

## Article

# How do I determine fair wear and tear and value damage?

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One of the most challenging areas for a letting agent, landlord or inventory management company is the determination of what can be deemed as fair wear and tear as opposed to damage and the subsequent costs. Whilst this area is complicated and often subjective, good guidelines, relevant experience and common sense are key factors in making an unbiased and fair decision. I have outlined some key points below to be aware of when making a decision, based on the No Letting Go ethos and years of experience.

No Letting Go assess fair wear and tear and depreciation values based on APIP and ARLA guidelines as well as those laid down by the Tenancy Deposit Scheme. The decision made by the letting agent, landlord or inventory company is considered using a number of key criteria including the tenancy agreement clauses, the original signed inventory, check in document, property visit reports and any other available information made available by the client such as repairs/replacements made during the term of the tenancy.

The type of tenant (family, single occupancy etc.), length of tenancy, whether smoking or pets have been allowed with the landlords' permission, the severity of the damage as well as the original age and quality of the item are all factors to be considered when determining what constitutes fair wear and tear. The landlord is not allowed 'betterment' – in other words they cannot replace old items with new at the full cost to the tenant, an allowance must be made for depreciation.

The landlord's contents, décor, fixtures and fittings all have a typical life expectancy as indicated in the table below, given that such items are of a medium quality at the start of the tenancy. These figures provide a broad overview of life-span, but should only be used as a guideline when assessing replacement values or compensation by the tenant to the landlord at the end of the tenancy.

### Decor:

Hallway/landing/stairs	2-3 years
Dining Room	Approx. 6 years
Kitchen/bathroom	2-3 years
Living room	Approx. 4 years
Bedroom	Approx. 5 years

### **Wear and tear of carpets:**

Budget Carpet	2 – 3 years
Medium quality carpet	4 - 8 years
High quality carpet	Up to 15 years

### **Appliances**

Washing Machines	3 – 5 years
Cookers/Ovens/Hobs	4 – 6 years
Fridges	5 – 8 years

To calculate the depreciation costs, the agent needs to divide the replacement cost of the item by the life expectancy in months, to establish the rate of depreciation per month. Multiply this monthly depreciation rate by the number of months the item has been in service to give you the total depreciation. Subtract this depreciation from the replacement cost to give you the depreciated value.

In the absence of proof of purchase, an estimate will need to be made on the age and potential value of the product by referring to the original inventory. The type and quality of the product is also taken into consideration to take account for warranties and guarantees (eg. 10 year guarantees) as well as the usage. A family of four is likely to use a washing machine more often than a professional couple and therefore this needs to be considered and reflected in the decision. Likewise a medium quality carpet with a professional couple living at a property would last for typically 5 years, whereas a family occupancy would reduce the lifespan to typically 3 years. It may be necessary to seek the advice of a professional contractor to ascertain the quality of carpets, laminated flooring, wooden floors etc.

It is also worth noting that any work carried out during the tenancy has to be taken into consideration. For instance, if a property was noted as dirty at the check in and either the agent or landlord arranged for professional cleaning to be carried out after the check in, then the tenant is required to ensure that the property is vacated in a professionally clean condition. The landlord or agent need to ensure the receipt for the professional clean at the check in is provided although the tenant must be given the opportunity to clean the property to a professional standard themselves at the end of the tenancy should they wish to do so.

No Letting Go is the UK's premium national inventory management company. For further information on our professional inventory management service across the UK, please contact No Letting Go on 0845 659 9980 or visit our website at [www.nolettinggo.co.uk](http://www.nolettinggo.co.uk)