



RESIDENTIAL LANDLORDS
ASSOCIATION



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**This agreement is only to be used where the deposit is to be protected by
DepositGuard – The Tenancy Deposit Scheme (TDS).**

Assured shorthold tenancy agreement

under part 1 of the Housing Act 1988

as amended under part 3 of the Housing Act 1996

If you need to pay a deposit, we will deal with it under DepositGuard - Tenancy Deposit Scheme (TDS) which is a Government-approved scheme. We must also give you the prescribed information relating to the deposit.

Date:

This agreement is between us:

b

the landlord or landlords

and you (individually and together):

c

the tenant or tenants

The rent is: every: (Please tick appropriate box)

You must pay the rent for the month, weeks or week to come (whichever applies).

The rent must be paid in advance. The first rental payment is for the rental period beginning on the start date specified in A2. After that rent is to be paid on the first day of every rent period which follows while the tenancy lasts.

If someone is not a tenant but has paid towards the deposit, please tick this box and fill in the boxes below.

Names of people paying towards the deposit

Amount paid

Except as shown in the boxes above, you confirm to us that no one who is not a tenant has paid towards the deposit.

A We let out the property at:

1

l

to you (individually and together if there is more than one of you) as well as the furniture, fixtures and household belongings that are on the list that you and we signed. The amount of rent is shown on the previous page and both you and we must keep to the terms below.

2

You will have the property and the furniture for

m

starting on

n

to

o

If, at the end of this time, you stay in the property, the tenancy will carry on as a statutory periodic tenancy. The periods of this tenancy will depend on the periods for which you pay rent. You must give at least four weeks' (or a month if you pay rent monthly) notice to end it. This notice must end on the last day of a tenancy period.

3

This agreement is an assured shorthold tenancy (as defined in section 19A of the Housing Act 1988). The no fault arrangements in section 21 of the Housing Act 1988 for the landlord to repossess the property apply to this agreement. This means that you cannot claim any legal rights to stay on once the tenancy has ended and a court order says you must leave. The landlord giving a section 21 notice must give at least two months' notice, in writing. For more information, you should consult a housing advice centre, solicitor or Citizens Advice Bureau who will tell you what this means.

4

We will let the property to you (individually and together) and only you and

p

will be allowed to live there.

5

No children are allowed to live in the property without our permission, in writing (which we will not unreasonably withhold).

6

No animals are allowed in the property without our permission, in writing (which we will not unreasonably withhold). We can withdraw this permission if we have a good reason.

7

You have to pay a deposit of

q £

(If none is due insert nil) to us. We are a member

of the Tenancy Deposit Scheme (TDS). r

r

will hold the deposit.

You will not receive interest on the deposit. Any interest earned will belong to us.

8.

You will get the deposit back when this agreement ends and you leave the property, as long as you have kept to all the agreements and conditions and you have paid all the rent and bills for the property. If you do not do so, we may take from your deposit:

- any rent, or other money you owe us which we have told you about and which is still unpaid after the end of the tenancy;
- any unpaid utility bills (electricity, gas, water, phone) or other similar sums or council tax for the property for which you are responsible;
- reasonable compensation if you have broken any of your agreements, including those relating to cleaning the property or the furniture or fixtures; or
- the reasonable cost of making good or compensating us for any damage to the property or the furniture or fixtures or anything else for which you may be responsible which is not caused by fair wear and tear. This does not include any damage covered by our insurance policy (except for any insurance excess) or any damage resulting from our failure to carry out any repairs for which we are responsible. We will make allowances for the age and condition of any item as at the start of the tenancy.
- We can transfer the deposit to another Government approved Tenancy Deposit Scheme or change the person who holds the deposit but in either case we will notify you of this change in writing.

9.

We will keep the deposit until you have produced satisfactory proof that you have paid for the utility bills (electricity, gas, water and phone) for the property. If you fail to provide proof, we may pay any charges you owe and claim these from you.

10.

You cannot use the deposit to pay rent under this agreement.

11.

If there is more than one of us, the landlord who is the member of the TDS is our representative to deal with the deposit on our behalf (jointly and individually).

