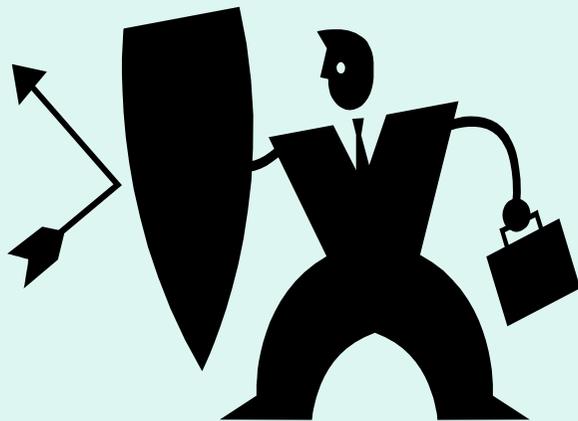


# Dilapidations Review

# Industrial

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# The Dilapidations Game or is it a battle!



Both sides can look at  
the same thing very  
differently

# Lets change sides

- The Landlord is your client
- They want to be able to serve a Schedule of Dilapidations (to protect their controllable asset) when the tenant leaves

**The lease is the contract under which the building is let**



A lease is an agreement between the Landlord and Tenant which has various obligations

Breach of contract is actionable by litigation

# What is a schedule of Dilapidations

- It's a list of breaches the Landlord believes the tenant has made in the lease
- Dilaps are served under section 146 of the 1925 Law of Property Act.
- Limited by section 18 of the Landlord and Tenant Act (1927)

## **(12) Notices under Section 146 of the Law of Property Act 1925**

To pay within fourteen days of demand all reasonable costs and expenses (including solicitors' costs and surveyors' fees) properly incurred by the Landlord in reference to any breach giving rise to a right of re-entry under the provisions in that behalf hereinafter contained whether or not forfeiture is waived or avoided and whether or not by relief granted by the Court and also to pay within fourteen days of demand the like costs and expenses of any requisite notice relating to the repair or redecoration of the Demised Premises in connection with the delivery up thereof at the expiration or sooner determination of the said term.

# Landlord / Property Investor



## Why serve a Dilapidations Schedule?

- To protect future income stream
- i.e. get a property back ready to rent at no cost to the landlord (most costs are usually reclaimable)

# Guidance on preparing a Schedule of Dilaps



As this could end up in court it's important the surveyor gets it right

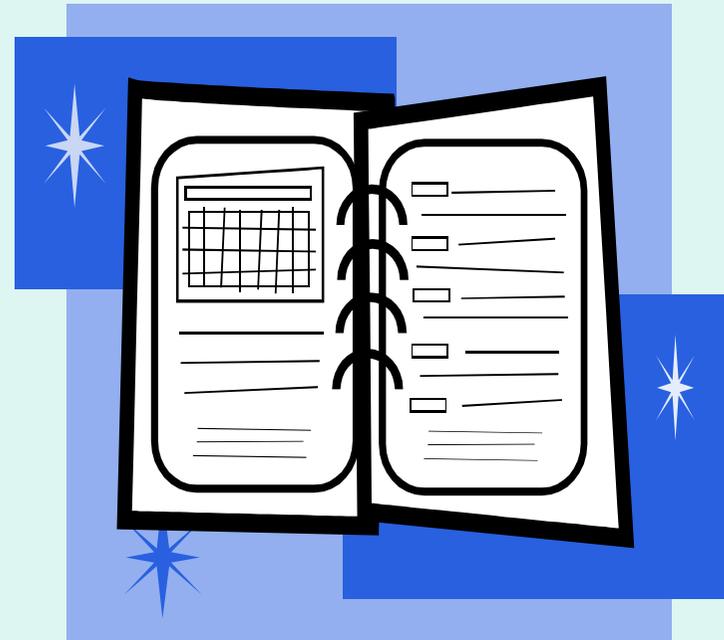
- ✓ RICS Guidance
- ✓ Civil Procedures Protocol

# RICS Guidance

Read the RICS  
Guidance Note

It's very readable  
(and luckily it includes  
the protocol)

Who's read it?



# Working for the Landlord



- Preparing Schedules of Dilapidations
- A landlord may want a Schedule of Dilapidations serving for many reasons and you need to understand why
- Repair notice
- Interim schedule
- Terminal schedule
- Final schedule

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.0.0 INTERNAL					
3.1.0 WAREHOUSE					
3.1.1		General minor dust, dirt and debris to underside of roof. 1m <sup>2</sup> of paint.	Clean off paint from roof lining panels or replace with new.		
3.1.2			Thoroughly clean down lining panels, fire protective boarding, sheeting rails and the like, remove dust and leave clean and tidy.		
3.1.3		General minor wear to steel structural frame.	Thoroughly prepare steel structural frame, leave ready for redecoration.		
3.1.4		Tenant has formed openings through the party wall to Unit 2 and various openings for flues, vents and the like.	Infill large opening to the party wall to Unit 2 with blockwork to match. Properly bond and secure blockwork to existing and leave in good repair.		
3.1.5			Infill high level opening to the party wall to Unit 2 with blockwork to match, properly bonded to match existing.		
3.1.6			Make good block wall to left-hand gable wall where flue / vent is removed as detailed externally, all to match existing.		
3.1.7			Make good holes to rear wall where flues, vents and the like have been removed, all to match existing.		

- Must include a list of breaches the surveyors Landlord believes the tenant has made in the lease
- The clauses should be named (numbered)
- So you need to read the lease!

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.0.0 INTERNAL					
3.1.0 WAREHOUSE					
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3.1.2			Thoroughly clean down lining panels, fire protective boarding, sheeting rails and the like, remove dust and leave clean and tidy.		
3.1.3		General minor wear to steel structural frame.	Thoroughly prepare steel structural frame, leave ready for redecoration.		
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3.1.5			Infill high level opening to the party wall to Unit 2 with blockwork to match, properly bonded to match existing.		
3.1.6			Make good block wall to left-hand gable wall where flue / vent is removed as detailed externally, all to match existing.		
3.1.7			Make good holes to rear wall where flues, vents and the like have been removed, all to match existing.		

