

# Who is Foolish Enough to try to Manage the Dilapidations Process Without Instructing a Chartered Building Surveyor?

## What are Dilapidations?

In simple terms, dilapidations represent the 'exit costs' for a tenant at the end of a commercial lease. These costs are typically attributed to returning the property to its original, pre-let state, i.e. repairs, decorations, complying with statute, or reinstating alterations. A 'schedule of dilapidations' is served to the tenant by the landlord and can often come as an unwelcome surprise and it's common for disputes to arise.

Managing dilapidations without a building surveyor is possible but can come with many challenges and risks. Property owners, landlords, and tenants might choose to handle dilapidations themselves due to budget constraints but there would be several aspects to consider:

### Lack of Expertise

Without the specialised knowledge of a building surveyor, there's a risk of overlooking critical issues, failing to properly assess the extent of dilapidations, or having the ability and expertise to justify a reduction of claims.

### Time and Effort

Managing dilapidations requires a significant investment of time and effort, from conducting assessments to overseeing repairs and planning/strategizing with landlords or tenants.

### Potential for Disputes

Without the expertise of a surveyor, there's an increased risk of disputes arising between landlords and tenants over the scope and cost of dilapidations.

### Our Expertise in Building Legislation

Our Chartered building surveyors stay updated on the latest building regulations and legislation and can help navigate and ensure compliance with any new or updated regulations. Our varied experience of working for both landlords and tenants allows us to devise project-specific strategies to achieve the best outcomes, often providing substantial cost savings for each of our clients.

A Harris Associates working example is that in the past 12 months when working on behalf of tenants we have saved 40% for our clients when compared against the original landlord's SOD's (schedule of dilapidations).

### Accurate Assessment of Dilapidations

We have the expertise to accurately review lease/licence documentation, assess the condition of a property and identify any dilapidations or defects. Our detailed inspections will provide a comprehensive report outlining the necessary repairs and associated costs.

# Why choose Harris Associates to manage your Dilapidations Process?

## Working with Tenants

We often work on behalf of tenants to help plan and strategise their lease exit or assess and provide an interim assessment to assess likely dilapidation costs in the future.

Although often overlooked, dilapidations should be a key consideration for tenants from day one, when entering into the lease, and should not just be a thought at the end, which is often the case.

**Technical Due Diligence** is another service we offer which includes reviewing lease terms and advising on risks and dilapidations.

## Negotiation and Mediation

We act as mediators between landlords and tenants, helping to negotiate fair and reasonable dilapidation claims. Our understanding of both parties' perspectives often facilitates smoother communication and resolution, whereas, without our involvement, disputes would be more likely to arise.

## Cost Estimation and Budgeting

We have in-house cost consultants who assist in providing detailed, up-to-date cost information for the necessary repairs or improvements identified during the dilapidation assessment. This helps in budgeting for the landlord and provides transparency for the tenant.

## Documentation and Legal Support

Our chartered building surveyors regularly work with legal teams and can skilfully document findings clearly and concisely. This documentation can serve as valuable evidence in case of legal disputes and can help support the landlord's claim for dilapidations.

## Adaptation to Sustainable Practices

The built environment is quickly becoming more sustainable, and buildings are being measured against these sustainable targets to remain profitable assets. During the repair process, we advise on sustainable and energy-efficient solutions, aligning with the growing emphasis on environmentally friendly practices in the construction industry. MEES/EPC targets have allowed us to reduce tenant's claims because the building was un-lettable at the lease expiry point due to poor EPC ratings, meaning elements of the claim were superseded.

## Project Management

We are used to working within tight timescales before lease end or ahead of incoming tenant lease commencement. If repairs are required, we can oversee the project management requirements which include coordinating contractors, ensuring work is completed to the required standards, and managing the timeline of repairs.

## Minimisation of Disputes

Having Harris Associates involved in the dilapidation process, misunderstandings and disputes between landlords and tenants are minimised. Our clear and professional communication contributes to a more amicable resolution.

## Should You Manage it in-house?

While it could be feasible to manage dilapidations without a building surveyor, it would require the person concerned to display in-depth consideration, preparation, and the ability to fully understand the details of property management, legal obligations, and project coordination. For the majority of people, the expertise and impartiality of a building surveyor offer provide a value that outweighs the cost, minimises risks and facilitates a smoother, more efficient process.

Harris Associates are experts in dilapidations matters and act for commercial landlords and tenants, providing timely, appropriate and bespoke strategic dilapidations advice.

We have an in-depth understanding of dilapidations law that enables our clients to achieve the best possible outcomes.

**For more information, advice or a no-obligation quote please contact [shaun@harrisassociatesuk.com](mailto:shaun@harrisassociatesuk.com)**