



The Complete Landlord Toolkit



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Welcome to our Complete Landlord Toolkit

– we hope this helps you!



Property investment, lettings and management can be exciting, rewarding and deliver financial freedom. It can also be an obstacle course of regulation and uncertainty with challenges both big and small. We have designed The Complete Landlord Toolkit to give you the things you need to navigate this exciting landscape and ensure success at every turn – that's better letting.

Our **step-by-step guide** will take you through the whole letting process from preparing your property before marketing, through to how to move your tenant out and deal with a deposit return. There are **six sections** packed with helpful content, as well as our '**Agents Top Tips**' to give you our very own insider advice to get the best outcomes at every stage.

In addition, there is a full **Document Vault** with blank and template documentation to use throughout each step of the process. This includes checklists, a tenancy agreement, deposit documentation, inventories and much more. Finally, each section contains **instructional videos with further hints and tips** as to how best succeed at every stage.

We have teamed up with some national providers to offer you some **exclusive discounts** on items you will need when letting and managing a property, **to save you money but also time**. These include Landlords Insurance, Energy Performance Certificates, Gas & Electrical Safety certificates as well as much more.

We really hope you find our Landlord Toolkit helpful and informative, and we wish you every success in your property journey – that's better letting!

TOM KITE
COMFORT PARTNER



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1 Pre-Letting

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1 Pre-Letting

Compliance Checklist

Preparation before starting your journey is key to **better letting**. Recent changes to regulation mean that landlords must now complete a number of steps before their property even makes it to the market. In our pre-letting checklist we outline the key actions you'll need to take to get started and ensure that your property is legally ready to be let.

	ITEM	✓ Y/N
Must have items		
1	Energy Performance Certificate (EPC)	
2	Gas Safety Certificate CP12 (if gas at property)	
3	Landlord Insurance	
4	Legionella Risk Assessment	
5	Appropriate Smoke and Carbon Detection	
6	Consent to let from your lender (if applicable)	
You may also need (recommended)		
6	Electrical Safety Certificate (EICR)	
7	Portable Appliance Test (PAT) if appliances are included	
8	Property Risk Assessment	
9	HMO License (Mandatory/ Additional/ Selective if applicable)	
10	Planning Permission for correct use class	



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1 Pre-Letting

Certification

Energy Performance Certificate (EPC)

You must order an EPC for potential tenants **before** you market your property for rent. An EPC contains information about your property's energy use and typical energy costs, as well as recommendations about how to reduce usage and save money. The certificate lasts for 10 years, so you may find your property has an EPC even without realising. You can check the central database by entering your property address [here](#).

Exclusive Offer – next day availability!



- ✓ If you need an EPC, you can order one with one of our national providers by [clicking this link](#).

There are some properties that are exempt from EPC legislation, such as listed buildings. You can read a full list of exclusions on the [government website](#).

Gas Safety Certificates (CP12)

By law, under the Gas Safety (Installation and Use) Regulations 1998, it is your responsibility to get a Gas Safety Certificate every **12 months**. You must get this from a Gas Safe Registered engineer for all pipe work, gas appliances and flues installed at your property.

Exclusive Offer



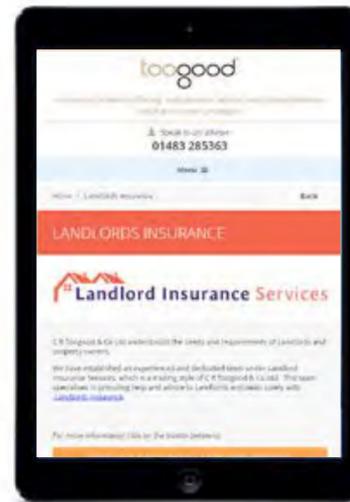
- ✓ If you would like to order a Gas Certificate with one of our national providers please [click this link](#).



Most Gas Safe Installers will carry the Gas Safe Logo on their paperwork, van etc., but if you are ever unsure whether a contractor is a registered Gas Safe Installer, you can search the central database by clicking on [this link](#).

Landlord Insurance

If your property has a mortgage, it will be a condition of the mortgage that the property must have specialist Landlord Insurance. We would always recommend that you take out full Buildings and Contents insurance even if your property is unfurnished. We also recommend that you are fully insured even if your property is owned outright. This will give you the peace of mind that should something go wrong, you are in a position where both you and your tenant will be looked after and not put at any financial risk.



We have partnered with **Landlord Insurance Services** who offer specialist Landlord Insurance – often being able to offer cover for as little as £1 per £1,000 sum insured. They are also offering an exclusive discount to new landlords.

Exclusive Offer



- ✓ For a free, no obligation quotation, please [click this link](#).



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1 Pre-Letting

Certification

Legionella Risk Assessment

In 2015 it became a legal requirement to carry out a Legionella Risk Assessment of your rental property and to regularly review this. Legionella Risk Assessments must be carried out by a 'Competent Person' who has undertaken training to do so. Landlords can do this themselves, assuming that they have taken the necessary training. For your reference, we have included an example risk assessment in the [Document Vault](#).

Exclusive Offer



- ✓ If you would like to order a Legionella Risk Assessment with one of our national providers please [click this link](#).

Smoke & Carbon Monoxide Detection

New safety laws for landlords came into force on 1st October 2015. These new laws make it compulsory for all landlords to fit smoke alarms in rented homes, as well as offering protection against carbon monoxide poisoning. The laws require landlords to:

- ✓ Fit at least one smoke alarm to each floor of their premises.
- ✓ Fit a carbon monoxide alarm in rooms containing a solid fuel appliance.
- ✓ Check that all alarms are working when a new tenancy starts – with potential penalties of up to £5,000 if not complied with.

In a small residential two storey house, this would mean in the ground floor hallway and on the upstairs landing. However, this **must** be properly checked against a full Fire Risk Assessment and we would strongly urge you to review the LACORS Fire Safety Guidance to ensure that you make adequate provision. Almost every property is different in terms of layout, floors, arrangements, types of windows and doors, so it is imperative that each is assessed on its own merits and provisions are made accordingly.

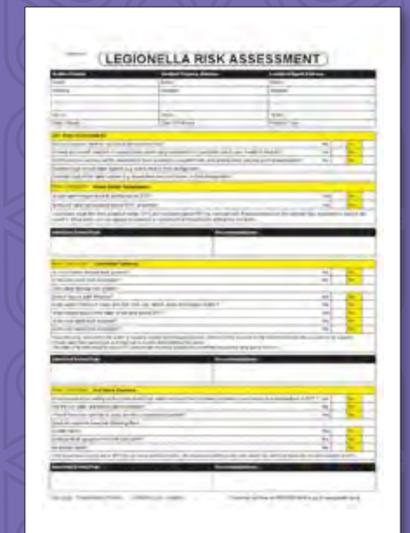
The **LACORS Fire Safety Guidance** can be found in the [Document Vault](#) for your reference.

