

## PRESS CUTTING

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#### Accidental landlords contribute to dramatic rise in tenant disputes

There has been an exponential rise in the number of disputes between tenants and landlords over the last two years and the Association of Independent Inventory Clerks (AIIC) believes this is partly due to a rise in the numbers of 'accidental landlords'.

Earlier in the year, the Dispute Service (TDS) reported a huge rise in the number of tenancy deposit disputes. In the TDS 2008 - 2009 report, TDS dealt with 7,068 disputes, a figure significantly up from 2,103 in the previous year. Even allowing for the growth in the number of registered tenancies, the number of disputes exceeded the organisation's own anticipated estimates by more than 2,300 cases.

The TDS report also highlighted that 'inventories are often absent or insufficiently thorough'. It is clear that accurate inventories often prevent the need for adjudication in the first place, or allow for prompt resolution of any dispute.

Capital Economics believes nearly 20% of households will live in rented accommodation over the next 5 years, with accidental landlords at the helm of the increase. The AIIC believes that the Dispute Services faces further pressure unless landlords take a more professional approach to their tenants. The AIIC believes that landlords, especially accidental landlords, often have unrealistic expectations on wear and tear damage, which ultimately leads to a significant rise in tenant disputes.

When tenants find that they are having their money taken by their landlord, arguments often begin. Disputes are most commonly caused when tenants believe they are being overcharged for damage to the property - or that they should not be charged at all.

New research\* shows that 21% of disputes are caused over a disagreement about how much of the deposit should be kept for things such as cleaning the bathroom or getting stains out of the carpet after the tenant is gone. (\*Source: MyDeposits, November 2010).

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However, the AIIC believes that all landlords need to be realistic about tenants and wear and tear, remembering that the property is a business transaction and as such, reasonable wear and tear damage to a property needs to be recognised and accepted as part of the rental agreement.

Pat Barber, Chair of the AIIC, said: "It is so important for landlords and lettings agents to ensure there is a professional independent inventory completed when checking in and checking out.

"However, landlords and tenants have different expectations when it comes to fair wear and tear issues, so it is no wonder that so many tenancies end in dispute. Members of the AIIC are experts in assessing fair wear and tear and have the knowledge and experience to take into account all factors and make a reasonable judgement as to whether something is fair wear and tear or not.

"Landlords cannot expect 'new for old' when something is damaged as everything has an expectancy of useful life and will need to be replaced periodically at the landlords' expense. Tenants have a duty to return the property at the end of the tenancy in a condition consistent with that described on the inventory. This is why it is vital for landlords to have a detailed and accurate inventory to show the condition the property was in at the start of the tenancy in order to assess whether its condition is consistent.

"An independent inventory will enable both parties to be treated fairly and reasonably. By opening a dialogue and using an independent inventory clerk, disputes can be resolved quicker and without the hassle that is often experienced at the end of a tenancy period."

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