# Reading Leases Fast

You are looking for the 'Four Rs' and a 'Yield up' Clause

- ❖ Repair Covenant
- ❖ Redecoration Covenant
- ❖ Reinstatement Covenant
- ❖ Statutory Requirement covenant
- ❖ Yield up clause

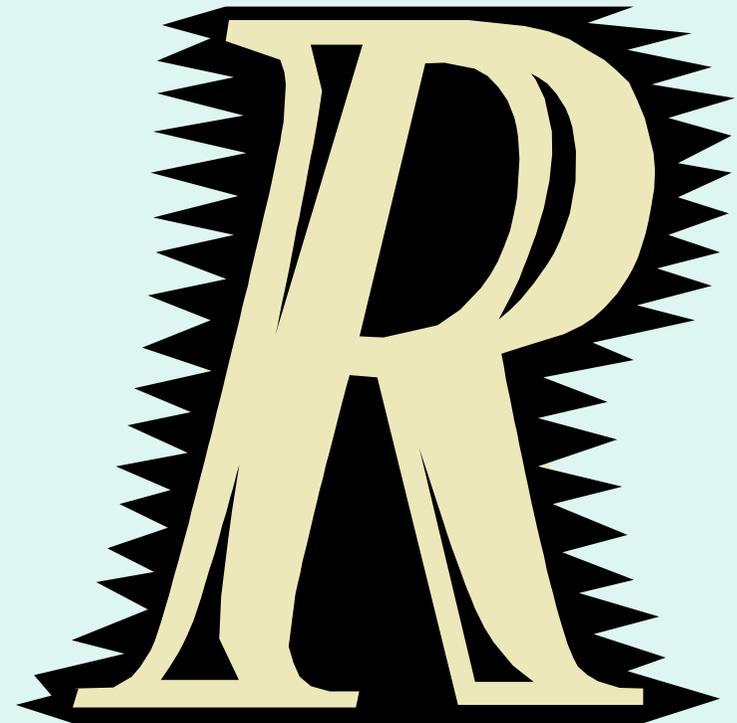
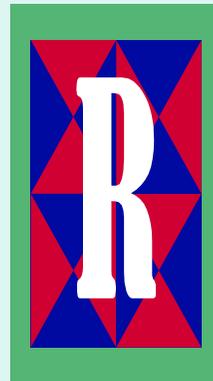
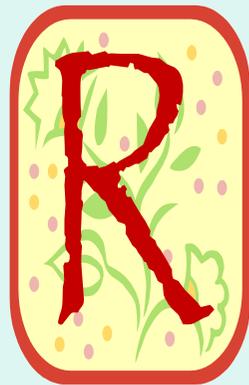
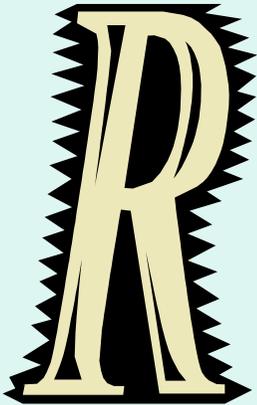


Or, better still

Ask the solicitor to give you the relevant clauses  
(it's a lot easier)

# The 4Rs

If we had the lease  
we would have  
looked for 4Rs and  
yield up



# Read the Lease

- Once you have read the lease, you will have a basic understanding of the lease clauses breached and be able to write your schedule of dilapidations

# No Limits

There is no limit to the number of Schedules that can be served during the life of a lease and up to six years (possibly twelve years) after determination.

- Repair notice
- Interim notice (three years plus)
- Terminal schedule (last three years)
- Final schedule (after lease has ended)

# TYPES OF SCHEDULES OF DILAPIDATIONS

## A. **Repair Notice**

The only form of Schedule which can be served by a surveyor. Only to be used for minor repairs such as rainwater goods, roof repairs, etc., but not decorations. More substantial matters would be dealt with by:

## B. **Interim Schedule**

Served when there is three or more years of the lease remaining when the intention is to press the tenant to repair the building. Such notice must comply with s.5.1 of the Leasehold Property (Repairs) Act 1938 and be served by a solicitor under s.46 of the 1925 LPA.

### **C. Terminal Schedule**

Served within the last three years of a lease of seven years or more by a solicitor under s.146 of the 1925 Law of Property Act.

### **D. Final Schedule**

Served after the lease has determined by a solicitor under s.146 of the 1925 LPA. Further Final Schedules of Dilapidations may be served up to six years after determination and, if notice of proceedings has been given within six years schedules may be allowed to be served for a further six years thereafter.

# Notices how and time

Interim, Terminal or Final Schedules must be served by a solicitor under s.146 of the Law of Property Act 1925.

The Notice will specify the time within which the repairs must be executed as stated in the lease – normally three months, but possibly more if Listed building Consent is required.

## The Notice must:

- i. Refer to the covenants of the lease citing the correct paragraph(s) / sub-paragraph(s)
- ii. Specify the breach
- iii. Detail the breach (i.e. by Schedule of Dilapidations)
- iv. Require the tenant to remedy the breach
- v. Require the tenant to pay compensation

Note that in leases of under seven years the landlord must make reference to the tenant's rights to counterclaim under the 1938 Act

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.0.0 INTERNAL					
3.1.0 WAREHOUSE					
3.1.1		General minor dust, dirt and debris to underside of roof. 1m <sup>2</sup> of paint.	Clean off paint from roof lining panels or replace with new.		
3.1.2			Thoroughly clean down lining panels, fire protective boarding, sheeting rails and the like, remove dust and leave clean and tidy.		
3.1.3		General minor wear to steel structural frame.	Thoroughly prepare steel structural frame, leave ready for redecoration.		
3.1.4		Tenant has formed openings through the party wall to Unit 2 and various openings for flues, vents and the like.	Infill large opening to the party wall to Unit 2 with blockwork to match. Properly bond and secure blockwork to existing and leave in good repair.		
3.1.5			Infill high level opening to the party wall to Unit 2 with blockwork to match, properly bonded to match existing.		
3.1.6			Make good block wall to left-hand gable wall where flue / vent is removed as detailed externally, all to match existing.		
3.1.7			Make good holes to rear wall where flues, vents and the like have been removed, all to match existing.		