Consent to Let

A number of landlords assume that they are able to simply let their property with their residential mortgage still in place. This is sometimes the case, but there will always be a need to notify your lender before letting the property. In some cases, you may be required to fill in paperwork to satisfy the lender that the property is being correctly let and managed with appropriate arrangements in place to do so. If you have buy-to-let finance in place, this will suffice as consent from the lender to let the property.



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› [Legionella Risk Assessment](#)



1 Pre-Letting

Certification

Electrical Safety Certificate (EICR)

There is no legal requirement to obtain an EICR for a non-licensable rented property, however landlords are required by law to ensure:

- ✓ That the electrical installation in a rented property is safe when tenants move in and maintained in a safe condition throughout its duration.
- ✓ That any appliance provided is safe and has, at least, the CE marking (the manufacturer's claim that it meets all the requirements of European law).

For HMOs (Houses of Multiple Occupancy)

- ✓ A House in Multiple Occupation (HMO) has a periodic inspection carried out on the property every five years.
- ✓ There may be other requirements relating to the electrical safety of your property, and you are advised to check carefully your HMO license for any relevant conditions.

We also would advise you to regularly carry out basic safety checks to ensure that the electrical installation and appliances are safe and working to meet the above requirements. These can be visual inspections, and we would suggest you do these each time you visit the property for inspections, viewings, etc.

Exclusive Offer



- ✓ If you would like to order a Electrical Installation Condition Report (EICR) with one of our national providers please [click this link](#).



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AGENT TOP TIP

“Our view is that the only way to ensure that the electrical installation within your property is safe, is to carry out a EICR by a person qualified to do so. We recommend that a periodic inspection and test is carried out by a registered electrician at least every five years.”



1 Pre-Letting

Certification

Houses of Multiple Occupancy (HMOs)

HMOs are created by a combination of both unrelated 'households' renting a property and using shared facilities. They often require more management and will be held to more stringent legal conditions. In addition, lots of HMOs will require a license. You can read more about HMOs by downloading the HMO guide from the [Document Vault](#).

In addition to the normal requirements, landlords of HMOs must make sure that:

- ✓ The property is not overcrowded.
- ✓ There are enough cooking and bathroom facilities for the number of tenants living there.
- ✓ Communal areas and shared facilities are clean and in good repair.
- ✓ There are enough rubbish bins.

"You should also check there are not any restrictive covenants or conservation orders, etc., that restrict you from letting the property as you intend."

Planning Permission, Use Class and Article 4 Directions

Increasingly, local authorities are adopting Use Class Restrictions that prohibit certain types of rental properties being let in certain areas. These are referred to as an Article 4 Direction. It serves to restrict permitted development rights, meaning that many things people do to their land or houses without planning permission, are brought into the realms of planning consent. It does not prohibit any action in itself, but means that a landowner is required to seek planning consent, whereas without the Article 4 Direction this would not be necessary.

It is imperative that you check you have the relevant permission to rent your property prior to commencing the process. This type of legislation is typically aimed at restricting the development of larger rental properties (HMOs for example), so you need to check with your local authority that you are free to let the property as you intend to do so. You should also check there are no restrictive covenants, conservation orders, etc., that restrict you from letting the property as you intend.

Other reading:

- ✓ [Housing Act](#)
- ✓ [LACORS](#)



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› [LACORS Fire Safety Guidance](#)



1 Pre-Letting

Upkeep, Presentation and Repair

Keeping your home in a good state of repair is imperative. Not only because a well-maintained home will be attractive to tenants, but it speaks volumes about how attentive you will be as a landlord which can be a crucial factor for tenants when choosing a home.

Paths and gardens can often go overlooked in rental properties, leaving them looking shabby and tired. Low maintenance options are worth considering when making choices to prepare your property for rent. Your tenant may not love gardening as much as you might, so giving them an outside space that is easy to maintain will increase your chances of receiving the property back in a good condition at the end of a tenancy. Even if the tenant pays for putting it right, it is another thing for you to arrange and oversee, so it is well worth considering ahead of new tenants.

“Your tenant may not love gardening as much as you might, so giving them an outside space that is easy to take care of will increase your chances of receiving the property back in a good condition.”



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AGENT TOP TIP

“Ensure that the inside of the property is well maintained, but also consider the outside spaces.”



1 Pre-Letting

Furnishing – how, what, why?

We are often asked by landlords whether they should furnish their property, or leave it unfurnished.

As you might imagine, our answer is it depends! We will explain a few principles below that will allow you to make the best decision, as to whether it is best to furnish your property or not. You need to consider whether it makes financial sense to furnish your property rather than leaving it unfurnished given the initial outlay to purchase furniture. Ultimately this question will be answered by the type of rental property you have, and the type of tenant you are likely to attract.

“Consider whether it makes financial sense to furnish your property rather than leaving it unfurnished given the initial outlay.”



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1 Pre-Letting

Furnishing – how, what, why?

Unfurnished

We generally advise that properties are left unfurnished for the majority of traditional family/residential lettings. In most cases, family units will have acquired their own furniture items so will not need them to be provided by the landlords. In addition, you may also find that tenants who have all of their own belongings and arrange to move them into your home might be more inclined to stay longer.

It is quite an undertaking to move home, especially if you are moving all your furniture. You would probably find therefore that you would not necessarily secure a higher rental amount by furnishing a property suitable for a family.

“Whether furnished or unfurnished, it is important to remember your property is going to become a tenant’s home.”

Furnished

We generally find that property suited to younger renters (students, sharers, young professionals) is more attractive when furnished. For example it would be expected that student accommodation is fully furnished for the tenants. In addition, companies will also look for furnished accommodation for professional or corporate tenants. As such, more city centre accommodation tends to be furnished than unfurnished.

Whether furnished or unfurnished, it is important to remember your property is going to become a tenant’s home, and this should be taken into account when choosing décor and furnishings. Generally speaking, light and neutral colours are best. These allow most people to be able to move their possessions into a property without feeling like their things don’t match. Good quality and sturdy furnishings often pay dividends over cheaper, flatpack items that don’t always last well. If you can, avoid magnolia!



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AGENT TOP TIP

“Even in unfurnished accommodation, we would expect the landlord to provide window coverings, light fittings and leave built-in appliances. This will reduce the risk of the tenant fitting their own and damaging the fabric of the building.”



1 Pre-Letting

Furnishing – how, what, why?