12. Where there is more than one tenant each of them agrees with the others that any one of them may consent on behalf of all of them to use alternative dispute resolution through a Government approved Tenancy Deposit Scheme to deal with any dispute about the Deposit.
13. If you owe rent or any other money you must pay under the agreement, you will have to pay interest on this amount from the date that it should have been paid. The interest rate is 3% above the base rate used by the Royal Bank of Scotland. This rate may apply before, as well as after, a court judgment has been made against you, depending on the terms of the court judgment.
14. If there is more than one tenant, is chosen to deal with the deposit on your behalf (jointly and individually) and on behalf of anyone who is not a tenant. That person can be replaced as your representative, by another of the tenants, as long as the majority of you tell us in writing.
15. We may keep keys to the property.
16. We may remove, store, sell or otherwise get rid of any furniture or goods which you refuse to remove or fail to remove from the property at the end of the tenancy. You will be responsible for all reasonable costs which we may have because of this. We are entitled to take the costs and any money you owe us from any money made from selling the furniture or goods.
17. You must pay our administration fee of £ for entering into this tenancy. (If none is due insert nil)
18. If there is shared access to the property you are entitled to use the shared entrance, stairways, halls, landings and so on to the property but we may come on to the property if this is necessary to access other parts of the building where your property is located.

B You must do the following.

- 1 Pay rent on the days and in the way we have agreed.
- 2 Pay our reasonable costs for sending reminder letters. These will be £ for each reminder.
- 3 Pay our reasonable costs for any cheque that does not clear or any unpaid direct debit or debit- or credit-card or standing-order payment. These will be £ each time this happens.
- 4 Keep the inside of the property in at least as good a condition as it was when the tenancy started (apart from fair wear and tear). Also, at the end of the tenancy you must leave all furniture and fixtures in the rooms or places they were in at the beginning of the tenancy.
- 5 Repair any damage that you have done deliberately or that was caused by the neglect or carelessness of you or anyone else living in or visiting the property. This includes repairing damage caused in this way to the property and, if it applies, the building in which the property is located and any shared access, replacing any broken glass in windows and repairing or replacing any damaged furniture, fittings and installations. If you do not repair the damage you are responsible for, we can claim the reasonable cost of making good this damage or we may give you written notice asking you to repair the damage within a reasonable period of time, depending on the repairs that need to be done. If you fail to do this within the period of notice given, we may then enter the property (after giving you at least 24 hours' notice, in writing) and carry out the work. You will have to pay us for the reasonable cost of this work.
- 6 Pay for all electricity, gas and phone, water and council tax bills relating to the property that apply during the tenancy.
- 7 Take reasonable precautions to prevent frost or similar damage to the property. If the property is going to be empty overnight or for more than 12 hours when the weather is likely to be cold, you must leave enough heating on to prevent the water system freezing, or turn off the water supply at the main stopcock and open all the other water taps and valves in the property to drain the tanks of hot and cold water.
- 8 Whenever you leave the property unattended, you must lock all the doors and windows and put the burglar alarm on (if there is one). You should tell us if the property is going to be empty for more than seven days in a row.
- 9 If you give us notice that you are going to leave the property before this agreement has ended, you must pay our reasonable costs for reletting the property and pay the rent until a new tenant moves in. We do not have to take the property or the tenancy back from you early unless we want to do so.
- 10 Allow us or our agents to come into the property at all reasonable hours of the day to inspect the condition of the property, to carry out repairs or to do other work which we must carry out by law. We will give you at least 24 hours' written notice if we are going to enter the property. You must let us enter the property immediately if there is an emergency.
- 11 Tell us about any repairs or faults that we are responsible for in the structure or outside of the property, in any installation or, if it applies, in the shared areas.
- 12 Park vehicles in your garage (if there is one) or on your parking space only, and without causing an obstruction.
- 13 Pay the reasonable costs for replacing locks if you fail to return any key.