# Tenant does not repair

**What happens if the tenant fails to repair within the time specified by the Notice?**

The landlord may make a claim against the tenant.

The landlord's losses for breach of covenant comes under s.18 of the Landlord and Tenant Act (1927)

With Interim and Terminal schedules the landlord has three options:

**a. Forfeiture (end of lease)  
(only if the lease contains a re-entry  
clause)**

Where the landlord exercised his right to take back the property and gives Notice under s.146 (i) of the 1925 LPA.

The tenant may still be liable for the cost of repairs executed by the landlord but has forfeited his lease.

## b. Specific Performance

The courts have agreed this is a remedy to be rarely granted.

An equitable remedy to comply with repairs or other obligations. This was granted exceptionally in the case of:

*Rainbow Estates v Tokenhold (1998)*

as there was no forfeiture clause or re-entry provision in the lease and where damaged could not provide an adequate remedy.

## c. Claim for Damages (Terminal Stage –lease end)

- Where the landlord seeks a monetary award to compensate them.
- Where the Terminal Notice has been served and the lease has not yet determined damages are calculated on:

**Section 18 Limit to claim = The diminution of the reversionary interest of the freehold**

i.e. the difference in value between the landlord's reversionary interest if the building was in repair against its value out of repair. The property has to be valued twice, both times on the basis that the lease has ended and the property is vacant at the date of either the s.146 Notice or at determination, however, of the lease.

Section 18 Claim limit (at lease end) - Future Development limits liability

*Dodd Properties v Canterbury City Council (1980)*

If the landlord's intention at the end of the lease is for the property to undergo a major refurbishment / upgrading by the landlord, or the property is to be demolished, the landlord cannot claim damages as the repairs would be rendered valueless – s.18(1) L&TA 1927.

*Culworth Estates v Society of Licenced Victuallers (1991)*

If within three years of determination the landlord decides to alter the property or demolish it the tenant is entitled to claim back monies paid in damages (or part monies depending on time period). Grant of planning permission constitutes proof of landlord's intentions in such instances.

## During the term of the lease:

The landlord can only claim compensation for the loss suffered as a result of the breach.

This could be inferred from an estimated cost of repairs without valuation. See:

*Latimer & Another v Carney & Edwards & Robson (2006)*

# Money

## c.ii. Claim for Damages (Final Stage)

Where Final Notice (end of lease) has been served and the lease has determined damages will be the actual cost of putting the building into the state of repairs required by the lease. See:

*Maddox Properties Ltd v Davis (1950)*

# Scott Schedule

Schedules of dilapidations are to be prepared as per a Scott Schedule

Terminal Schedule of Dilapidations Accrued at .....						
1	2	3	4	5	6	7
Item No.	Clause No.	Breach Complained of	Remedial Works	Landlords Costings	Tenant's Comments	Judge's Comments
1	2.3	Qty 24 missing Roof tiles	Repair	£ 109		
2	2.17	Demolition of Extension	Reinstate	£27,806		
3	2.18	Illegal signage	Remove	£ 204		
Dated .....						
Signed ..... Surveyor appointed by landlord						

You must give the clause breached to make a claim.

Or in legal terms:

Under S.146 enforcement is impossible unless the breach is identified under the correct lease clause / sub clause.

Damage must relate to the breach and flow from it.

# Example of a Dilapidations Schedule on an Industrial Unit

A SCHEDULE OF DILAPIDATIONS  
AND WANTS OF REPAIR FOR

Warehouse Unit

(address)

PREPARED ON BEHALF OF

The Landlord's name and address

BY

Landlord's Solicitors

(Name and address)

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## Selected Pages from the Schedule of Dilapidations