A final note

It is worth bearing in mind that all upholstered furniture complies with the Furniture & Furnishings Fire Safety Regulations 1988. Therefore, any soft furnishings that you put into your property will need to carry the relevant fire safety labels. In addition, it becomes the landlords responsibility to repair or replace any item that they provide the tenant for their use. This extends to furniture, furnishings and appliances.

“Any soft furnishings that you put into your property will need to carry the relevant fire safety labels.”



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2 Marketing Phase

- > Pricing
- > Photography & Staging
- > Online Advertising
- > Viewings
- > Finding an Agent



2 Marketing Phase

Pricing

Getting the right price point for your property is a balance between achieving a market leading rent and ensuring the property remains attractive and competitive within the local market.

Carry out your research carefully to understand what your local market is doing. We can explain the maths of getting a valuation wrong, and why it sometimes makes sense to under-price your property to secure a quick let.

Check out our top tips for pricing by watching this video.



2 Marketing Phase

Photograph and Staging

Marketing photos are often the first impression a prospective tenant will have of your property.

Great pictures speak a thousand words and having professional quality photographs are an easy way to market your property. If you do not have access to a DSLR or professional photographer, you will still be able to take attractive photos by following our four simple steps below.

1 De-clutter

Remove more than you think if the property is furnished or has possessions in. Try to look at your property dispassionately and with a critical eye. If something is not adding to the photo, it is probably detracting from it.

2 Stand back

It might seem obvious, but lots of people don't get in as much as they can. Basic digital cameras don't have wide angle lenses, so it is important that you give yourself the best chance of making the room feel big!

3 Practice makes perfect

You might not get them right first time around, but keep at it. Look at other good photos from hotels/other agents for ideas. Then try again!

4 Light, Light, Light!

This one is not completely straightforward, but the following principles apply:

- Avoid using the flash on the camera if you can help it.
- Turn lights on and open curtains and blinds.
- Shoot in the direction of the light – not towards it This applies to both inside and outside photos. Otherwise you can end up with under/over exposed photos.
- Outside shots are best in bright sunshine, but inside shots are best on light but cloudy days. Bright light creates strong shadow which without good equipment can distract from a good photo.



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AGENT TOP TIP

"Great pictures speak a thousand words and having professional quality photographs are an easy way to market your property."



2 Marketing Phase

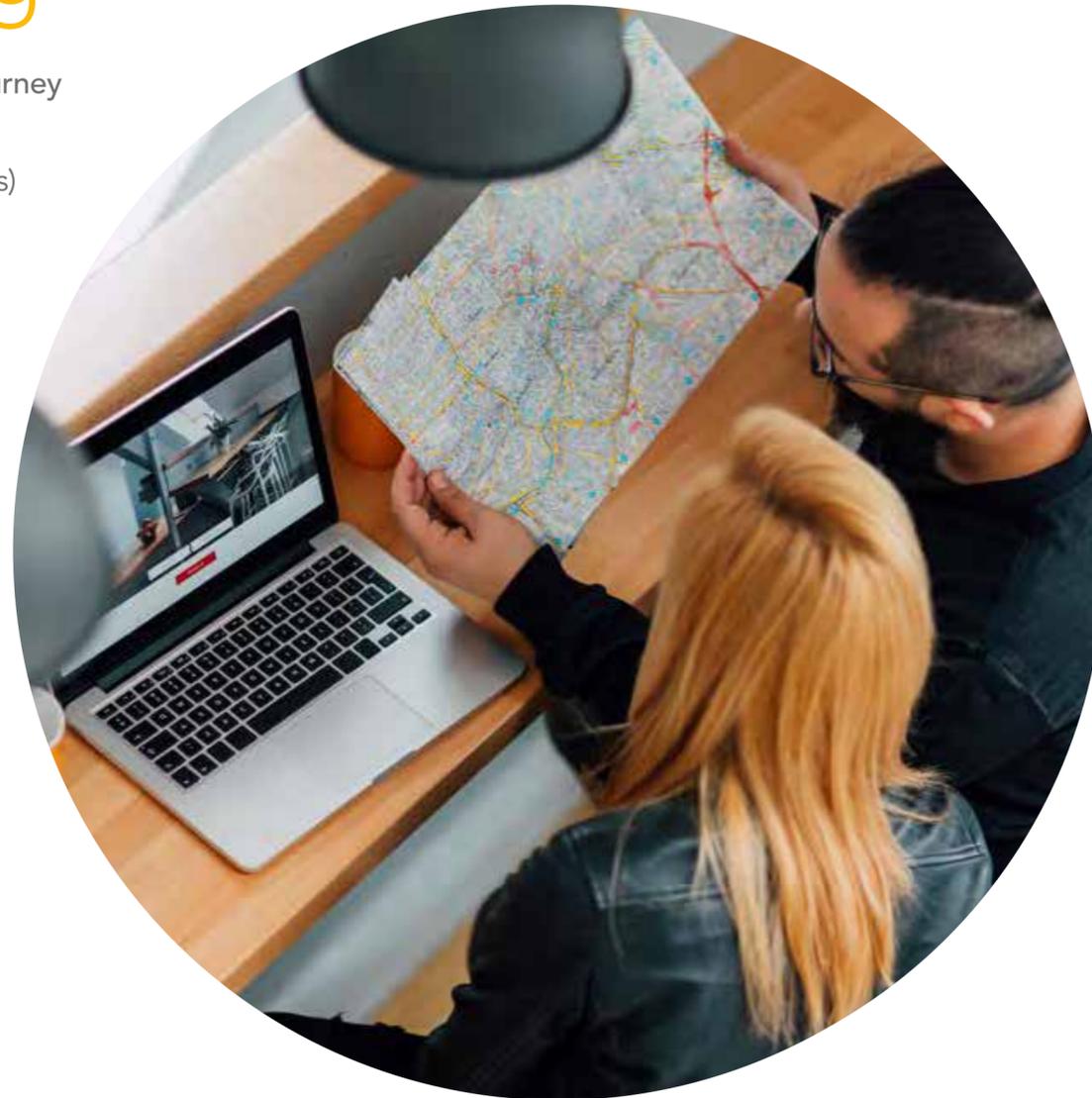
Online Advertising

A search online is almost always the start of a tenant's journey to find a new home.

There are a number of websites (as well as traditional agents) that will allow you to list your property online. Having a presence on these portals, including Rightmove, OnTheMarket or Zoopla, is a great way to maximise the exposure your property has. When you create your listing, always use great photos, make sure any descriptions are accurate (including fees and deposits) and use a property floorplan. There are a number of free property floorplan tools that allow you to create property floorplans. Research shows far less time is spent on property adverts without floorplans, so we think it is a worthwhile time investment.

For a free online Floor Plan account, [click here](#).

