

## PRESS RELEASE

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# Phillips Property Management and Lettings offers enhanced protection to local landlords and tenants

Phillips Property Management and Lettings is offering local landlords and tenants on the Isle of Wight a new level of comprehensive protection to secure their rental payments - which goes beyond the legal requirements - in a move that has been praised by The Property Ombudsman scheme.

The Property Ombudsman (TPO) is the UK's largest government-approved redress scheme, which offers consumers a free, fair and impartial dispute resolution, which has seen a 37% increase in the number of disputes against letting agents over the last year. Under new legislation introduced this year, every letting agent must be registered with an approved redress scheme.

**Gerry Fitzjohn, TPO's Vice Chairman, said:** "While there is a legal requirement for agents to register a tenant's deposit into a government-backed protection scheme, many tenants are unaware of how the agent passes on their monthly rent to the landlord.

"With more than £23 billion paid annually in rent, of which £6 - £10 billion is collected by agents on behalf of landlords, it is essential that landlords and tenants only use agents that have CMP cover or a method that guarantees the rent collected by their agent is covered against fraud and unlawful use.

"New legislation will require letting agents to display whether they have CMP cover, which is a huge milestone for the industry but we would still urge landlords and tenants to always ask their agent how the rent will be protected."

The new legislation, known as the Consumer Rights Bill, is currently at 'report stage' in the House of Lords, will also require letting agents to display all fees and charges to landlords and tenants, which can be a major source of disputes between agents and consumers.

**Oliver Wharmby of Lonsdale Insurance Brokers Ltd, which manages the PI + CMP scheme used by Phillips Property Management and Lettings said:**

"Recent press headlines have really hit home how rental fraud can affect landlords and tenants. The media has covered several high-profile cases where landlords have lost thousands of pounds in rental income by dealing with an agent who did not have sufficient cover to protect consumers from rental fraud.

"Rather than choose to use an agent that charges the lowest fee, landlords must ask if the agent has a CMP policy in place to protect their rental income."



Further information on the PI + CMP scheme can be found at <http://www.lonsdaleib.com/our-business/chartered-surveyors-property-professionals/>.