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LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
<b>2.0.0 EXTERNAL</b>					
<b>2.1.0 ROOF</b>					
2.1.1		Loose / dislodged Asbestos Cement eaves fillers adjacent to gutter.	Re-fix loose / dislodged eaves fillers to the Asbestos Cement roof and leave secure.		
<b>2.2.0 FRONT ELEVATION</b>					
2.2.1		Weathered decorative / protective finish and general silt and debris to box gutter.	Clean out box gutter to remove silt and dirt and leave clean and tidy.		
2.2.2			Prepare Asbestos Cement gutter and leave ready for redecoration.		
2.2.3		Warped, stained, weathered and split timber boarding. Areas of rot and decay.	Cut out areas of boarding affected by rot and decay and replace with new to match. Fill all splits or replace boarding as necessary, thoroughly clean down and prepare all of the boarding and leave ready for new stained finish.		
2.2.4		Tenant has installed burglar alarm box.	Remove Tenants burglar alarm box secured to timber cladding and make good holes and damage.		
2.2.5		Tenant has installed wiring, metal brackets and the like.	Remove Tenants wiring, brackets and similar fixtures and fittings and make good all areas disturbed.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
2.2.6		Peeling decorations, cracked and defective putties and general deterioration to timber casement windows.	Reinstate cracked and defective putties, remove loose and flaking paint, thoroughly prepare all surfaces and leave ready for new stain finish.		
2.2.7		Corrosion and general minor deterioration to decorative coating to roller shutter door. Split slat above the wicket door.	Remove areas of corrosion, apply rust inhibitors, prime and seal. Thoroughly clean down and leave the door ready for redecoration.		
2.2.8			Replace split slat to the roller shutter door directly above the wicket door with new and leave the door in good repair and in full working order.		
2.2.9		Worn and defective decorations.	Thoroughly prepare previously stained timber boarding, windows and the like and apply solvent based, external grade stain, colour to be approved.		
2.2.10			Prepare previously painted woodwork and metalwork and gloss paint.		
2.2.11			Prepare Asbestos Cement gutter and paint.		
<b>2.3.0</b>	<b>LEFT-HAND GABLE</b>				
2.3.1		Impact damaged bricks to the external corner – 9No.	Provide and fix 150 x 150 steel angle 1800mm high to the corner of the wall to protect the brickwork and conceal the areas of impact damage. prepare and prime the angle and leave ready for redecoration.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
2.3.2		Tenants brackets, cables, pipes to be removed.	Remove exposed wires, brackets, cables, pipes and the like which constitute Tenants fixtures and fittings and make good all areas disturbed. (See separate comment re: oil pipe)		
2.3.3		Tenants vent extends through wall.	Remove flue, make good brickwork to walls, including blockwork internally and other areas disturbed.		
2.3.4		Tenant has installed steel container.	Remove steel container, slabs and the like adjacent to the right-hand gable wall and make good all areas disturbed.		
<b>2.4.0</b>		<b>REAR ELEVATION</b>			
2.4.1		Tenant has installed TV aerial, burglar alarm box etc.	Remove Tenants TV aerial and other cables, burglar alarm boxes secured to the rear elevation and make good all areas disturbed.		
2.4.2		Areas of damaged brickwork adjacent to the fire escape door. Cracking to brickwork above the fire escape door.	Make good damaged bricks adjacent to the fire escape door with new to match.		
2.4.3			Cut out cracking above the fire escape door, build in stainless steel ties to strengthen, repoint to match and leave secure.		
2.4.4		General minor wear to fire escape door.	Thoroughly prepare fire escape door, ease and adjust and leave ready for redecoration.		
2.4.5		Worn and defective decorations.	Thoroughly prepare previously painted woodwork and metalwork and gloss paint.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
2.5.0 YARD & OTHER AREAS					
2.5.1		Rubbish, debris, surplus materials, fixtures, fittings and the like.	Remove all rubbish, debris, pallets, surplus materials and the like to the yard area, rear fire escape route and other areas adjacent to the building and leave clean and tidy.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.0.0 INTERNAL					
3.1.0 WAREHOUSE					
3.1.1		General minor dust, dirt and debris to underside of roof. 1m <sup>2</sup> of paint.	Clean off paint from roof lining panels or replace with new.		
3.1.2			Thoroughly clean down lining panels, fire protective boarding, sheeting rails and the like, remove dust and leave clean and tidy.		
3.1.3		General minor wear to steel structural frame.	Thoroughly prepare steel structural frame, leave ready for redecoration.		
3.1.4		Tenant has formed openings through the party wall to Unit 2 and various openings for flues, vents and the like.	Infill large opening to the party wall to Unit 2 with blockwork to match. Properly bond and secure blockwork to existing and leave in good repair.		
3.1.5			Infill high level opening to the party wall to Unit 2 with blockwork to match, properly bonded to match existing.		
3.1.6			Make good block wall to left-hand gable wall where flue / vent is removed as detailed externally, all to match existing.		
3.1.7			Make good holes to rear wall where flues, vents and the like have been removed, all to match existing.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.1.8			Remove areas of graffiti, paint and the like to block walls generally or alternatively, prepare walls and leave ready for painting at low level to a dado which will be in line with the ceiling to the Toilets 2700mm approx.		
3.1.9			Make good superficial cracks, holes, minor damage to block walls generally and leave in good repairs. Prepare areas for redecoration as detailed below.		
3.1.10		Isolated bolts and similar fixings to floor. Minor areas of damage. General wear to painted finish.	Cut out / grind down bolt fixings to plant, machinery and the like flush with the floor.		
3.1.11			Make good areas of damage to the floor with an epoxy concrete repair compound to finish flush and level with existing and leave ready for redecoration.		
3.1.12			Thoroughly clean the Warehouse floor, remove dirt, dust, oil and grease and leave ready for redecoration.		
3.1.13			Prepare the Warehouse floor and paint 2 coats of epoxy floor paint.		
3.1.14		General minor wear to roller shutter door.	Thoroughly prepare roller shutter door, repair as required and leave in full working order.		
3.1.15		General minor wear to rear fire escape door.	Thoroughly prepare fire escape door, ease and adjust and leave ready for redecoration.		