“When you create your listing, always use great photos, make sure any descriptions are accurate.”



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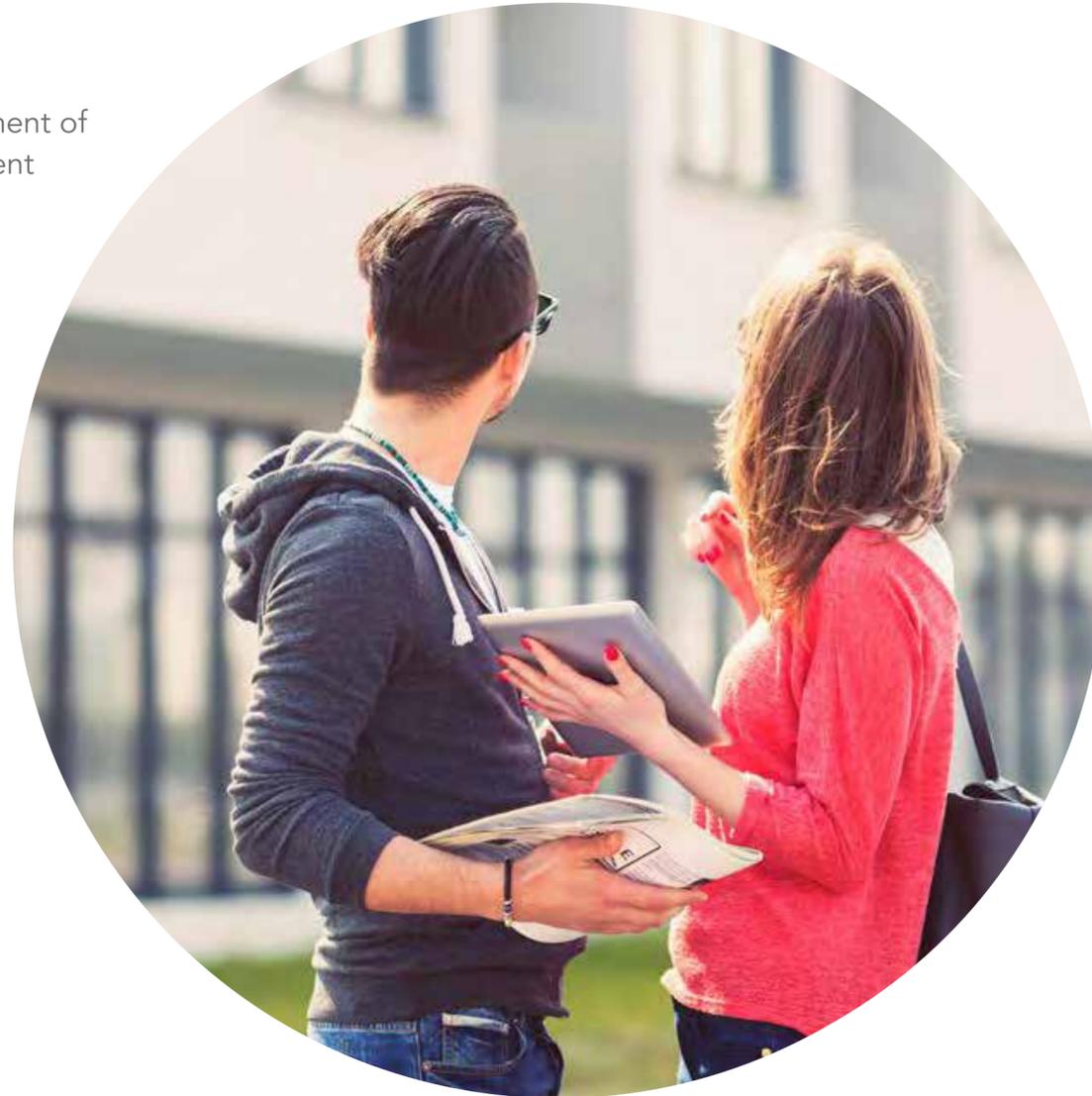
2 Marketing Phase

Viewings

If you are going to carry out your own property viewings, remember the prospective tenant will be making a judgment of you as the landlord as much as they are making a judgment about the property you are showing them. If you are disorganised or late, will you organise their boiler repair quickly and efficiently?

Be prepared and make sure you are in a position to answer questions that the tenants might have. Consider the following things:

- ✓ Local transport links.
- ✓ Other local amenities, such as schools or attractions.
- ✓ Be able to discuss the bills/consumption.
- ✓ Have information about council tax bandings and costs.
- ✓ Be able to explain connectivity, Wi-Fi and TV options.



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AGENT TOP TIP

“Turn up 10 minutes before the viewing. Go in and make sure the property is presentable, open the curtains and switch on the lights. With lights now more energy efficient they often take a few minutes to warm up and become fully bright. You may only be in each room for 30 seconds and in that time the perspective tenant might get the impression that the property is rather dark and dingy, rather than bright and light.”



2 Marketing Phase

Viewing checklist

1 Notice to tenants

Make sure you give correct notice to your current tenants (at least 24 hours). There is nothing worse than an awkward conversation about access on the doorstep with new tenants waiting.

2 Reminders

Send a reminder to your viewers that you are expecting them and at what time. Include the property address and where to meet if different.

3 Travel

Check the traffic, set a diary note to make sure you arrive at least 10 or 15 minutes before the appointment. Viewers will often do the same, so if you want to check the property before they arrive, make sure you give yourself time to do so.

4 Property Keys

Make sure you have all the keys and that they are properly tagged up so you know what key opens what. Little things like this will give your prospective tenants confidence in your systems.

5 Property details

Make sure you have details of the property that you can share. You might want to create a property handout that has useful information about the property including; car parking arrangements, council tax, connectivity and bills.

6 Conduct yourself

Think of yourself as a good restaurant waiter. Be attentive and informative, but don't smother your viewers. Give them time and space to chat and look around. If they feel comfortable, they are more likely to engage and ask questions. You are there to sell, but don't be 'salesy'!

7 Follow up

Make sure you follow up your viewers. They might be struggling to choose between your property and another. A simple phone call to answer any further questions might be the little thing that clinches the deal!



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2 Marketing Phase

Finding an Agent

It goes without saying that if you are going to use an agent, you want to find a good one.

