

LET TER BOX

ISSUE 4 | SPRING 2019



SPECIAL EDITION

Tenant Fees Ban

WIN
a **red letter**
experience **DAYS**

See inside for
details

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All together better

Bring all your deposits
together under one roof



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or our **free TDS Custodial** scheme.

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WELCOME TO LETTERBOX

– SPECIAL EDITION –

We hope you enjoyed the third issue of Letterbox.

In this fourth edition of Letterbox, the Tenancy Deposit Scheme (TDS) focuses on the incoming Tenant Fees Act 2019. First reading of the Act took place on 5 May 2018 and since then the sector has waited in anticipation of the changes which the Act will make to the Private Rented Sector (PRS) in England. TDS take the opportunity in this issue of Letterbox to look at the new Act in more detail and exactly what changes it will make to the practices and processes of our members.

We will guide you through the likely changes and what affect this could have on the taking and holding of tenancy deposits, including the end of tenancy process and what could happen if you need to raise a dispute with TDS.

This special edition of Letterbox will also look at the cap on security deposits and holding deposits, default fees, pet deposits and client money protection. We'll introduce our latest inventory guidance and Independent Complaints Reviewer.

Steve Harriott
Chief Executive



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WIN
a red letter
experience DAYS

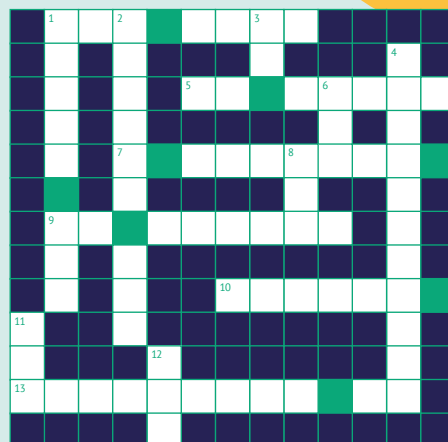
Complete the crossword and decipher the word that appears in the green squares; it's an important part of concluding a dispute! To enter the competition, follow TDS on our Facebook or Twitter pages and send us a private message with your answer.

ACROSS

1. A record of the condition of a property when the tenancy ends (5,3)
5. The main reason for disputes in 2017-18 (8)
7. A word used to describe the rules for tenancy deposit protection (10)
9. A report that accurately describes the condition of a rental property before a tenancy commences (9)
10. A disagreement over who the deposit should be repaid to (7)
13. A process TDS uses to decide how much should be awarded to each party based on the evidence provided when a dispute arises (12)

DOWN

1. The free tenancy deposit protection scheme at TDS (9)
2. Weekly TDS blogs authored by industry experts (6,4)
3. Deposit ___ clause (3)
4. TDS provides a wealth of ___ on their website (11)
6. TDS is the only ___-for-profit in England and Wales (3)
8. Acronym for Alternative Dispute Resolution (3)
11. TDS partner that provides advice to landlords (3)
12. What is Tenancy Deposit Scheme commonly known as? (3)



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TDS NEWS

4 MONTHS IN REVIEW

Since our last issue of Letterbox, we've had a busy few months. We've invested in technology and customer experience as part of our mission to continually improve customer satisfaction.

As you may have heard, we also had a fire at our offices. We were able to recover quickly with all calls and emails being answered by 2pm the very next day. We've also been ranked 63rd in The Times 100 Best Not-For-Profit Organisations To Work For.

Here's a few of the things we've been up to.

TDS' COMMITMENT TO IMPROVING TECHNOLOGY

TDS have invested heavily in our online technology solutions and hired a Chief Technology Officer to drive us forward.

The majority of TDS' business operations, including registering deposits, adjudication and releasing deposits, can be done fully online, so it's important that our digital offering keeps pace with unrelenting technical advances.



François joined TDS from the Royal Institute of British Architects (RIBA) and brings 18 years' experience of board-level strategic and

operational change. François has worked in the private, public and not-for-profit sectors and has a background in business and digital transformation.

François believes that as more agents, landlords and tenants access our digital solutions, it's crucial that we constantly improve on our delivery.

Our letting agent and landlord members are at the heart of everything we do, and François is looking forward to working with the rest of the organisation to deliver our digital transformation.

TDS INVESTS IN CUSTOMER EXPERIENCE



Louise Walton brings 35 years' experience with her to TDS. She has a wealth of knowledge in customer service experience, leading transformational

customer change, developing teams and creating centres of excellence. Louise joined TDS as Head of Customer Experience and looks after both the TDS Insured and TDS Custodial Operational Teams.

Louise highlights how TDS is now very much a digital company but with a personal and accessible touch – an ethos which can only be realised through technological and customer service excellence.

Louise works closely with François and his team to continue to improve the customer journey. We will be liaising directly with our members to find out what changes we can implement to help make deposit protection as straightforward and customer-centric as possible.

We've also made a number of changes to our Customer Operations Teams who are dedicated to deal with calls from agents, landlords or tenants.

THE TDS FIRE



On Wednesday 9 January 2019, TDS Head Office had a serious fire which destroyed the roof and first floor. Our team was evacuated safely and no one was injured.