- 14 Pay any reasonable cost for getting replacement keys.
- 15 Allow possible new tenants and buyers to look at the property (on at least 24 hours' written notice) during the tenancy.
- 16 Be jointly and individually responsible for paying all the rent you have to pay under this agreement and keep to all the terms of this agreement.
- 17 Defrost the fridge when necessary. You will be responsible for the reasonable cost of making good any damage that is caused because you have not done this.
- 18 Be responsible for looking after the garden. You must keep it tidy and cut any grass regularly, but you do not have to improve the garden.
- 19 Pay our reasonable charges (including our costs) for preparing and checking any inventory or condition schedule at the beginning and end of the tenancy.
- 20 At the end of the tenancy, leave the property and our fixtures and fittings in as good a condition as at the start of the tenancy (apart from fair wear and tear) and free from rubbish.
- 21 Pay the reasonable legal and related costs which we have to pay in connection with (i) recovering possession of the property (ii) recovery of unpaid rent or other money payable under this agreement or (iii) steps taken if you fail to comply with the terms of this agreement (including such costs for any attempts by us to do so).
- 22. This clause applies if there is a Guarantor for the tenancy and that Guarantee ends because the Guarantor dies, becomes bankrupt or cancels the Guarantee. If it is reasonable for us to do so then within 2 months of us learning of this we can notify you in writing requiring you within 28 days of this request to find a new Guarantor who is reasonably acceptable to us. Our request must give reasons as to why a new Guarantor is required. That Guarantor must then within 28 days sign a new guarantee including the same terms as the previous Guarantee to take effect from the date when the previous Guarantee came to an end. You must notify us as soon as you become aware that the Guarantor has died or has become bankrupt.

C You must not do the following.

- 1 Alter or add anything to the outside or structure of the property, or the furniture, fixtures and household belongings that are on the list that you and we signed. You must not bring into the property any furniture, fixtures or household belongings which do not meet the Furniture and Furnishings (Fire) (Safety) Regulations. Applicable as at the time that the furniture was manufactured. You can get information about these regulations from your local Trading Standards office.
- 2 Anything which may be a nuisance or annoy us or the neighbours. You must not play any radio, CD, record player, television or similar equipment or musical instrument in a way that will cause a nuisance, annoy the neighbours or be heard outside the property between 11 pm and 7.30 am.
- 3 Bring bicycles, motorcycles, and prams into the property without our permission, in writing (which we will not unreasonably withhold).
- 4 Bring any furniture into the property without our permission, in writing (which we will not unreasonably withhold).
- 5 Tamper with any fire precautions.
- 6 Hang pictures or posters on the walls without our permission, in writing (which we will not unreasonably withhold).
- 7 Use BluTack or any similar type of adhesive on the walls.
- 8 Sublet the property or any part of it, or give up the property or any part of it to someone else.
- 9 Transfer the tenancy to someone else without our permission, in writing (which we will not unreasonably withhold).
- 10 Carry on any profession, trade or business in the property.
- 11 Display any permanent notice on the property.
- 12 Use the property as anything other than a private home (so long as this is not prohibited by the terms of any Lease under which we own the property) this does not prevent you working at home (so long as you are not running a business and your home working is purely incidental to the use of the property as a private home).
- 13 Block, or allow guests to block, any of the shared areas, if this applies.
- 14 Dry washing inside the property, except in a ventilated room suitable for such purposes.
- 15 Use any paraffin or portable gas heater.
- 16 Anything which breaks the terms of any lease under which we own the property so long as a copy of the lease (or the relevant terms) has already been given to you.

D We agree to do the following.

- 1 Keep the property insured against fire and other usual comprehensive risks as long as insurance cover is available on reasonable terms, except for any policy excess.
- 2 Let you have free access to the steps, entrance hall, stairs and all shared areas, if this applies.

