EXPERT ADVICE

A guide to negotiation

Helpful advice for conducting a smooth negotiation.

A GUIDE TO NEGOTIATION

> We offer a free and impartial alternative dispute resolution service to resolve disputes between the agent member and their tenant over the return of the deposit at the end of the tenancy.
>
> The key timeframes for dispute resolution are set by the legislation, which means there will be a delay in returning the deposit whilst the adjudicator reviews the case. Therefore it is always beneficial for both parties to resolve their differences before they escalate to needing adjudication or court.

Suzy Hershman
Head of Dispute Resolution

SUZY'S TIP: We strongly recommend that all parties meet to discuss issues before using formal dispute resolution. Most issues can be resolved through communication.

## How to approach negotiation

If you want to avoid the tenant raising a dispute then working with them rather than against them makes good sense.

- ✓ The best way to negotiate is face to face. Regardless of what medium you employ ensure that every part of the process is clearly documented and shared with your tenant.

- ✓ The tenant will have their position and it is essential that you establish this as soon as possible into the process.

- ✓ Clearly explain the deductions to the deposit and why you are making them. Understand that you have an obligation to mitigate their losses, so take into consideration fair wear and tear. You are entitled to compensation but not betterment. Standard costs are potentially unfair so be prepared to make concessions if the circumstance dictates.

- ✓ Remember, the deposit remains the tenant's money, and at the end of the tenancy the default position is for the tenant to receive the deposit back, in full. To be successful in a deposit dispute you must provide evidence to back up your claim, however having robust evidence and using it to highlight to your tenant why you need to make the deduction could be persuasive enough reason to avoid a lengthy formal deposit dispute.

Suzy's top tips for smooth negotiation

Suzy Hershman, Head of Dispute Resolution at mydeposits offers some helpful tips for conducting a smooth negotiation.

- ✓ Figure out ahead of time exactly you want to happen. Are you willing to compromise? What's your bottom line?

- ✓ Try to structure the negotiation as a mutual attempt to solve a problem.

- ✓ Set up an appointment to discuss the problem. Arrange a quiet time and place, preferably in a neutral location, where you can both express your concerns and work out an agreement.

- ✓ Listen to the tenant closely and don't interrupt, even if some points are not true or some opinions are inflammatory. Letting them express their feelings shows you are willing to listen and is an essential first step toward an eventual understanding.

- ✓ State that you understand and respect the other party's key points, even if you strongly disagree with their position.

- ✓ Avoid personal attacks. Even if true, it will only raise the level of hostility and make settlement more difficult. Try to stay calm and not to react impulsively or emotionally.

- ✓ Be courteous, but not weak. If you have robust evidence to use in the dispute resolution service then let them know. Make it clear that you prefer negotiating an agreement but, if necessary, you have quality evidence to resolve the issue.

- ✓ If you reach an understanding with your tenant, promptly write it down and ensure that you both sign in agreement. You should volunteer to prepare the first draft explaining the position, your discussions, details of the negotiation and the agreed settlement.
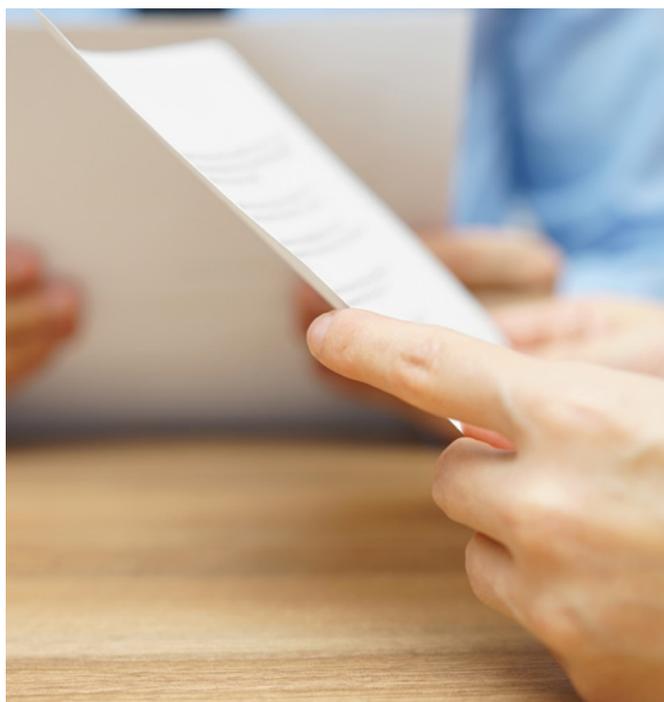
mydeposits
Premiere House
1st Floor
Elstree Way
Borehamwood
WD6 1JH

www.mydeposits.co.uk

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