Our business continuity plan was promptly activated, and we were pleased to report that no services, accessible by our customers, were affected. All calls and emails were being answered by 14:00 the following day and by the end of the week we had sourced alternative offices.

Throughout this experience, our colleagues were continuously dedicated to providing excellent customer service for our customers and members. We managed to recover quickly, exceeding not only our government KPIs (Key Performance Indicators), but also our internal service targets.

We'd like to thank all of our members and the local community who reached out with offers to help us recover.

ALL SCHEMES GROW

TDS experienced growth within all schemes throughout the UK. TDS Custodial launched in 2016 and continues to grow at a fantastic rate.

Our growth (number of deposits protected)

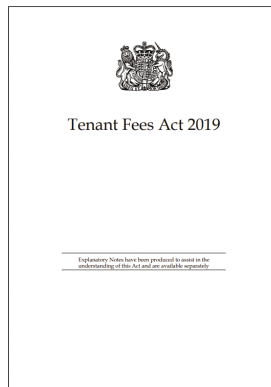
	December 2017	December 2018
TDS Insured England & Wales	1,260,668	1,302,374
TDS Custodial England & Wales	35,996	60,627
TDS NI Insured & Custodial	42,518	45,117

CLOSELY MONITORING CHANGES IN THE INDUSTRY

The last four months have seen MPs and Peers debating the Tenant Fees Act. TDS has monitored all changes and amendments closely to ensure a correct understanding of the legislation, which is to be introduced in England on 1 June 2019. As recently announced, the ban will come into force on 1 September 2019 in Wales, subject to receiving Royal Assent.

The Bill was first debated in Parliament in May 2018.

This edition of Letterbox will have a focus on the Tenant Fees Ban, guiding our members on how the changes made within the new Act will affect processes and procedures in the market.



it

TDS CHARITABLE FOUNDATION FUNDS FIRST NORTHERN IRELAND ORGANISATION



TDS Charitable Foundation concluded the 12th round of bid funding and awarded £20,146 to organisations and charities throughout the UK.

It was set up in 2014 and the 12th round of funding saw the first organisation in Northern Ireland receive funding. Ulster University Students' Union were awarded £5,146.00 to train and equip a number of students with the OCN accredited Level 3 Housing Advice Training Programme (HATP). The funding will also cover annual membership of the Housing Rights Network, as well as Rent Right videos.

COMMUNICATIONS AND AWARDS



In 2017, we achieved 84th place in The Sunday Times 100 Best Not-For-Profit Organisations To Work For. In 2019, we're pleased to announce we've achieved 63rd place. We work hard to ensure our colleagues are happy and proud to work for TDS, and this is an award we're really proud of.

We continue to voice our views across the industry with a number of articles in the Landlord Investor, Residential Property Investor (RPI), Property Professional, Property Industry Eye and Property Tribes.

Our social media channels have grown; you can follow us through the handles below.

We regularly post #ExpertView blogs which see an industry expert voice their opinion, along with our weekly #AskTDS blog where we answer the real questions of our customers and members.

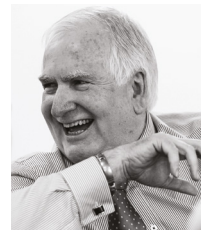
We publish case studies monthly which are circulated across our social media channels, providing our members with an insight into how an adjudicator would approach a specific claim.

We have also continued our agent visits and member forums. Keeping in touch with our members is at the heart of what we do and if you have any feedback, please feel free to contact us directly.

TDS finished 2018 on a high with nominations for several awards throughout the sector including the ESTAS Supplier of the Year 2018 and Landlord Education Provider of the Year at the Landlord Investment Show Awards 2018.

TDS Northern Ireland were also nominated for two Chartered Institute of Housing awards - Excellence in Customer Service and Excellence in the Private Rented Sector.

Steve Harriott,
Chief Executive



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 [tenancydeposits](https://www.instagram.com/tenancydeposits)

TDS TRENDS

TDS Custodial launched in 2016, and since then we've been collecting lots of data about all things tenancy deposits. The scheme has grown quickly and as the number of deposits we hold continues to grow, so does the amount of deposit repayments we make.

The deposit repayment process can be a tough period when the parties disagree on how the deposit should be distributed. It's important for a landlord to only propose deductions which are justified and reasonable for the extent of the work involved. Similarly, whilst it's the tenant's money to begin with, a tenant must be realistic about whether they have returned the property in a standard which reflects how it was given to them at the start of the tenancy; comprehensive check-in and check-out reports can assist with this.

We've studied all deposit repayments which we made between **April 2016** and **August 2018** which have been agreed between the parties, rather than those that have gone through the adjudication route.

This article delves into what our figures showed.