- 3 Be responsible for servicing and maintaining any gas heating system and making sure that all gas appliances in the property are checked each year by an engineer registered with Gas Safe, in line with the Gas Safety (Installation and Use) Regulations 1998.
- 4 Be responsible for making sure that any furniture we provide keeps to the Furniture and Furnishings (Fire) (Safety) Regulations applicable when the furniture was manufactured..
- 5 Give you back any part of the rent that you have paid for any period that the property could not be lived in because of fire or any other damage that we are insured for (or an appropriate part if part only cannot be lived in).
- 6 Keep the structure and outside of the property in good repair.
- 7 Keep the gas, water, electricity, space-heating and water-heating installations in good repair and proper working order.
- 8 Refund any rent you have paid which relates to a rental period which starts after the tenancy ends.
- E** If we need to serve any notice on you, including any notice which the law tells us we must give, we will deliver it by hand or send it to you by first-class post to the property address. This means that notices are served on you once they are put through your letter box, even if you do not receive them because you have moved. **If you give us another address to send notices to, any notice served at that address will be valid, if it is posted by first-class post or left at that address.**

If you need to serve any notice on us, you must deliver it by hand or send it by post to the following address.

w

This address may change.

F We may repossess the property if:

- you fail to pay us rent 14 days after it is due, whether you have been asked for it or not;
- you (or any of you) become bankrupt;
- any of the grounds listed in Schedule 2 of the Housing Act 1988 as amended under the Housing Act 1996 apply (these include not paying rent, breaking a term of the tenancy and causing a nuisance or annoyance); or
- the arrangements for us to repossess the property in section 21 of the Housing Act 1988 apply.

IMPORTANT WARNING: We need a court order to repossess the property. You should contact a solicitor, Citizens Advice Bureau or legal advice centre, who will tell you what this means.

- G** We may repossess the property under Ground 1 in Schedule 2 to the Housing Act 1988 (this applies if we have lived in the property as our only or main home or plan to do so). We may repossess the property under Ground 2 in the same schedule which allows the lender to repossess it.

IMPORTANT WARNING: We need a court order to repossess the property. You should contact a solicitor, Citizens Advice Bureau or legal advice centre, who will tell you what this means.

Our signature:

x

Where there are joint tenants, each of you agrees with the other(s) that anyone of them may consent on behalf of all the others to use alternative dispute resolution (adjudication) through a tenancy deposit protection scheme to deal with any dispute about the deposit at the end of the tenancy.

Your signature
(or signatures):

y



Residential Landlords Association

Privacy Notice from your Landlord

Why we hold/process data

This notice sets out how we hold and process data we hold about you. We process personal information about our tenants and prospective tenants to enable us to provide residential accommodation which includes lettings; dealing with applications for tenancies; checking suitability for tenancies (including credit immigration and similar checks); property management; rent collection, maintaining our accounts and records; and administering tenancy deposits.

Relevant information may include personal details, employment and education details and financial details.

Once legislation is in force, we have to undertake immigration checks on prospective tenants and residents. We are required to retain copies of the documents which we inspect as part of these checks. These may be retained in electronic form.

Sharing data with others

We may need to share personal information we process with others. Where this is necessary we are required to comply with data protection legislation.

Depending on the circumstances we may share information with other landlords; employers; educational institutions; universities and colleges; suppliers (including utilities) and service providers; financial organisations (including banks); credit and tenant reference agencies; tenancy deposit schemes; debt collection and tracing agencies; public and government bodies (including those who administer benefits and Council Tax); contractors and repairers; letting and managing agents; and any future owner of the property.

This does not mean that we necessarily share information with all of the above but we may do so where it is necessary.

Council Tax and utilities/services

In order to ensure that Council Tax and Utilities and Service Bills including water charges are correctly collected we share information with the relevant local authority and utility/service providers. We also share this information to ensure that bills are directed to the correct person and charges and debts can be collected. By law, in certain areas information about who occupies a property has to be passed to water companies. In all other areas although this is voluntary we may pass over this information to water companies.

Why we use your personal information

Personal information which you supply to us may be used in a number of ways, for example to make decisions whether to let the property to you; for fraud prevention; for accounting and auditing purposes, for property management or for debt collection.

Right to obtain information

You have the right to request a copy of the information that we hold about you. We may make a small charge for this service. We want to make sure that your personal information is accurate and up to date. You may ask us to correct or remove information if this is inaccurate. To request this information please write to us or email us.

Prescribed Information for Assured Shorthold Tenancies

This information is prescribed under the Housing Act 2004. That means that the two parties to the Tenancy Agreement must be made aware of their rights during and at the end of the Tenancy regarding the protection of and deductions from the Deposit.

