

► Information for Tenants

About Tenancy Deposit Protection

Tenancy Deposit Solutions Limited (TDSL) has been appointed by Communities and Local Government to administer an insurance-based tenancy deposit protection scheme. TDSL is a company jointly owned by the National Landlords Association (NLA) and Hamilton Fraser Insurance (HFIS plc). The Scheme is sponsored by the NLA and administered by HFIS plc, a company authorised and regulated by the Financial Services Authority.

The provisions of tenancy deposit protection are set out in the Housing Act 2004. All deposits taken by landlords and agents relating to assured shorthold tenancies created in England and Wales after 6th April 2007 must be protected with a government-authorised tenancy deposit scheme. This is designed to ensure that you get all or part of your deposit back when you are entitled to it.

Penalties for the Landlord for Failure to Protect a Deposit

Failure to protect a deposit with a government-authorised tenancy deposit scheme carries penalties for the landlord:

- Your landlord will be unable to use 'notice-only grounds' to regain possession of the property (under Section 21 of the Housing Act 1988).
- You can apply for a court order requiring the deposit to be protected and confirmation provided to you.
- If your landlord fails to comply with these requirements, or if the deposit is not protected by an authorised scheme, the court will order the landlord to repay the deposit to you or to pay the deposit into an authorised scheme.
- The court will also order your landlord to pay you compensation of three times the deposit amount, payable to you within 14 days.

Protecting a Deposit

Within 14 days of you paying your landlord/agent the deposit, they must provide you with details of how the deposit is protected and what to do if there is a dispute about the deposit at the end of the tenancy agreement.

In the case of deposits taken on a joint and several tenancy agreement (JSTA), the tenants and landlord/agent must make provision for a lead tenant with whom the Scheme will deal. Only the lead tenant will be recognised by the Scheme in the event of a dispute or other matters relating to the protection of a deposit. Your landlord/agent must advise the Scheme of changes to the lead tenant and other tenants who are signatories to the JSTA. This does not affect the legal rights or obligations of the other joint tenants.

The landlord/agent must also provide evidence of the protected deposit to any party that has paid the deposit to the landlord/agent on your behalf.

You should ensure that you ask your landlord or agent how they are protecting your deposit. You should be aware that the responsibility for advising you of details of the protected deposit lies with the landlord or agent. You will not be able to hold the Scheme responsible for any failure in providing the deposit protection information to you. To assist in this your landlord/agent should ask you to sign the Deposit Protection Certificate that our Scheme issues to them to pass on to you.

Return of the Deposit

At the end of the tenancy agreement you should agree with your landlord/agent how much of the deposit should be returned to you. You should ensure that you leave the property and its contents in the same condition in which it was let to you (subject to fair wear and tear). You should also ensure that you are up to date with your rent and any other expenses that you have agreed to pay under the terms of your tenancy agreement. Within 10 days from the end of the tenancy agreement you should receive the agreed amount from your landlord or agent.

Your deposit can then be unprotected by your landlord/agent. To ensure that the deposit has been unprotected with your agreement, the Scheme will contact you at your correspondence address supplied by your landlord/agent. Alternatively, both you and your landlord/agent can unprotect a deposit by signing the reverse of the Deposit Protection Certificate and returning it to the Scheme.

The Scheme may accept from you a dispute relating to the deposit up to a maximum of 90 days after the deposit has been unprotected provided you were not party to the initial unprotection process (for example, if your landlord unprotected the deposit without your consent). Disputes will not be accepted by the Scheme after this period has elapsed. Your landlord/agent will be expected to abide with our Rules of Membership regarding notified disputes.



Notifying Us of a Dispute

Your landlord or agent has 10 days after the end of the tenancy agreement to return the agreed deposit amount to you. If after this time you have not received the agreed amount or you cannot agree with the landlord the amount you should receive, you can notify the Scheme of a possible dispute. The Scheme will not accept a dispute notified to us prior to the end of the 10-day period.

When you contact the Scheme to advise us of a potential dispute, we will assist you and your landlord/agent to reach agreement over the apportionment of the deposit. This may include suggestions of best practice, guidance relating to the responsibilities of either party, or facilitating communication between you and your landlord/agent.

If our help does not result in a satisfactory conclusion or if you refuse our assistance, you may register a formal dispute with the Scheme. This process involves you completing a Dispute Notification Claim Form which should be returned to the Scheme, together with any evidence supporting your claim, within 10 days of you registering a formal dispute with the Scheme. The Scheme will reject any claim form received after this date. Examples of acceptable evidence could include copies of any signed inventory, photos or video evidence, rent statements, paid utility bills, or other correspondence between you and your landlord/agent.

The completion of the Dispute Notification Claim Form will constitute agreement that you wish to use our Alternative Dispute Resolution (ADR) service and be bound by any decision it makes over the return of the disputed amount, unless you explicitly state on the form that you wish to take action through the courts.

On receipt of your Dispute Notification Claim Form and supporting evidence, the Scheme will notify the landlord/agent that there is a formal dispute and request their counter-claim and supporting evidence within 10 days. The Scheme Administrator will also request the landlord/agent to lodge the disputed deposit amount with the Scheme within the same timescale while the dispute is being resolved. We will hold this money in a segregated client money account.

If, within the 10 days we have received the disputed amount from the landlord/agent but have not received their counter-claim and evidence, the Scheme can rule that you are entitled to the disputed amount and return it to you. If the landlord/agent refuses to lodge the disputed amount with the Scheme, we will continue to protect your deposit, but we cannot return the disputed amounts to you without a court order. The Scheme will assist you in obtaining this order, at which point we will guarantee return of the disputed amount to you within 10 days of our receiving a copy of the court order.

Use of the Scheme's Alternative Dispute Resolution Service (ADR)

Use of the Scheme's ADR service is available to both you and the landlord/agent. Both parties must agree to use the service. If either party refuses to use it then, failing agreement between the parties, a court order must be obtained to resolve the dispute. However, if both parties do agree to use the ADR service then any decision made by the service will be binding on both parties.

ADR will be impartial and evidence-based. You will not be charged for the service. It consists of the consideration of evidence and does not entail interviews or mediation. An independent adjudicator will make a decision on the strength of the evidence supplied and the decision will be binding on both parties. There will be no right of appeal. For small claims or where the dispute does not involve complicated legal issues or precedents, the Scheme may appoint an internal adjudicator to deal with the dispute.

The Scheme will distribute the disputed amount in accordance with the decision of the adjudicator within 10 days.

Contacting TDSL

You can contact the Scheme at any time by calling 0871 703 0552 to find out whether your deposit is protected or to request a copy of your Deposit Protection Certificate. Owing to data protection, we are only allowed to disclose limited information to you over the phone but we will send you a duplicate Deposit Protection Certificate to the address we have noted for you.

You can advise the Scheme of a potential dispute by telephone or by downloading a Dispute Notification Claim Form from our website www.mydeposits.co.uk.

Data Protection

Communities and Local Government has appointed Tenancy Deposit Solutions Limited and/or HFIS plc T/A Hamilton Fraser Insurance as a scheme administrator to act on its behalf to gather and process the information you provide together with information from other services for the purpose of providing a tenancy deposit protection scheme as regulated by The Housing Act 2004. This includes the provision of alternative dispute resolution. For further information, please refer to the full Data Protection Notice at the end of the Scheme Rules or contact Tenancy Deposit Solutions Limited on 0871 703 0552. Alternatively, you can email dataprotectionact@mydeposits.co.uk or write to Customer Services Manager, Hamilton Fraser Insurance, 3rd Floor Kingmaker House, Station Road, New Barnet, Herts EN5 1NZ.