LOCATION/ELEMENT	CLAUSE NO.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.1.16		General minor wear to painted flush doors to Toilets.	Make good minor areas of damage, thoroughly prepare painted flush doors and leave ready for redecoration.		
3.1.17		General minor wear to timber casement window to front wall. Minor wear to security bars.	Strip out Tenants blinds and the like and make good all areas disturbed.		
3.1.18			Thoroughly prepare the timber casement window, metal security bars and the like and leave ready for redecoration.		
3.1.19		Damaged timber fascia to toilets.	Replace / repair damaged areas of timber fascia at high level around the toilets.		
3.1.20		Worn and defective decorations.	As detailed previously, prepare the blockwork at low level and paint 2 coats of emulsion forming a dado in line with the ceiling with the toilets.		
3.1.21			Thoroughly prepare previously painted woodwork and metalwork and gloss paint.		
3.1.22		Tenants fixtures and fittings to be removed.	Remove metal framework and mezzanine over toilet accommodation and make good all areas disturbed.		
3.1.23			Remove Tenants fixtures and fittings, plant, machinery and the like together with electrical services and make good all areas disturbed.		
3.1.24		Damaged / loose conduit and wiring to the electric lighting. Tenant has altered electric lighting.	Reinstate electric lighting to consist of 8No. fluorescent light fittings in appropriate positions together with wiring, conduit and switching to suit.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.1.25			Strip out Tenants loose, damaged and defective power installation, trunking, wiring, sockets etc. and make good all areas disturbed.		
3.1.26			Remove Tenants alterations to the electric power installation and provide 2No. twin switch socket outlets in appropriate positions and leave ready for a new Tenant.		
<b>TOILETS</b>					
<b>3.2.0</b>	<b>RIGHT-HAND TOILET</b>				
3.2.1		General minor wear to timber boarded ceiling and fair-faced block walls.	Thoroughly prepare timber boarded ceiling, fair-faced block walls and similar surfaces and leave ready for redecoration.		
3.2.2		Minor wear to painted concrete floor.	Thoroughly prepare and clean the concrete floor to the toilets and leave ready for redecoration.		
3.2.3			Thoroughly prepare and redecorate floor as part of the works to the Warehouse.		
3.2.4		General minor wear to painted flush doors.	Thoroughly prepare painted flush doors, ease and adjust and leave ready for redecoration.		
3.2.5		General minor wear to timber casement windows and security bars.	Thoroughly prepare the timber casement window, metal security bars and the like and leave ready for redecoration.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.2.6		Worn and defective decorations.	Thoroughly prepare timber boarded ceiling and gloss paint. Prepare fair-faced blockwork and emulsion paint. Prepare previously painted woodwork and metalwork and gloss paint.		
3.2.7		Minor wear to sanitary fittings.	Thoroughly clean WC and wash hand basin, leave in full working order and ready for a new Tenant.		
3.2.8		Tenants fixtures and fittings to be removed.	Remove hand towel dispensers and similar fixtures and fittings, make good all areas disturbed.		
3.2.9		Light and extract fan not working.	As part of the works to the electrical installation, repair or replace the electric lighting, extract fan and leave in full working order.		
3.3.0		<b>LEFT-HAND TOILETS</b>			
3.3.1		General minor wear to timber boarded ceiling and fair-faced block walls.	Thoroughly prepare timber boarded ceiling, fair-faced block walls and similar surfaces and leave ready for redecoration.		
3.3.2		Minor wear to painted concrete floor.	Thoroughly prepare and clean the concrete floor to the toilets and leave ready for redecoration.		
3.3.3			Thoroughly prepare and redecorate floor as part of the works to the Warehouse.		
3.3.4		General minor wear to painted flush doors.	Thoroughly prepare painted flush doors, ease and adjust and leave ready for redecoration.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
3.3.5		General minor wear to timber casement windows and security bars. Tenant has installed curtains.	Strip out Tenants curtains and brackets.		
3.3.6			Thoroughly prepare the timber casement window, metal security bars and the like and leave ready for redecoration.		
3.3.7		Worn and defective decorations.	Thoroughly prepare timber boarded ceiling and gloss paint. Prepare fair-faced blockwork and emulsion paint. Prepare previously painted woodwork and metalwork and gloss paint.		
3.3.8		Minor wear to sanitary fittings. Broken WC seat.	Thoroughly clean WC and wash hand basin, leave in full working order and ready for a new Tenant.		
3.3.9			Replace damaged WC seat.		
3.3.10		Light and extract fan not working.	As part of the works to the electrical installation, repair or replace the electric lighting, extract fan and leave in full working order.		
3.3.11		Tenants fixtures and fittings to be removed.	Remove hand towel dispensers and similar fixtures and fittings, make good all areas disturbed.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
<b>4.0.0 GENERAL</b>					
<b>4.1.0 ELECTRICAL INSTALLATION</b>					
4.1.1		General repairs to the electrical installation.	Reinstate electric lighting and power as detailed for the Warehouse. Repair electric lighting and power to the Toilets. Leave the whole of the electrical installation safe and in full working order. Include all external lighting.		
4.1.2			Provide the Landlord with a Periodic Test Certificate to confirm the installation is safe and in full working order.		
<b>4.2.0 GENERAL</b>					
4.2.1		Concealed, additional or further damage and disrepair.	Undertake all other repair and redecoration works which may be currently concealed or occur after this inspection to comply with the terms of the Lease.		
4.2.2			Wash down glazing, inside and out and leave clean and tidy. Remove all logos, stickers etc.		
4.2.3		General wear to ironmongery, provision of keys.	Oil and grease all locks, ironmongery and the like and leave in full working order.		
4.2.4			Provide the Landlord with keys to all locks.		

LOCATION/ELEMENT	CLAUSE No.	DEFECT/NATURE OF BREACH	REMEDY	QUANTITY OF WORK	COST
4.2.5		Tenants fixtures and fittings, alterations and the like.	Remove all Tenants furniture, rubbish, plant, machinery, fixtures and fittings, surplus materials and the like and leave the whole of the demise clean and tidy and ready for a new Tenant.		
4.2.6		Control of Asbestos Regulations 2006.	Provide the Landlord with an Asbestos Register in compliance with CAR 2006.		
4.2.7		Landlord's fees, costs and charges.	Reimburse the Landlord for all fees, costs and charges incurred with the preparation, service, negotiation and settlement of this Dilapidations Claim.		

# So how do you know what should and should not go in a Schedule

- Various Acts
- Many Case laws
- Dilaps has classic cases
- It is alive with new case law being added
- Has many cases that seem to give almost opposite views
- Best to work by a process rather than relying on keeping up to date



# The dilapidations Schedule is / should be based on the lease

- The 4Rs and yield up
- Find Covenants and interpret them

**If you don't agree use a Scott  
Schedule to negotiate with**

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ITEM	LOCATION/ ELEMENT	LEASE COVENANT	BREACH OF REPAIRING COVENANT	REMEDIAL WORKS REQUIRED	LANDLORD'S COST (£)	TENANT'S COMMENTS	TENANT'S COST (£)
2.0	<b>SCHEDULE OF DILAPIDATIONS</b>						
	<b>External Areas</b>						
2.1	<b>Rear elevation</b>						
2.1.1	Rear brickwork elevations	3.5	Brickwork is lightly soiled and stained at low level with some minor repointing required.	Allow to clean down brickwork and repoint/repair brick elevations.	440		85
2.1.2	Loading area and hardstanding .	3.5	Concrete surface loading area is soiled	Thoroughly clean hardstanding area and remove all vegetation.	140		120
2.1.3	Warehouse doors	3.5.2	Doors are soiled.	Clean down internal and external face of doors and thoroughly prepare.	860		75
2.1.4	Bollards to parking area.	3.5.2	Decorations to bollards are in poor condition.	Allow to redecorate bollards.	220		85
2.1.5	Warehouse up and over door	3.5	2 no. panel damaged to door system.	Allow to replace 1 no. panel to match existing door.	1,360		440
2.2	<b>Front elevation</b>						