A1 Address of the property to which the tenancy relates

Details of the deposit holder(s)

A2 Name(s)

A3 Actual address

A4 E mail address *(if applicable)*

A5 Telephone number

A6 Fax number *(if applicable)*

Details of tenant(s)

A7 Name(s)

A8 Address(es) for contact after the tenancy ends *(if known)*

A9 E mail address(es) *(if applicable)*

A10 Mobile number(s) *(if applicable)*

A11 Fax number(s) *(if applicable)*

Please provide the details requested in A 7-11 for each tenant and for other relevant persons (i.e. agent, guarantor paying the Deposit etc)

The deposit

A12 The deposit is £

A13 The holder of the Deposit will register the Deposit with and provide other required information to the Tenancy Deposit Scheme within 30 days of the commencement of the Tenancy or the taking of the Deposit whichever is earlier and provide proof to the Tenant of compliance. If the holder of the Deposit fails to provide proof within 30 days the Tenant should take independent legal advice from a solicitor, Citizens Advice Bureau (CAB) or other housing advisory service.

A14 A leaflet entitled *What is the Tenancy Deposit Scheme?*, explaining how the Deposit is protected by the Housing Act 2004, is attached to this document for the Tenant by the person holding the Deposit being

At the end of the tenancy

A15 The deposit will be released following the procedures set out in clauses of the Tenancy Agreement provided separately

A16 Deductions may be made from the Deposit according to of the Tenancy Agreement provided separately
No deductions can be made from the Deposit without written consent from both parties to the Tenancy Agreement.

A17 The procedure for instigating a dispute regarding deductions from the Deposit at the end of the Tenancy is summarised in ***What is the Tenancy Deposit Scheme?*** Which is attached to this document. More detailed information is available on: www.tds.gb.com

A18 TDS are specifically excluded under Statutory Instrument from adjudicating where, despite making reasonable efforts to do so, the Landlord or the Agent are unable to contact the Tenant, or the Tenant is unable to contact the landlord or the Agent. Under these circumstances, the Member must do the following:

make every practical effort, over a reasonable period of time but for no longer than it would take for the ICE to resolve a dispute, to contact the (ex)-tenant/landlord using information readily available.
determine dilapidations, rent arrears and any other prospective deductions from the deposit as they would normally do

allocate the deposit, pay the party who is present as appropriate, and transfer the amount due to the absent tenant/landlord to a suitably designated “Client Suspense (bank) Account”.

A19 A formal record of these activities should be made, supported by appropriate documentation.

A20 Following sufficient time (usually at least six years) having elapsed from last contact from the absent tenant/landlord the Member may then donate the amount allocated to them to a suitable registered charity – subject to an undertaking that any valid claim subsequently received by the Member from the beneficial or legal owner would be immediately met by the Member from its own resources.

A21 Should the absent tenant/landlord return within that period and seek to dispute the allocation of the deposit, the ICE may offer to adjudicate.

The Landlord confirms that the information provided to the Agent (*delete if landlord*) and the Tenant is accurate to the best of his knowledge and belief and that the Tenant has had the opportunity to examine the information.

The Tenant confirms he has been given the opportunity to examine this information. The Tenant confirms by signing this document that to the knowledge of the Tenant the information above is accurate to the best of his knowledge and belief.

Signed by the Tenant

Signed by the Landlord/Agent

The Deposit is safeguarded by the Tenancy Deposit Scheme, which is administered by:

The Dispute Service Ltd

PO Box 1255

Hemel Hempstead

Herts

HP1 9GN

phone 0845 226 7837

web www.tds.gb.com

email deposits@tds.gb.com

fax 01442 253193

The Dispute Service Ltd also offers a service for enabling a dispute relating to the deposit to be resolved without having to go to court.

IMPORTANT:

- (1) You must give this document to the Tenant/s and also to any third party (e.g. a parent) who has paid towards the deposit on behalf of the Tenant/s.
- (2) Where a third party has paid towards the deposit this must also be given to the third party and they must be asked to countersign as well. In all cases it must be given to the Tenant/s even if the whole deposit is paid by a third party on their behalf.
- (3) Make sure you give the Tenant/s and any third party) a copy of the TDS Scheme leaflet "What is the Tenancy Deposit Scheme" at the same time.

