



## Hamer hammers home importance of rogue agent regulati

**In light of public sector cuts, ombudsman supports protection of private-rented tenants Doug Morrison reports**

Property ombudsman Christopher Hamer has urged the government to bring residential letting agents under the same regulatory regime as sales agents.

Hamer claims that landlords and tenants would gain greater protection from rogue agents and the government would secure a "quick win" if it were to expand the scope of the Consumers, Estate Agents and Redress Act 2007.

Job cuts and lower investment in public housing are likely to be announced in this week's Comprehensive Spending Review, and Hamer believes it is now imperative that consumers in the private-rented sector receive greater protection.

The act requires all residential sales agents to join an approved redress scheme to settle disputes between consumers and agents. Since the act came into force, there has been growing concerns from within the industry about malpractice among letting agents going unpunished.

More than 7,000 lettings offices have voluntarily signed up to the ombudsman's code of practice in the three years since letting agents have come under his jurisdiction.

"Clearly, a large proportion of the industry itself sees this move as necessary," he says.

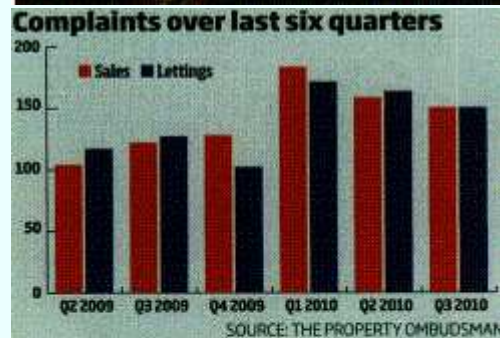
However, in this week's interim report, Hamer reveals that the number of complaints during the third quarter of 2010 about letting agents matched the number for sales agents (graph, above), even though the latter's membership of the ombudsman scheme is almost double the size.

Typical complaints handled by Hamer revolve around agents not passing on rent to landlords, agents asking tenants for a "holding" deposit while taking up references and money not being paid into a tenancy deposit scheme (case studies, opposite).

Housing minister Grant Shapps has indicated that legislation to regulate the private-rented sector would not be a priority for the government. However, even the Association of Residential Lettings Agents called for regulation earlier this month, after publishing research that revealed the number of people seeking rental properties

has reached an eight-year high. ■

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