# Scott Schedules

- They include sections for landlords, tenant, surveyors, and judges comments - only usually used when you're on your way to court
- Your negotiation skills should ensure this is rare

ITEM	LOCATION/ ELEMENT	LEASE COVENANT	BREACH OF REPAIRING COVENANT	REMEDIAL WORKS REQUIRED	LANDLORD'S COST (£)	TENANT'S COMMENTS	TENANT'S COST (£)
2.2.1	Low level brickwork	3.5	Brickwork is lightly soiled and stained at low level.	Clean down brickwork.	320		32
2.2.2	Alarm box	3.6	Tenant installed alarm box.	Strip out alarm box and make good fixing holes with suitable rubber grommets.	140		20
2.2.3	Window frames to front elevation	3.5	Windows frames generally discoloured and decorations and framing.	Allow to completely redecorate windows internally and externally and thoroughly clean windows and frames and glass on completion.	4,400	Specialist paintwork	525
2.2.4	Signage	3.5	Tenant installed signage.	Remove all tenant's signage and make good fixing holes with suitable rubber grommets.	240		65
2.2.5	Front entrance doors	3.5	Heavy staining and deterioration of decoration to doors.	Thoroughly clean down frame and glazing and redecorate on completion.	320	Specialist Paintwork	320

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2.2.6	Metal framed canopies to front elevation	3.5	Canopies generally stained and soiled and decorations in poor condition.	Allow to clean down canopies and redecorate framework on completion.	720		220
	<b>INTERNAL AREAS</b>						
<b>3.0</b>	<b>Warehouse</b>						
3.0.1	Metal roof trusses and columns	3.5	Metal roof trusses and columns require redecoration.	Thoroughly prepare and redecorate metal roof trusses throughout warehouse area.	3,920	Prerepare, prime undercoat and gloss incl Lift Hire	1,050
3.0.2	Lights	3.5	Fluorescent light fittings throughout warehouse are generally heavily soiled.	Clean down all fluorescent lighting and ensure all fluorescent tubes are left working. 9 no. fittings not operational.	600	Remove all faulty & supply and fit new fittings - to balance lighting levels over the whole floor area	545
3.0.3	Tenant's installations	3.6	Tenant installed equipment, cages and shelves to be removed from warehouse area.	Strip out tenant installation and make good all damaged surfaces.	12,400	Strip & make good all damaged services	3,500
3.0.4	Perimeter wall	3.5	Decorations to perimeter walls are generally soiled and tired.	Allow to redecorate all perimeter walls, allow for all making good and preparation.	5,820		3,265

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3.0.5	Tenant installation	3.6	Tenant installed electric conduit and power supplies installed to warehouse perimeter walls.	Strip out all tenant installations and make good fixing holes.	2,800		420
3.0.6	Floor slab	3.5	Warehouse floor slab is heavily soiled and scuffed.	Thoroughly clean and redecorate floor slab. Allow to renew all mastic movement joints.	16,960	Clean only & make good movement joints - extent to be agreed with Surveyor based on original defects	3,000
3.0.7	Electrical installations	3.5	Tenant alterations to the original mains electrical installation.	Upon removal of tenant installed fittings and wiring, carry out full periodic inspection and testing in accordance with BS: 7671 2001. Undertake all necessary works to ensure satisfactory compliance. Correctly label all wires and distribution board, fit engraved Traffolyte labels to all devices clearly identifying their function.	6,000	Remove dead circuits Test and repair as Schedule of wants. Provide Certificate on completion	2,000

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3.0.8	Doors from warehouse	3.5	4 no. fire exit doors in poor decorative order.	Thoroughly clean down doors and redecorate on completion. Ensure doors are in working order including replacing/overhauling all door furniture.	320	Furniture & ease and adjust as necessary Redecoration	460
3.0.9	Fire alarm installation	3.6	Tenant alterations to fire alarm and lighting.	Ensure system is left in full working order. Allow to clean down break glass call points, alarm sounders and detectors which are retained	800	Test & repair as necessary. Provide Certificate on completion	200
3.0.10	Warehouse office	3.5	Warehouse office decorations worn and tired.	Allow to redecorate walls, floors and ceilings to offices. Allow for all necessary making good and removal of carpets etc...	3,000	Remove carpet etc Clean, prepare and paint all surfaces	420
3.1	Ground floor WCs within warehouse area						

ITEM	LOCATION/ ELEMENT	LEASE COVENANT	BREACH OF REPAIRING COVENANT	REMEDIAL WORKS REQUIRED	LANDLORD'S COST (£)	TENANT'S COMMENTS	TENANT'S COST (£)
3.1.1	Plaster ceiling	3.5	Ceiling decorations generally soiled.	Allow to completely clean and redecorate ceilings throughout WC areas.	220		325
3.1.2	Wall decorations	3.5	Wall decorations generally heavily soiled.	Allow to completely redecorate walls to WC area.	636		636
3.1.3	Doors, skirtings and architraves	3.5	Decorations to skirtings, doors and architraves are generally soiled.	Thoroughly prepare and redecorate timber skirtings, architraves and doors. Allow to overhaul/replace door furniture.	1,280		385
3.1.4	Decorations to pipework		Decorations to pipework etc are soiled.	Thoroughly prepare and redecorate radiators and pipework throughout.	180		120
3.1.5	Sanitary fixtures and fittings	3.5	Heavy limescale build up and heavy soiling to sanitary fixtures and fittings generally.	Allow to industrially clean all sanitary fixtures and fittings throughout. Should fittings not be able to be cleaned to an acceptable standard, then replacement will be required.	2,400	Clean only	220

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3.1.6	Lighting to WCs	3.5	2 no. missing diffusers and 2 no. defective lights.	Allow to replace missing diffusers and repair defective lighting.	80		80
3.1.7	Flooring	3.5	Vinyl flooring generally worn and tired within WC areas.	Allow to replace vinyl flooring to WC areas, allow to include lobbies etc..	680	2 No. Male Toilets	840
3.1.8	Fracturing to walls and floors	3.5	Investigate fracturing to walls and floors.	Allow to carry out investigation to floors and walls. Allow for all necessary repairs prior to re-decoration.	3,500	Original condition & Quality of concrete flooring to dictate extent of repairs. Provisional Sum	2,500
<b>3.2</b>	<b>Kitchenette</b>						
3.2.1	Plaster ceiling	3.5	Ceiling decorations generally soiled.	Allow to completely clean and redecorate ceiling to kitchen areas.	84	Redecoration to 3.2.1 to 3.2.4	380
3.2.2	Wall decorations	3.5	Wall decorations generally heavily soiled.	Allow to completely redecorate walls to kitchen areas.	210	Above	