What is the Tenancy Deposit Scheme?

An advisory leaflet for landlords and tenants



Tel: 0845 226 7837

Fax: 01442 253 193

Email: deposits@tds.gb.com

www.tds.gb.com

Tenancy Deposit Scheme, PO Box 1255, Hemel Hempstead, Herts, HP1 9GN

What is TDS?

The Tenancy Deposit Scheme (TDS) is run by The Dispute Service Ltd. It is an insurance-backed tenancy deposit protection scheme authorised by the government.

TDS has two main roles:

- To protect deposits.
- To help resolve disputes about deposits.

What is tenancy deposit protection?

Tenancy deposit protection applies to all deposits for assured shorthold tenancies that started in England or Wales on or after 6 April 2007. By law, a landlord or agent who receives a deposit for such a tenancy must protect the deposit.

Most residential tenancies in the private rented sector are assured shorthold tenancies, with some exceptions. For example, a tenancy cannot be an assured shorthold tenancy if:

- the tenant is a company;
- the rent is more than £100,000 a year;
- the tenancy is for a holiday let; or
- a university or college rents the accommodation to its students.

Tenancy deposit protection means:

- protecting a tenant's deposit with a government-authorized scheme such as TDS;
- providing the tenant with prescribed information about where their deposit is being protected and how it will be managed.

Tenancy deposit protection schemes can be one of two kinds:

- Custodial – this is where the scheme itself holds the deposit during the tenancy.
- Insurance backed – this is where the landlord or agent holds the deposit during the tenancy, but must give it to the scheme at the end of the tenancy if there is a dispute. The scheme is insured because this guarantees that tenants will always get back the money to which they are entitled. TDS is an insurance-backed scheme.

Each tenancy deposit scheme has its own rules setting out in detail how it operates. The TDS Rules are available from the TDS website and on request.

What are the legal requirements?

These are contained in sections 212–215 of, and Schedule 10 to, the Housing Act 2004 (as amended). Tenancy deposit protection applies to money received by a landlord or agent that is meant to be held as security in case a tenant does not comply with their obligations.

The landlord or agent must comply with the initial requirements of an authorised tenancy deposit protection scheme within 30 days of receiving the deposit. To protect a deposit with TDS, the landlord or agent needs to belong to the scheme, register the deposit on the TDS tenancy database, and pay a membership subscription or deposit protection charge.

A TDS member (landlord or agent) must also give the tenant 'prescribed information'. This information is set out in the Housing (Tenancy Deposits (Prescribed Information) Order 2007. It must also be given to anyone who paid the deposit on the tenant's behalf.

The prescribed information includes the contact details of the landlord and tenant, the rented property's address, the deposit amount and this leaflet. The landlord or agent must also specify which tenancy agreement clauses say how the deposit can be used.

Tenants must be given the opportunity to:

- check any document the landlord provides containing prescribed information; and
- sign it to confirm the information is accurate.

What if the landlord or agent does not comply?

A landlord or agent should protect the deposit in an authorised scheme and provide the tenant (and any sponsor) with the prescribed information within 30 days of receiving the deposit. If they don't do so, then the tenant (or the person who paid the deposit) can take the landlord or agent to court. The court can order the landlord or agent to protect the deposit or repay it to the tenant. The court can also order the landlord or agent to pay the tenant compensation of between one and three times the deposit's value.

A landlord who has not correctly protected a deposit cannot serve a notice to end the tenancy and regain possession of it under section 21 of the Housing Act 1988. The landlord can only serve such a 'section 21 notice' after the deposit has been repaid or after any court case about the deposit has ended.

A landlord who has not given the tenant prescribed information within 30 days must not issue a section 21 notice until the prescribed information has been given. If this takes place more than 30 days after the landlord or agent received the deposit, the tenant can still apply to court for compensation of between one and three times the deposit's value.

TDS cannot award compensation to tenants if a landlord or agent fails to comply with the law relating to tenancy deposit protection. This can only be dealt with by the courts.

Is my deposit protected?

