



The Association of
Professional Inventory Providers

CODE OF PRACTICE

APIP

Arbon House, 6 Tournament Court

Edgehill Drive, Warwick

CV34 6LG

Telephone: 01926 417363 or email info@apip.org.uk

or visit the APIP website: www.apip.org.uk

Introductory Notes:

- The Divisional Council of the Association of Residential Letting Agents (ARLA) has approved this Code of Practice for the Association of Professional Inventory Providers (APIP). It helps underpin ARLA's commitment to promoting the highest standards in the letting and management of private residential property.
- Membership of APIP is available to individuals engaged in the provision of Inventories who are partners, principals or employees of specialist Inventory Providers, and individuals employed by residential letting agents whose primary responsibility is the provision of Inventories.
- This Code of Practice is not intended to be a step-by-step guide to dealing with an inventory but sets down what good practice should be in key areas. Specific processes, procedures, obligations or responsibilities may vary depending on individual Terms of Business and the relevant Tenancy Agreement.
- Where a formal written complaint is made against a Member, any such complaint will be considered against the guidance contained within this Code of Practice combined with the ARLA Byelaws. A Member following these practices, complying with the Byelaws and fulfilling contractual obligations is therefore unlikely to be found to have acted without reasonable competence. Where a Member has not complied with this Code of Practice or contractual obligations mentioned above, it would be expected to justify such departures in the light of any complaint.

Aims of this Code of Practice:

1. To help to ensure that Landlords, Tenants and Members are aware of the expectations of standards of service that Members strive to provide both through ARLA and APIP.
2. To help to maintain and enhance the reputation, standing and good name of APIP and through it ARLA and their memberships by promoting good practice and protecting the public against fraud, misrepresentation and malpractice in the letting industry.

A. GENERAL

- I. A Member must take reasonable steps to ensure that they are conversant with all aspects of this Code of Practice and ARLA's Byelaws and have an up to date working knowledge of their legal responsibilities and obligations in dealing with clients, applicants and tenants, appropriate to their job role.

- II. A Member must offer equality of professional service to any person regardless of race, creed, sex, sexual orientation, disability or nationality. A Member must not knowingly be a party to discrimination by others in the performance or provision of services.
- III. A Member must always act in a fair and impartial manner and produce objective assessments of the contents and condition of properties. A Member must not act or behave in a way or manner that knowingly involves dishonesty or deceit.
- IV. Members who make public their personal views on matters relating to the private rented sector must not claim, or give the impression, that they are representing the official view or policy of APIP.
- V. A Member Firm must assist APIP, or any duly authorised representative or adjudicator, in its enquiries into any alleged breach of this Code or the Association's Byelaws.

B. DATA PROTECTION Act

- I. A Member must, as required by the Data Protection Act 1998, register their Firm's activities, as and when appropriate, with the Information Commissioner. (www.dataprotection.gov.uk).
- II. A Member must be aware of its obligations relating to the obtaining, recording, holding or disclosing of personal data and have suitable systems and controls to comply with the eight general principles of the Act which say that such personal data must be: - fairly and lawfully processed; processed for limited purposes; adequate, relevant and not excessive; accurate; not kept longer than necessary; processed in accordance with the data subject's rights; secure; not transferable to other countries without adequate protection.
- III. A Member must not release confidential or sensitive personal information to unconnected third parties without permission or unless legally required to do so; including for example, on the appropriate authorised written request from the Police, Local Authority, Customs and Excise and the Inland Revenue where a crime, fraud or a breach of relevant legislation is suspected or under official investigation.

C. TERMS of BUSINESS, INSTRUCTIONS, FEES & CHARGES

- I. A Member must give a (potential) client written details of their Terms of Business setting out what different types or levels of service are available and all relevant Fees and Charges before the client is committed to or has incurred any liability. A Member should confirm in writing the client's instructions to act on their behalf and which type or level of service being provided

- II. The Terms of Business used by a Member must be clearly presented and written in plain and intelligible language and endeavour, where appropriate, to take account of the implications of the Unfair Terms in Consumer Contract Regulations 1999 if applicable. (Members should note that standard terms or clauses or fees and charges deemed unfair by the court under these regulations are unenforceable).
- III. The Terms of Business of a Member must include clear and accurate information regarding the circumstances under which either party to the contract may cancel or terminate the arrangement and what liability for fees or charges may be incurred in those circumstances.