A good agent is like gold dust to a property investor. They are your eyes and ears on the ground and you are paying them to make decisions on your behalf and make your investment work for you. As such, it's really important you look for an agent that is both competent and accredited. We would always suggest you look for an ARLA PropertyMark Agent for the reasons below:

- ✓ When you choose an ARLA registered agent, you are sure that your agent is covered by the ARLA Client Money Protection Scheme. This means that if your agent goes bankrupt or deals on the wrong side of the law, you're covered.
- ✓ Any ARLA agent must have Professional Indemnity Insurance, which means that, once again, as landlord you have peace of mind when it comes to negligence, bad advice or a whole host of other misdealings.
- ✓ ARLA agents are required to be trained and qualified as well as following a structured programme of Continuous Professional Development to keep their skills up to date. This means that the advice they're giving you is based on a solid, up-to-date knowledge base.
- ✓ All ARLA agents voluntarily adhere to the Code of Practice and Rules of Conduct for their professional body, which means they trade to the highest possible professional standards.

- ✓ If something goes wrong with an ARLA agent, you know you have an option to redress the situation by taking the matter up with ARLA.



You can find a list of ARLA PropertyMark Agents in your local area by clicking [here](#).

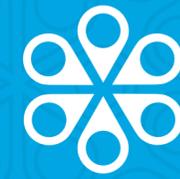
Ask your agent

- ✓ What is their view of the current property market? All of their staff should be able to confidently give you an evidence based national and a local viewpoint.
- ✓ Show me the last five properties you have let. This will give you an indication of the types of property they deal with day-to-day and whether it is similar to yours.
- ✓ What does a monthly management report look like? Is it informative? Does it have reminders? Is there online access and remote support to view documents and statements?
- ✓ What emergency procedures are in place for the tenants in my property? Ask to see a welcome pack or move-in instructions. Is it well thought through and systemised?



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3 Contracts

- > [Right to Rent](#)
- > [How to Rent](#)
- > [Tenant Checks](#)
- > [Tenancy Agreement](#)
- > [Deposit Protection](#)



3 Contracts

Right to Rent

Landlords are legally responsible for confirming the right of prospective tenants to rent their property.

We have provided the relevant checklist in our [Document Vault](#) to ensure that you can verify any prospective tenant before you offer them a tenancy. You can also read more about the Right to Rent Legislation and your responsibilities as a landlord on the Government website by viewing their [advice pages](#).

“We have provided the relevant checklist in our Document Vault to ensure that you can verify any prospective tenant before you offer them a tenancy.”



3 Contracts

How to Rent

As part of Section 21 Legislation for Landlords in England that rolled out on the 1st of October 2015, landlords are now required to serve their tenants with a booklet (How to rent: the checklist for renting in England) if they wish to serve a valid Section 21 Notice.

The legal bit:

- ✓ A landlord under an assured shorthold tenancy of a dwelling-house in England, or a person acting on behalf of such a landlord, must give the tenant under that tenancy the information mentioned in paragraph (2).
- ✓ (2) The information is the version of the document entitled "How to Rent: the checklist for renting in England", as published by the Department for Communities and Local Government, that has effect for the time being.
- ✓ The Government's How to Rent Guide serves as a helpful

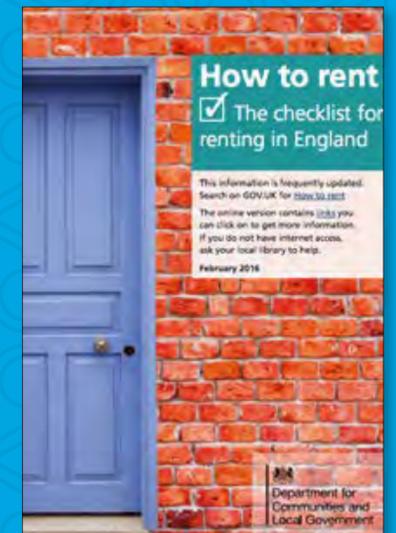
A copy of the [How to Rent: the checklist for renting in England](#) is available in the [Document Vault](#).

checklist for anyone searching for a house or flat to rent in England. The guide provides your tenant with a renting checklist and gives more detailed information on each stage of the renting process, including:

- What to look out for before renting.
- Living in a rented home.
- What happens at the end of a tenancy.
- What to do if things go wrong.



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› **How to Rent:**
the checklist for renting in England



Tenant Checks

When letting a house it's important to remember that tenants are your customer so it's important to treat them well.

At the same time, they are paying for a service and rental costs often represent the highest expenses in a tenant's monthly outgoings. For this reason, any responsible landlord will ensure that prospective tenants are able to pay by performing credit reference checks, and in most circumstances obtaining personal and employment references.

We think it is pertinent to check the following things at the very least:

- ✓ Affordability.
- ✓ Credit Score/history/adverse credit.
- ✓ Employment status and income.
- ✓ Previous rental history.

We have created letter templates you can use to request references from a tenant's employer and previous landlord. These can be found in the [Document Vault](#).

You should not solely rely on strict formulas or bandings however and you need to consider the merits of each case. If necessary, request further supporting information than that detailed above. It is better to be sure about specific detail at this stage than rush to push an application through and find you have missed important details that cause an issue further down the line.



AGENT TOP TIP

"As a general rule of thumb, the industry considers that a tenant needs to earn 30 times the monthly rent in order to be considered able to afford it. This would include any joint tenants."

Example:

Monthly Rent: £750 pcm
 $30 \times 750 = £22,500$ minimum
income per annum needed to be
considered able to afford rent.



3 Contracts

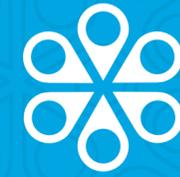
The Assured Shorthold Tenancy Agreement (AST)

The AST is the main contractual document that establishes the terms on which the tenant and you as a landlord are going to do business, and will set out both your rights and responsibilities.

As well as the financial responsibilities, it will cover things such as repairs and possession procedures.

We have provided a template AST which we would recommend you read and understand it carefully before signing, if you decide to use it. In addition, there is a section for you to add additional supplementary conditions if required. Note that some areas of letting law follow an established statutory process (eviction, for example) and therefore cannot be overridden by additional terms in the AST.

“The AST is the main contractual document that establishes the terms on which the tenant and you as a landlord are going to do business.”



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3 Contracts

Deposit Protection

You must register your deposit with a government-backed tenancy deposit scheme (TDP) if you have rented your home on an assured shorthold tenancy (AST) that started after 6th April 2007.

In England and Wales your deposit can be registered with:

- ✓ [Deposit Protection Service](#)
- ✓ [MyDeposits](#)
- ✓ [Tenancy Deposit Scheme](#)

Any landlord who does not correctly protect a deposit can be ordered to not only repay the entire deposit to the tenant, but also be liable to a fine of three times the deposit value. We would recommend that landlords either use the Deposit Protection Service or MyDeposits to protect their deposits, and the custodial scheme is free to use.