Tenants can check if their deposit is registered with TDS by visiting www.tds.gb.com. If tenants have received a Tenancy Deposit Protection Certificate, they should enter the code number from that certificate. Alternatively they can enter their surname, the deposit amount, the tenancy postcode, and the date their tenancy started.

If a member informs TDS that the protection of a deposit should be ended, TDS will make reasonable efforts to inform the tenant before ending the protection.

If the tenancy has not ended, the tenant (or one of the joint tenants) can object to the ending of deposit protection by phoning the TDS customer contact centre.

If the tenancy has ended and the tenant is not satisfied with the proposed split of the deposit, then the tenant can ask TDS to resolve the dispute within three months after the end of the tenancy.

What happens to the deposit after the landlord or agent receives it?

The landlord or the agent will hold the deposit during the tenancy. The tenancy agreement should state who receives any interest it makes.

What happens to the deposit at the end of the tenancy?

If there is no dispute about the return of the deposit at the end of the tenancy, the landlord or agent must pay the deposit to the tenant without delay, less any deductions that the tenant has agreed.

If there is a dispute about the return of the deposit or about proposed deductions, the parties should try to reach agreement without delay. Most disputes are resolved informally in this way. But if the deposit has not been returned to the tenant within 10 days of the tenant asking for it, any of the parties can ask TDS to resolve the dispute.

If there is a dispute, what happens to the deposit?

The landlord or agent can make a payment from the deposit if:

- both landlord and tenant have agreed; or
- the court has ordered the deposit to be paid; or
- TDS directs them to send the money to TDS.

Once TDS has been asked to resolve a deposit dispute, the landlord or the agent must send the disputed amount to TDS. By this time, the landlord or agent should have paid the tenant any part of the deposit that is not an agreed deduction or in dispute.

If whoever is holding the deposit does not send the disputed deposit amount to TDS, TDS will take legal action to recover it. This will not delay TDS in resolving the dispute. If the deposit holder cannot pay the disputed amount, for example because it has become insolvent, TDS will arrange the adjudication, pay the tenant the amount awarded by the adjudicator and make a claim to its insurers. The law requires TDS to guarantee only that the tenant receives the amount they are entitled to.

How are disputes resolved?

The person who wishes to send the dispute to TDS can do this online or by completing a **Dispute Application Form** giving details of the dispute, and any relevant supporting documents.

The deposit holder must then send the disputed amount to TDS. It will copy the dispute details to the other parties and give them 10 working days to consent to TDS resolving the dispute, respond to the claim, and send in their evidence.

If all the parties agree to TDS resolving the dispute, TDS will appoint an impartial adjudicator to make a binding decision, normally within 28 days of receiving the parties' consent to resolving the dispute. If landlords and agents do not reply, they are treated as consenting. In all these cases, the adjudicator will normally make a decision within 28 days after the deadline for giving evidence.

Within a further 10 days of the adjudicator's decision, TDS will pay the amount due to each party.

The adjudicator's decision will be based only on the evidence sent to TDS – there will be no hearing or visit to the property.

The adjudicator's decision is final. There is no right of appeal to TDS or to the government department in charge of the tenancy deposit protection schemes.

Further details are set out in **The Tenancy Deposit Scheme Rules for the Independent Resolution of Tenancy Deposit Disputes** at www.tds.gb.com.

What if the landlord or tenant can't be contacted at the end of the tenancy?

TDS cannot resolve a dispute if it cannot contact the parties to get their consent to TDS being involved. In these circumstances, the deposit holder must do the following:

- Make every practical effort – over a reasonable period of time but not for longer than it would take TDS to resolve a dispute – to contact the (ex)-tenant/landlord using information readily available.
- Assess any damage, rent arrears and any other likely deductions from the deposit as they would normally do.

- Split the deposit, pay the party who is present the appropriate amount, and transfer the amount due to the absent tenant/landlord to a suitably chosen 'Client suspense (bank) account'.

The deposit holder should make a formal record of these activities and support it with suitable documents.

After enough time (usually at least six years) has passed from the last contact with the absent tenant/landlord, the deposit holder may then donate the absent party's share to a suitable registered charity – subject to a binding promise from the deposit holder that it would immediately pay from its own pocket any valid claim it later received from the beneficial or legal owner.

