all the pages of the inventory document.

Check in practicalities

A tenant may be unwilling to sign the check in declaration and initial agreement to all the pages of an inventory the landlord or his clerk have prepared until they have had a chance to thoroughly examine the property and compare this to the inventory document and to make any required check in comments.

The templates contain check in and check out declarations on the Tenancy Details section to cover this eventuality. If the tenants return their commented upon inventory copy the landlord can go over any aspects not agreed with and resolve these before both parties initial any changes.

At this stage both landlord and tenant should be in agreement, happy and comfortable that at the end of the tenancy both parties can rely on the inventory in checking for damages, dilapidations, missing items and the condition of cleanliness etc. In any event we suggest that the inventory should be signed and initialled as detailed above before handing possession to a tenant.

Tip: Make sure that the tenants and landlords copies or amended copies of the inventory are exactly the same at this stage and file in a safe place in readiness for the tenants 'check out at the end of their tenancy.

Check out

At a reasonable time prior to the tenants vacating the property contact them to politely request that they reinstate all the inventory items to their original positions and clean the property to the standard that they found at the beginning of their tenancy. Hopefully your tenants will comply with this request as they will be keen to regain their deposit.

Tip: Offer them a copy of the inventory for reference in the event that they have lost their copy

Tip: Invite them to report any damage to items that they may be unable to repair so that the cost can be calculated at the earliest opportunity.

Check out inspection - Assessing Fair Wear & Tear

Using the inventory signed and initialed at check in carry out a thorough inspection of the property. You will need to take in to account fair wear and tear of any items that have deteriorated during the tenancy. Bring to your tenant's attention any items that you feel are damaged or missing inviting them to comment. With their comments in mind present your tenants with a written list of items that are damaged and / or missing noting your opinion of who may be responsible for the cost the cost of replacement / reinstatement.

Tip. Fair wear and tear is the natural deterioration of an item over time given normal use. (reasonable use of the premises by the tenant and the ordinary operation of natural forces (i.e. the passage of time)

Tip: At the time of 'check out' we recommend good open communications with the tenants so that they are confident you are reasonable and approachable. Hopefully this attitude will be reciprocated

Important considerations

All applicable items of safety should be in place before the tenancy commences

- Gas Safety Certificate for the property.
- Electrical Safety Test certification for the property.
- Electrical Portable Appliances Tested and marked with valid inspection stickers
- Instructions / user manuals for appliances and equipment installed.
- Furnishings labelling that state compliance with safety regulations
- Smoke Alarm batteries replaced & tested.
- Any installed fire equipment checked.
- Any other items of health and safety or other items not mentioned here

Scope of these instructions

All of the above details represent a general guide to carrying out residential lettings inventories in England. This guide and any information contained therein should not be interpreted as legal advice, health and safety advice or a definitive list of any statutory legal or health and safety regulations that may apply to the reader's obligations. In our view it is a landlord's sole responsibility to ensure that all legal and statutory requirements are complied with in relation to any tenancy created or in force for their properties.

Further information

We hope that this information may be helpful and informative. If you require any particular further information please contact us.

Contact Details

Active Inventories
16 Edge Close
Sheffield
South Yorkshire
S6 1ER
Telephones: 07986 510629
Web: www.activeinventories.co.uk
Email: hello@activeinventories.co.uk

Copyright © Active Inventories. All Rights Reserved.

No part of this document may be photocopied, reproduced, stored in a retrieval system, or transmitted, in any form or by any means whether, electronic, mechanical, or otherwise without the prior written permission of Active Inventories. Active Inventories reserves the right to change details in this publication without notice.

No warranty of accuracy is given concerning the contents of the information contained either in the information above or in the ability of our information to inform you further than as a general and without warranty guide. To the extent permitted by law no liability (including liability to any person by reason of negligence) will be accepted by Active Inventories or its subsidiaries or owner or employees or agents or any direct or indirect loss or damage caused by omissions from or inaccuracies in this document.