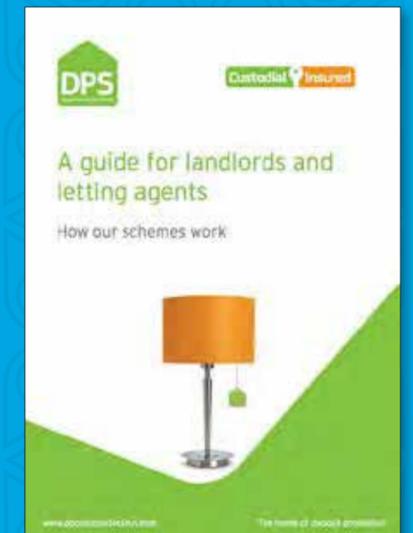
In addition to protecting the tenants deposit, you need to fill in the relevant Prescribed Information Forms. These forms set out how much the deposit is, as well as detailing where it is registered and who the parties are. In addition to this form, you will also need to provide your tenant with a copy of the deposit scheme rules.

We have included the relevant paperwork that needs to be issued in the [Document Vault](#).

“We would recommend that landlords either use the Deposit Protection Service or MyDeposits to protect their deposits.”



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[Deposit Protection Service](#)





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4

Moving In

- > Welcome Pack
- > Utility Transfer
- > Inventory
- > Keys
- > Rent Collection



4 Moving In

Welcome Pack

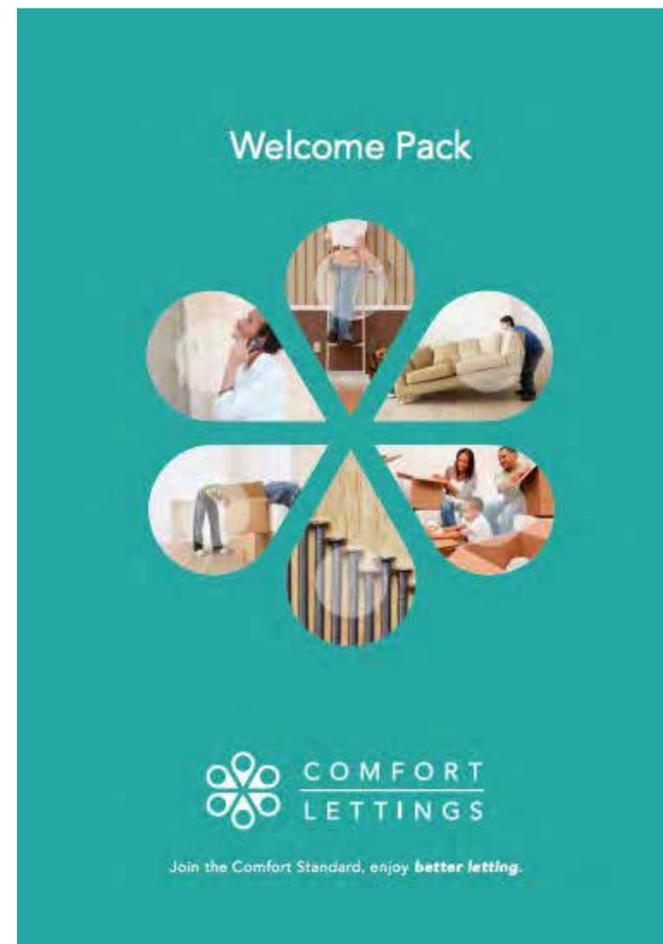
A welcome pack is a great way to convey information to a tenant and make them feel assured they know some of the basic points of interest in a property.

It also serves as a comprehensive guide of how things work in your property. Have a look at our template Welcome Pack in the [Document Vault](#) for some ideas about what to include in your welcome pack.

You might want to include information about:

- ✓ The inventory and schedule of condition.
- ✓ Utilities.
- ✓ Central heating.
- ✓ Connectivity.
- ✓ Car parking.
- ✓ Head lease/management conditions.
- ✓ Waste and recycling.
- ✓ Appliances.
- ✓ Maintenance and repairs.
- ✓ Moving out.

“A welcome pack is a great way to convey information to a tenant.”



> [Welcome Pack](#)



AGENT TOP TIP

“To avoid a call at the weekends or evening, include a well written set of instructions for the central heating and hot water. Make sure this covers basic fault finding, such as topping up the water pressure.”