D. ACCESS to PROPERTY

- I. When access to the property is required by the Member , for the purpose of viewing the condition, state of repair and/or to fulfil related statutory obligations; the occupying tenant must be provided with the appropriate minimum notice, prescribed by law, of the appointment unless agreed otherwise with the occupying tenant beforehand. (Except in cases of genuine emergency). It is the duty of the Member to satisfy themselves that such notice has been properly given to the tenant before they enter the property.
- II. A Member must exercise due diligence to ensure that a property is left secure after any visit by a Member (or at least as secure as it was prior to the visit).
- III. A Member must make sure that all keys held on behalf of clients are suitably coded and kept secure. Records of the addresses of such keys must be kept separate from the actual keys and kept safe.
- IV. A Member must maintain a record or log of when and from whom keys are collected and when they are returned. A Member must take reasonable steps to ensure that keys are only given to suitably authorised people who have provided satisfactory identification.
- V. A Member must take steps to ensure that appropriate office procedures are in place to provide for the well-being of staff when on appointments away from the office.

E. INVENTORIES

- I. A Member should ensure that upon appropriate instructions from the client at commencement of a tenancy, any Inventory/Schedule of Condition prepared for the client by the Member, is sufficiently detailed, and up to date, as far as is within their control, to allow it to be used as a fair measure of the condition of the property at the end of the tenancy.

- II. An inventory should be prepared to a minimum standard as contained in “A Guide to Best Practice for Inventory Providers” which provides a format as well as guidance. Members must ensure that they are familiar with all aspects of this Guide and should be aware that complaints will be assessed against compliance with the Guide as well as this Code of Practice.
- III. Reference should be made in the Inventory documentation to the Guide standards and best practice contained within this Code of Practice in case of dispute.
- IV. A Member should not have any financial connection with a maintenance, cleaning or similar contracting company.
- V. A Member should be fully conversant with the procedures concerning the assessment of damages and the apportionment of the deposit at the end of the tenancy as contained in ‘A Guide to Best Practice for Inventory Providers’. The Member is expected to provide as much cooperation as may reasonably be expected to all parties involved in this process.
- VI. A Member is expected to co-operate and comply fully and promptly with any independent alternative dispute resolution process (such as The Tenancy Deposit Scheme) invoked by the landlord and tenant.

F. COMPLAINT HANDLING – Members’ Internal Procedures

- I. As set out in the Association’s Byelaws, a Member must have an in-house complaints procedure (appropriate to its size and structure) and any person wishing to make a formal written complaint about the standards of service received must be made aware (in writing) of those procedures upon request. Following the conclusion of the Member Firm’s in-house complaint process, where an impasse has been reached or a complainant remains unsatisfied; the complainant must be informed of the contact details for APIP should they wish to pursue their complaint.
- II. APIP Members must have Professional Indemnity Insurance (PII) and Public Liability Insurance (PL) at levels and scope of cover set, from time to time, by the Association or is covered under the policies held by their employer. Where a Member feels a complaint or allegation is likely to result in formal legal action/claim against the firm, the Member should promptly inform their Insurers in line with the arrangements between them.

G. COMPLAINT HANDLING – Referrals to APIP/ARLA

APIP will not normally consider a complaint unless and until it is satisfied that the complainant has exhausted a Member’s own internal complaints procedures, nor if the matters are subject to formal legal action.