ITEM	LOCATION/ ELEMENT	LEASE COVENANT	BREACH OF REPAIRING COVENANT	REMEDIAL WORKS REQUIRED	LANDLORD'S COST (£)	TENANT'S COMMENTS	TENANT'S COST (£)
3.2.3	Doors, skirting and architraves	3.5	Decorations to skirtings, doors and architraves are generally soiled.	Thoroughly prepare and redecorate timber skirtings, architraves and doors. Allow to overhaul/replace door	80	Above. Service replace Furniture	140
3.2.4	Decorations to pipework	3.5	Decorations to pipework etc are soiled.	Thoroughly prepare and redecorate radiators and pipework throughout.	46	Above	
3.2.5	Lighting to kitchen	3.5	Lighting requires overhauling and diffusers cleaned.	Allow to overhaul lighting.	110		80
3.2.6	Flooring	3.5	Vinyl flooring generally worn and tired within kitchen area.	Allow to replace vinyl flooring to kitchen area.	220		360
3.2.7	Kitchen sink and units	3.6	Sink generally soiled and unit doors and ironmongery tired.	Clean sink unit and replace doors and ironmongery.	410	Clean and service the 60 units	
3.3	Lobbies to ground floor entrance and Ground Floor office space						

ITEM	LOCATION/ ELEMENT	LEASE COVENANT	BREACH OF REPAIRING COVENANT	REMEDIAL WORKS REQUIRED	LANDLORD'S COST (£)	TENANT'S COMMENTS	TENANT'S COST (£)
3.3.1	Plastered ceilings (including staircase)	3.5	Plastered ceilings generally soiled.	Allow to repair and carry out complete redecoration to all ceilings and soffits.	960		825
3.3.2	Plastered wall coverings	3.5	Decorations to walls are generally soiled.	Allow to carry out complete redecoration to all finishes. Allow to repair all blown plaster prior to redecoration.	2,120		960
3.3.3	Timberwork	3.5	Timber decorations are generally soiled including all doors leading off lobbies to WC offices and warehouse.	Thoroughly prepare and redecorate timber skirtings, doors, architraves and door fascias. 10 no. doors in total	1,520		850
3.3.4	Doors	3.5	Fire doors leading from main lobby.	Allow to overhaul and repair doors as necessary including ironmongery. 5 no. doors.	450	Repair/renew furniture	250
3.3.5	Staircase	3.5	Decoration to timberwork and metalwork generally soiled.	Thoroughly prepare and redecorate.	284	Two staircases	560

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3.3.6	Floor covering	3.5	Carpet floor coverings to office, staircases and lobbies are generally soiled and worn.	Take up carpet floor covering to office, lobbies, staircases and replace.	720	Unit 19 only. Carry out deep clean for Surveyor's inspection	720
3.3.7	Radiators	3.5	Radiators and paintwork are generally soiled.	Thoroughly prepare and redecorate radiators and pipework.	220		120
3.3.8	Intruder alarm	3.6	Tenant installed intruder alarm	Strip out tenant installed intruder alarm including all alarms bells, key pads, cables and sensors and make good all fixing holes on completion.	360		140
3.3.9	Lighting	3.5	Lighting requires overhauling and diffusers cleaned.	Allow to overhaul lighting.	110		110
3.3.10	Cleaner's cupboard.	3.5	Decorations generally soiled.	Allow to prepare and redecorate cleaner's cupboard.	240		80
3.3.11	Stair nosing	3.5	Damaged stair nosing	Replace 26no. Stair nosing to match existing.	258		110

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3.3.12	Tenants alterations	3.6	Tenant installed security lobby	Remove tenant installed security lobby, including doors, partitions, door closers and entrance system. Allow to make good on completion.	250	Removal only. Redecoration above	50
<b>3.4</b>	<b>Ground floor male and female WCs</b>						
3.4.1	Ceiling	3.5	Plaster ceiling lightly soiled.	Repair and redecorate ceiling.	320		85
3.4.2	Plastered walls	3.5	Plastered walls soiled and minor damage.	Thoroughly prepare and redecorate. Allow to repair fracture to walls prior to redecoration.	680		220
3.4.3	Decorations	3.5	Decorations to timber skirting radiators and pipework are soiled.	Thoroughly prepare and redecorate timber skirtings, radiators and pipework.	400		100
3.4.4	Sanitaryware	3.5	Sanitaryware is generally soiled.	Thoroughly industrially clean all sanitaryware.	160	Included above	

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3.4.5	Vinyl floor covering	3.5	Vinyl floor covering is soiled.	Allow to industrially clean vinyl floor tiles throughout. Allow to repair damaged tiles to match existing.	360	Clean & replace all damaged tiles to match as near as possible	450
3.5	First floor offices						
3.5.1	Ceilings	3.5	Suspended ceiling generally soiled and a number of tiles punctured and damaged.	Allow to thoroughly clean down grid and replace all missing and damaged panels.	800	Metal Cover plates to existing holes with electrical plates Clean etc	500
3.5.2	Lighting	3.5	Fluorescent lighting throughout office areas.	3 no. missing tubes from fluorescent lights. Allow to replace 3 no. missing tubes.	36	Replace 3 No. fittings. Replace damaged tiles	180
3.5.3	Walls		Plaster decorated walls generally soiled and minor damage in isolated locations.	Thoroughly prepare and redecorate walls. Allow to repair all fractures to walls prior to redecoration.	1,080	Damage adjacent to windows - existing design defects prior to occupation - to be agreed with Surveyor	500
3.5.4	Steel panel radiators	3.5	Radiators are lightly soiled.	Make good and thoroughly prepare and redecorate panels and pipework on completion.	360		150