4 Moving In

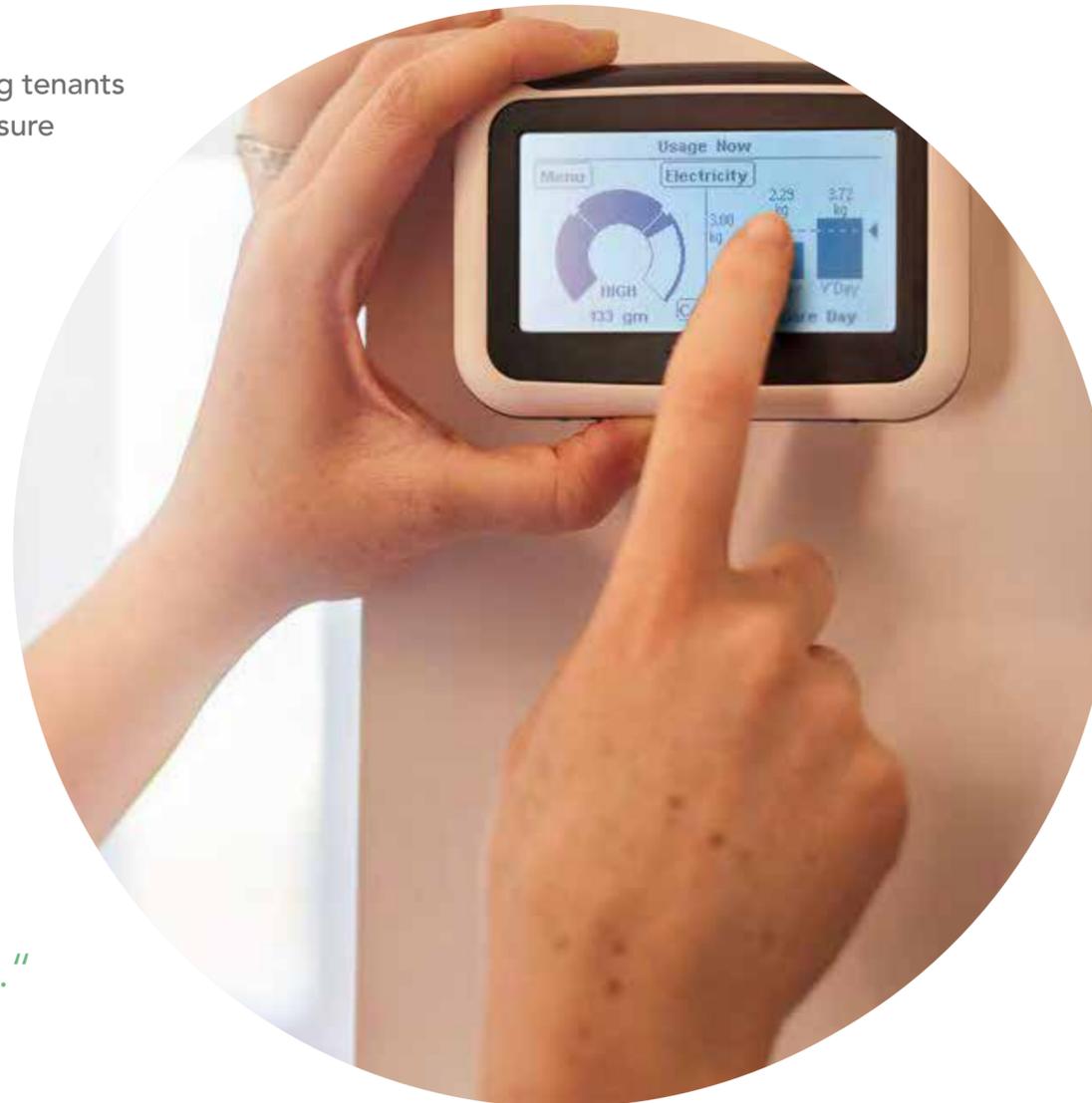
Utility Transfer

When starting with your first group of tenants or changing tenants it's important you take concurrent meter readings and ensure these are agreed by exiting and entering tenants.

You'll also need to ensure that utilities are handed over to the tenants to avoid homeowner chase letters. You can use our free Utility Transfer letters which are in the [Document Vault](#) to help you achieve this. If you assist your tenants in this process, not only will they feel like they are receiving a good service, you will avoid any subsequent bills for periods of time that you were not responsible for.

Not only does this extend to the normal utilities (gas, water and electricity), but you also need to ensure that other contracts are duly ended, including Council Tax, broadband and phonelines.

“It's important you take concurrent meter readings and ensure these are agreed by exiting and entering tenants.”



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AGENT TOP TIP

“New tenants may not be able to connect to existing broadband or phone suppliers if the outgoing tenants have not closed down their accounts properly. This can understandably cause difficulties, so always make sure you remind your outgoing tenants of this at least a month before they move out.”



4 Moving In

Inventory

The inventory spells out the furnishings and condition of the property when a tenant moves in.

It is a vital document which ensures that a record or snapshot of the condition of the property is retained and can be used when judging if damage has occurred during the tenancy. We have provided an example Inventory as well as a blank template for you to use in the [Document Vault](#).

It is worth noting that more credibility is given by a dispute tribunal to an inventory that has been prepared by an independent inventory clerk than one prepared by a landlord. You may wish to consider having this done by a professional as it can be a time-consuming to complete one thoroughly.

However, if you are doing it yourself, make sure you include not only the inside of the property, but the outside as well, along with the extra items such as the meter readings and keys provided.

We have provided an example Inventory as well as a blank template for you to use in the [Document Vault](#).



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>

Example Inventory



4 Moving In

Keys

Whilst this step appears obvious, it is surprising the mistakes that can be made. We have provided a quick overview of best practice below, along with a few useful recommendations.

- ✓ Provide the tenants with 1 x full set of keys (including sheds/windows etc) and then 1 x front door key for each additional adult in the property.
- ✓ Never label keys with the property address or access/alarm codes attached to them.
- ✓ Never give out your only copy of a particular key. Make sure you always have at least one spare of every key you give the tenants in case they lose one and need a further key cut.
- ✓ Ensure you test all of the keys and locks prior to the commencement of the tenancy. If a key or lock does not work and subsequently breaks, a callout from locksmith can be very expensive.
- ✓ If you own more than one property (or one that has lots of locks – such as an HMO) consider a suited key set that allows you to have a master key and keys that can then be cut from code. They can save lots of time and money in the long run.



AGENT TOP TIP

“We often find that a suited key set is a valuable investment. It can save significant amounts of time with the day-to-day management of the property, especially where you have more than one or two locks. We have never regretted having a suited key set, but have often missed one when have not had one.”



4 Moving In

Rent Collection

The key to avoiding the stress of rent chasing is being open and frank with tenants about expectations and commitments from the outset.

Commit to them that you will always be fair and deal promptly with maintenance, but make clear you expect timely payment of rent. It needn't be a difficult conversation, and we would recommend setting up a standing order at the start of the tenancy in order to make rent collection pain free as possible. Either request an electronic copy of the standing order confirmation, or use the template in the [Document Vault](#) to set up a standing order with bank.

- ✓ Always take the first months rent in advance.
- ✓ Ensure that you have at least one months rent as a deposit.
- ✓ Sign a standing order mandate (using our template) or ask your tenant to set up standing order payment online for month two onwards.
- ✓ Always collect and chase rent quickly to set clear expectations that it must be paid on time.
- ✓ Do not allow arrears to build up as these will become bigger problems later down the line – it is always best to nip issues in the bud early on before they cannot be easily dealt with.
- ✓ Make sure you document all correspondence regarding rent collection. This includes phonecalls, SMS, e-mails, letters and visits.

“We would recommend setting up a standing order at the start of the tenancy in order to make rent collection pain free as possible.”



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Standing Order Template





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5 Management

- > [Inspections](#)
- > [Serving Notice & Section 21](#)
- > [Cleaning & Moving Out](#)
- > [Deposit Return](#)
- > [Tax Record Keeping](#)



5 Management

Inspections

Inspections form an important part of the management process and are a great opportunity for you to check that your investment is still in great order.

Make sure you give the tenant notice (at least 24 hours) before attending. The tenants don't need to be there when you go but if they are home when you arrive it can be useful to help build rapport. Take photos and notes during the visit and always follow up any concerns with the tenant in a timely manner.

We have included a copy of an interim inspection in the [Document Vault](#). This will remind you of the things to check when visiting your property.



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AGENT TOP TIP

“We would always advise that you keep a written record of all property inspections. It helps to ensure that you remember everything that has been discussed, but more importantly it gives you a point of reference for the future should there ever be a dispute.”



Serving Notice & Section 21

Serving notice to a tenant is a legally prescribed process involving the creation of a document called a 'Section 21 Notice'.

It needs to be done correctly to ensure it is valid, so you will need to refer to the below guidance to ensure you do not have any problems securing possession.

You can use a Section 21 notice if your tenants have either:

- ✓ A written agreement with a fixed term that's ended.
- ✓ An oral or written 'periodic' agreement (for example, month-by-month) with no fixed end date.