If the absent tenant/landlord returns within that time and seeks to dispute the allocation of the deposit, TDS may offer to adjudicate.

Is adjudication better than going to court?

Deposit disputes need to be resolved quickly and cheaply. Tenants usually need the money as a deposit on their next property, and landlords need to know how much will be available to spend on things like redecoration, damage or repairs. Going to court takes time and can be expensive and stressful.

If TDS protects a deposit and the dispute goes to court, the disputed amount must be sent to TDS. TDS will distribute the deposit once it receives a final court order showing what is to happen to the deposit.

TDS can only resolve a dispute if the deposit has been registered with TDS. If a deposit has not been registered, the parties will have to go to court if they cannot agree a settlement.

Sometimes landlords or tenants prefer to go to court. It might be better for a landlord to go to court if they have a big claim that is well above the deposit. It might be better for a tenant to go to court if they have a counterclaim – say if they had to pay for boiler repairs because the heating did not work for several weeks. TDS cannot deal with counterclaims.

Where TDS cannot accept a dispute for adjudication, TDS will notify any other party to the dispute that this has happened. The other party to the dispute may then choose to go to court or rely on the agent's judgment if the agent is holding the deposit.

What can TDS deal with?

Using the TDS dispute resolution service is not compulsory. If either the landlord or tenant does not agree to use the service, one of them could choose to go to court.

TDS can only deal with disputes about the deposit itself, and cannot make awards that are for more than the disputed deposit. If a larger amount is disputed, you may need to go to court. TDS cannot deal with counterclaims by tenants – such as a claim for disrepair. If you are a tenant and you wish to bring a counterclaim against your landlord, you will need to go to court.

TDS cannot deal with disputes between individual tenants, or between landlords and their agents. TDS does not act as a regulator and cannot order changes in trading practices, close down businesses, or prosecute landlords or agents. However, it does try to raise standards in the private rented sector by educating tenants, landlords and agents about the cause of disputes and how to avoid them.

How much does it cost?

TDS is funded by the membership subscriptions and deposit protection charges that letting agents and landlords pay. All these fees are on the TDS website.

TDS makes no charge to tenants for protecting the deposit – although landlords or agents may pass on their subscriptions to their tenants as part of the tenancy costs. There is no charge to landlords, tenants or agents for having a dispute resolved.

Who can join the Tenancy Deposit Scheme?

The Tenancy Deposit Scheme is open to landlords and letting agents offering residential property for rent. They will be asked to provide relevant information – as set out in the TDS Rules – to TDS before it decides whether they can be accepted as a member, and what their subscription will be.

Our guarantee of impartiality

TDS is overseen by a Board, which is responsible for operating and financing the business. The Board, and the TDS management, have no role in resolving disputes and cannot intervene in decisions about disputes. The scheme's Head of Adjudication is responsible for resolving disputes. The most usual method for resolving a dispute through TDS is to use adjudication but the scheme may suggest negotiation, mediation or other methods.

Adjudicators work fairly and impartially. All TDS adjudicators belong to the Chartered Institute of Arbitrators and comply with our Adjudicator Code of Conduct, which is available on the TDS website. The adjudicators make decisions without favour, based on the issues in dispute and the evidence provided.

TDS publishes breakdowns of awards in its Annual Reports. These give an overview of how awards are split between tenants, landlords and agents. You can see the adjudicators' decision-making guidelines and some example case studies at www.tds.gb.com.

Data Protection

TDS will not use landlords' or tenants' personal data for any purpose except to operate the scheme (this includes compiling statistical data) and resolve disputes. From time to time, TDS may invite landlords or tenants to participate in surveys. If you do not wish to be contacted for survey purposes, please inform TDS by letter or email to the contact details given in this leaflet.

Contact details

Tenancy Deposit Scheme operated by
The Dispute Service Limited
PO Box 1255
Hemel Hempstead
Herts HP1 9GN

Tel: 0845 226 7837
Fax: 01442 253 193
Web: www.tds.gb.com
Email: deposits@tds.gb.com