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3.5.5	Tenant installed partitioning	3.6	Tenant installed demountable partitioning forming cellular office space.	Strip out partitioning and make good fixing holes.	900	Includes Cart away from site with other debris including patching carpet	250
3.5.6	Carpet floor covering	3.5	Carpet floor covering is worn in areas.	Strip up floor coverings and replace with quality to match existing.	4,600	Deep clean all areas for Surveyor's inspection	1,000
3.5.7	Timber skirting	3.5	Timber skirting decorations are generally soiled and where cables have been attached fixing holes are present.	Make good fixing holes and thoroughly prepare and redecorate.	420		120

ITEM	LOCATION/ ELEMENT	LEASE COVENANT	BREACH OF REPAIRING COVENANT	REMEDIAL WORKS REQUIRED	LANDLORD'S COST (£)	TENANT'S COMMENTS	TENANT'S COST (£)
3.5.8	Telecommunications and data cabling	3.6	Tenant installed telecommunications and computer cabling.	Strip all tenant installed data, telecomms and other wiring from all floors, walls, risers, conduits and ceiling voids. Remove all voice and data outlets and cabling throughout. Take down and remove all telephone exchanges and distribution cabling to offices and risers. Ensure landlord's power and lighting cabling is left intact. Replace all missing trunking covers following this. Remove all tenant installed surface fixed conduits, junction boxes, socket points, outlets and other associated fixings. Make good all surfaces disturbed.	2,400		750
3.5.9	Small power	3.5	Light switches installed are generally soiled.	Thoroughly clean on completion.	40	Replace if necessary	120
3.5.10	Doors and architraves	3.5	Doors and architraves are lightly soiled.	Thoroughly prepare and redecorate doors and architraves.	480		170

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3.5.11	Door keys	3.6	Door keys are not present in doors.	Supply landlord with door keys.		Tenant has all keys	
3.5.12	Light fittings	3.5	3 no. missing fluorescent tubes.	Replace missing fluorescent tubes.	195	Repeated item	
3.5.13	Window Boards	3.5	Decorations in poor condition.	Allow to prepare and redecorate timber window boards.	416		240
3.5.14	Doors	3.5	Damaged doors and ironmongery.	Repair doors and replace ironmongery as necessary.	800		320
3.6	<b>General items</b>						
3.6.1	Fire alarm	3.23	No evidence of maintenance of fire alarm system.	Inspect and test fire alarm system in accordance with BS: 5839. Provide test certificate, undertake all necessary works to ensure satisfactory compliance.	2,000	Test and repairs	220

ITEM	LOCATION/ ELEMENT	LEASE COVENANT	BREACH OF REPAIRING COVENANT	REMEDIAL WORKS REQUIRED	LANDLORD'S COST (£)	TENANT'S COMMENTS	TENANT'S COST (£)
3.6.2	Asbestos containing material	3.23	Asbestos containing material. There is no asbestos register on site, in breach of CAWR 2002.	Obtain an up to date asbestos register with results of all sample testing and asbestos surveys. Carry out all appropriate remedial works in accordance with regulations and update asbestos management policy	5,800	Asbestos Survey	500
3.6.3	Windows	3.5	Windows are soiled.	Clean all windows	250		185
3.6.4	Access	3.5	Scaffold/powered access, fall restraint required to undertake works. Compartmentation	Provide all necessary access to suitably undertake works.  Block up doors between Units	11,200		2,500
				<b>Total</b>	<b>113,105</b>		<b>36,308</b>

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Once agreement has been made many surveyors use what is known as a 'Heads of Claim'. This sets out the costings, which we would recommend.

**PROPERTY  
ADDRESS**

**HEADS OF CLAIM**

*(Add figures to shaded cells only)*

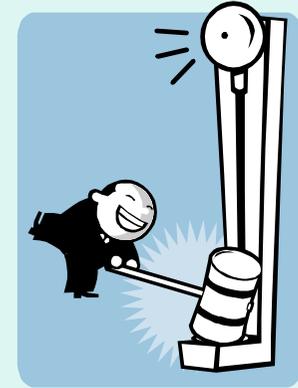
<b>A Building Costs</b>				<b>D Fees</b>		
A.1	Building costs		£113,105.00	D.1	Preparation of schedule	£950.00
A.2	Prelims, o'head and profit	15%	£16,965.75	D.2	Service of schedule	£500.00
A.3	Health and Safety		£1,500.00	D.3	Contract administration @ 12%	£15,788.49
	<b>Sub total</b>		<u>£131,570.75</u>	D.4	Other fees	£0.00
	<b>B Procurement</b>			D.5	Solicitors	£0.00
		<i>Weeks</i>		D.6	Engineers	£0.00
B.1	Preparation of design	3		D.7	Negotiation to settlement @ 5%	£6,578.54
B.2	Tender period	3			<b>Sub total</b>	<u>£23,817.03</u>
B.3	Lead in period	2			<b>F VAT</b>	
B.4	Contract period	12		F.1	VAT on A	£23,024.88
	<b>Total procurement period</b>	20		F.2	VAT on C.1, C.2, C.3.	£0.00
	<b>C Mesne profits</b>			F.3	VAT on D	£4,167.98
		<i>Weeks</i>	<i>Rate</i>		<b>Sub total</b>	<u>£27,192.86</u>
C.1	Loss of rent	20	0		<b>TOTAL</b>	<u><u>£182,580.64</u></u>
C.2	Loss of rates	20	0			
C.3	Loss of service charge	20	0			
C.4	Loss of interest	20	0			
	<b>Sub total</b>		<u>£0.00</u>			

**Notes :**

1. Loss of mesne profit to be confirmed.
2. The above claim includes VAT (subject to clarification over the VAT position for the property)
3. We reserve the right to add additional costs or damages to the statement of claim at a later date.

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# Quote for the Day



“Our aspirations are our possibilities”



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# RICS Guidance

Read the RICS  
Guidance Note

It's very readable