If the tenancy started after April 2007, you can only use a Section 21 notice if you put the tenant's deposit in a deposit protection scheme.

A Section 21 notice must give your tenants at least two months' notice to leave your property. Create a notice to give to your tenants by:

- ✓ Filling in [form 6a](#) if the tenancy started on or after 1 October 2015.
- ✓ Writing your own notice if the tenancy started before 1 October 2015 - explain that you're giving notice under Section 21 of the Housing Act 1988.

We have provided an example Section 21 notice in the [Document Vault](#), but we would recommend you undertake further reading or engage a solicitor to assist you, if you are unsure about how to fill it in correctly.

“Serving notice to a tenant is a legally prescribed process involving the creation of a document called a Section 21 Notice.”



Form 6a



5 Management

Cleaning & Moving Out

Maintaining a good working relationship with your tenants can be one of the most valuable things you can invest in.

If your tenants are well looked after and appreciate your efforts, they will often repay this by looking after your property and moving out well. Clear and quick lines of communication facilitate this, as well as setting transparent expectations in advance.

We have prepared a Moving Out Checklist, along with a set of Cleaning Instructions details of which can be found in the [Document Vault](#).



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AGENT TOP TIP

“We always recommend that you visit your tenant between giving notice and them moving out so that you can set clear expectations around the move-out procedure. In addition, we always re-send the opening inventory and photos from the move-in to the tenants to remind them of the condition of the property they received upon move-in. This helps to set a very clear expectation as to how you are wanting it to be returned.”



5 Management

Deposit return

A well-managed property should mean a relatively smooth move out process and deposit return.

However, there will always be occasions of disagreement even with the best of managed properties. In such cases, we would always encourage that you try and resolve any differences you may have with your tenant quickly and amicably. Deposit disputes can become long winded if they require third party arbitration. Should you require arbitration, it is important that you have watertight records including a signed tenancy agreement, opening inventory, copies of communications and a closing inspection.

We would always advise that you:

- ✓ Refer to the facts from your tenancy agreement, and your check-in/out inventory and other supporting documents.
- ✓ If you can, either deal directly with the tenant in person or at least over the phone. You can keep notes, but this generally helps avoid long winded correspondence (and most importantly more of your time).
- ✓ Try to avoid emotional responses and deal only with the details of the matter at hand.
- ✓ If you do require Alternative Dispute Resolution (ADR), remember a case examiner will not meet you or your tenant. They will only be able to deal with your claim based on the merits of the evidence you provide. Therefore, any material fact you want to reference in your claim, make sure you can provide evidence for this.

You can read more about how to deal with deposit returns and how to assess dilapidations fairly with our deposit return guidance in the [Document Vault](#).



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LETTINGS



AGENT TOP TIP

“Remember your time is money. To submit a dispute to the Alternative Dispute Resolution (ADR) Service takes approximately 4 hours (depending upon the case), so if you can come to a compromise with your tenant over a small amount, it might end up costing you less than pursuing every last pound you are owed.”



Tax Record Keeping

You (or your company) must pay tax on the profit you make from renting out the property, after deductions for 'allowable expenses'. HMRC requires documentary evidence to support any tax submission made so make sure you retain all the data you accumulate over the year.

Allowable expenses are broadly things you need to spend money on in the day-to-day running of the property, like:

- ✓ Letting agents' fees.
- ✓ Legal fees for lets of a year or less, or for renewing a lease for less than 50 years.
- ✓ Accountants' fees.
- ✓ Buildings and contents insurance.
- ✓ Maintenance and repairs to the property (but not improvements).
- ✓ Utility bills, like gas, water and electricity.
- ✓ Rent, ground rent, service charges.
- ✓ Council tax.
- ✓ Services you pay for, like cleaning or gardening.
- ✓ Other direct costs of letting the property, like phone calls, stationery and advertising.

Replacement of domestic items, like:

- ✓ Beds.
- ✓ Sofas.
- ✓ Curtains.
- ✓ Carpets.
- ✓ Fridges.
- ✓ Crockery and cutlery.

You must have only bought the domestic item for use by tenants in a residential property and the item you replaced must no longer be used in that property as set out in the Replacement of Domestic Items Relief.

Mortgage Interest Relief:

This is a tax relief on costs associated with borrowing used for your property investments. The relief is available for all UK individuals, whilst company mortgage interest is deducted as an allowable expense.



AGENT TOP TIP

Allowable expenses don't include 'capital expenditure' - like buying a property or renovating it beyond repairs for wear and tear.

You may be able to claim tax relief on money spent on replacing a 'domestic item'. This is called 'replacement of domestic items relief'.



6 Document Vault

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Download Area



Download Area

Compliance

- › [Legionnaire's Disease Risk Assessment Annual Review](#)
- › [FIRA Flammability Guide](#)
- › [LACORS Fire Safety Guidance](#)
- › [Licensing of Houses in Multiple Occupation Guide](#)
- › [Legionella Factsheet for Tenants](#)
- › [Legionnaires Disease Risk Assessment](#)

Letting

- › [Dealing with a Deposit. 10 things to help you get it right](#)
- › [Deposit Protection Service Prescribed Information](#)
- › [Deposit Protection Service Scheme Rules](#)
- › [Deposit Protection Service Tenant Guide](#)
- › [How to Rent Guide](#)
- › [Information for Tenants Insurance - MyDeposits](#)
- › [MyDeposits Custodial Prescribed Information Template](#)
- › [Right to Rent User Guide](#)
- › [Tenancy Deposit Scheme Prescribed Information](#)
- › [What is the Tenancy Deposit Scheme TDS](#)

- › [Employer Reference Request](#)
- › [Example Residential Tenancy Agreement with Prescribed Information](#)
- › [Previous Landlord Reference Request](#)

Management and move out

- › [A guide to deposits disputes and damages](#)
- › [Example Periodic Inspection](#)
- › [How to present your case to the ADR adjudicator](#)
- › [Non Resident Landlord Guidance Notes](#)
- › [NRL1 Form \(application for direct payment\)](#)
- › [Section 21 \(form 6A\)](#)
- › [Shared House Cleaning Instructions](#)
- › [Shared House Move Out Instructions](#)

Moving in

- › [Blank Standing Order Mandate for Rent Payments](#)
- › [Council Tax transfer example letter](#)
- › [Inventory Example](#)
- › [Welcome Pack Example](#)
- › [Electricity Supply transfer example letter](#)
- › [Gas Supply transfer example letter](#)
- › [Water transfer example letter](#)



"We really hope you find our Landlord Toolkit helpful and informative, and we wish you every success in your property journey – that's better letting!"

TOM KITE
COMFORT PARTNER





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