- I. Member must comply promptly and fully with any investigation or assessment of a complaint or dispute carried out by APIP or its appointed adjudicator, expert or arbitrator.
- II. Members must, subject to any appeal process, comply with the result, recommendations or requirements of the evaluation of a complaint or dispute carried out by APIP or its appointed adjudicator, expert or arbitrator.
- III. Sanctions available to APIP are set out in the ARLA Byelaws (as amended from time to time) and within the Complaints Form leaflet. These sanctions are subject to variation but generally include: -
 - a. To recommend that the Member apologise, in writing, to the appropriate person for the relevant conduct, action(s) or omission(s).
 - b. To caution the Member against repeating the conduct, action(s) or omission(s).
 - c. To recommend to the Member that they refund all or some part of fees or charges previously made, in recognition of the conduct, action(s) or omission(s).
 - d. To impose a financial penalty or fine (which may be suspended) upon the Member for the contravention, breach or infringement, according to a scale decided upon from time to time by ARLA/APIP.
 - e. To recommend that the Member change its procedures or documentation arising from the facts disclosed by a complaint, breach or infringement, which has been upheld.
 - f. To recommend that the Member undertake such action as APIP considers appropriate to rectify or redress the conduct, action(s) or omission(s).
 - g. To recommend to the parties other, more appropriate, ways of resolving the complaint or dispute including mediation or arbitration.
 - h. To reprimand or severely reprimand the Member for the conduct, action(s) or omission(s).
 - i. To suspend the Member from membership of APIP.
 - j. To expel the Member from membership of APIP.
 - k. Any combination of the above or any other reasonable action which APIP feels appropriate in order to support high standards within the industry and amongst its membership.

M. GLOSSARY

N. **Please Note:** - These are not legal definitions and are provided simply by way of explanation to help clarify understanding and interpretation of some of the words, terms or expressions used in this document.

| | |
|--|--|
| The Association's Byelaws | The detailed rules of the Association of Residential Letting Agents which incorporate this Code of Practice (available on www.arla.co.uk); the criteria for membership of APIP; disciplinary powers and procedures, including those relating to complaints; the requirements of member firms in regard to Professional Indemnity Insurance and Public Liability Insurance; the use of the APIP logo which is protected by trademark; and other matters. |
| A Member | Any individual who is a current full member of APIP (the Association of Professional Inventory Providers) and thus regulated by the Association. |
| Terms of Business | A document which is the basis of the contractual arrangement between the client and the Member; setting out what services are available to be provided for various fees or charges. |
| Tenancy Agreement | A legally binding document, which creates the contract between Landlord and Tenant and governs the respective obligations and responsibilities of both parties. |
| Client(s) | The person or persons (or company) who have exercised their lawful authority to instruct a Member to act on their behalf. |
| Tenant(s) | A person or persons who at any relevant time have the lawful right to occupy a property, under the terms of a tenancy agreement, for which rent is usually paid. |
| Landlord | A person or persons (or company) who at any relevant time own, or have a formal interest in, the property that gives them the right to possession of that property. |
| Inventory/Schedule of Condition | In the letting industry these are encompassed in, and considered to be, one document. An Inventory is an itemised listing of the items (contents, fixtures and fittings etc) in a property and the integral Schedule of Condition element describes the state of the property, including walls, floors, |

| | |
|---|---|
| | ceilings and externally, the garden and garage; and their (the items), state. |
| Unfair Terms in Consumer Contract Regulations 1999 | These regulations require that where there is a contract between two parties (a supplier and an individual consumer), the standard terms and clauses of that contract are in plain and intelligible language and are balanced and fair so as not to unduly penalise, mislead, or restrict the rights of the consumer. |
| Inventory Provider | A person with appropriate experience and/or training, who prepares an Inventory/Schedule of Condition prior to commencement of a tenancy; checks the document at the end and prepares a summary of disrepair or damage etc; and updates the document as appropriate before re-letting. |
| Public Liability Insurance | Insurance held by a Member or company to cover claims made for injury or damage caused to someone or something whilst in or around a relevant property. |
| Professional Indemnity Insurance | Insurance cover which each Member is required to hold as a condition of membership, to provide indemnity against claims for compensation by clients who sustain a financial loss arising out of professional negligence by directors, partners or employees in the conduct of their business. |