The total number of deposit repayments which TDS made in this timeframe was

19,460

with just over

£16.6m being repaid

TDS found that in

11,386

of these cases, the parties agreed that the tenant could be repaid the full deposit

58.51%
Agreed to some deduction



41.49%
Repaid in full

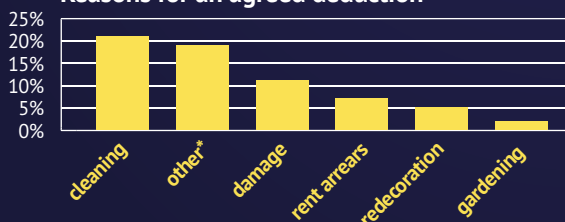
Where a deduction from the deposit was agreed between the parties, we found...

£308.29
Average deduction

and in

1,225 cases (6.29%) the tenant agreed to the full deposit being repaid to the landlord

Reasons for an agreed deduction



*commonly includes claims for missing items, removal of items and fees

We delved further into our data to find out exactly what the deductions were for:

The deposit deductions agreed by tenants over all 19,460 repayment requests totalled just under...

£2.5m

- £705,000 rent arrears
- £426,000 cleaning
- £348,000 damage
- £37,000 gardening



Rebecca Johnston,
Director of Business Development

Ask an Adjudicator



Here, we take a look at some interesting typical scenarios. In each scenario, one of our adjudicators has provided guidance on TDS' approach to a real tenancy deposit dispute.

"I've taken a five-week deposit and now just two months into my tenancy, the tenant has asked if she can get a kitten. Under the Tenant Fees Ban, I can't take a 'pet deposit'. Can I have the property professionally cleaned at the end of the tenancy and charge this to the tenant's deposit?"

Since you've already taken a five-week deposit, you're unable to take a further 'pet deposit'. The Tenant Fees Ban stops you from forcing the tenant to enter into a contract with a third party, i.e. employing a professional cleaner at the end of the tenancy. However, your tenant is still responsible for returning the property cleaned to the same standard as it was at the start of the tenancy, allowing for fair wear and tear. Whether you can make a deduction depends on the standard of cleanliness shown on the inventory, check-in and check-out reports, assuming your tenancy agreement allows for a deduction.

You will be able to make a deduction if the property is left unclean or if there are areas subject to cat hair or other cleaning issues. If the check-out report says the property is returned clean, you won't be able to charge the tenant for cleaning simply because a cat was kept during the tenancy.

"My tenant contacted me earlier in the week to report a broken window. The tenant blames this on the purity of the glass but the specialist I sent to the property has informed me it was caused by an impact. Can I make a claim from the deposit?"

As with any claim which you intend to make from the deposit, it's important to consider the contractual obligation placed upon the tenant and ensure that the deposit-use clause allows for a deduction. Commonly, many agreements place an obligation on the tenant to replace any glass broken by the tenant or their visitors.

In your case, it's important that you have the specialist contractor provide an independent report which outlines what caused the breakage and that you provide this to TDS when you submit your claim.

It's not unheard of that glass can break due to an impurity or stress, and if your tenant seeks specialist advice which supports their assertion, there is a chance that you may be unsuccessful in your claim. It will be up to the adjudicator to decide based on both sets of evidence which is more likely and whether it is reasonable that the tenant bear the cost of replacement.

If impact caused the breakage, you are, of course, entitled to claim so make sure you supply any reports or evidence which could be instrumental to your claim.

"I've been told that under the Tenant Fees Ban, I must provide an invoice or receipt for any monetary loss I have suffered when making a claim from the deposit. Does this mean I cannot claim compensation for the iron burn mark my tenant left on the bedroom carpet without having to replace the entire carpet?"

The Tenant Fees Ban makes it mandatory that a landlord provides proof of loss for any *default fee* which is claimed from the tenant. However, claims for damages which are dealt with from the deposit are separate and you do not have to provide proof of a cost incurred; evidence of a loss suffered is enough. Providing sufficient evidence to show the tenant caused this damage will be enough to persuade the adjudicator your claim is justified.

As a landlord, it's important to mitigate your loss and your claim should be proportionate to the damage. A claim for a compensatory sum for the loss in aesthetic value is likely to be more successful than a claim for a full replacement of the carpet.



Michael Hill,
Adjudicator

THE TENANT FEES BAN

In May 2018, the Tenant Fees Ban came before Parliament for the first time. It was proposed on the basis that excessively high letting fees and rising deposits were making renting unaffordable for many tenants in England and Wales. The Tenant Fees Ban will come into effect on 1 June 2019 in England, and 1 September 2019 in Wales, and in this article, we discuss differing views on the Fees Ban and what it says. We also look at the likely effect the Fees Ban will have on agents, landlords, tenants and the common practices and procedures we see currently.

The Fees Ban has been widely discussed throughout the sector and as it has progressed through Parliament, we have learned more about its changes and how it may affect the market. Many believe that the ban will make renting more affordable to tenants and others think that the costs tenants usually incur at the outset will instead be spread across the life of the tenancy through higher rents.

In short, the Tenant Fees Ban has two main intentions;

1. To ban fees being charged to tenants; and
2. To cap deposits as a multiple of the rent.

THE FEES BAN

The largest part of the new Act is occupied by the details of the fees ban. The ban will include all fees which a tenant is required to pay as a condition of the granting, continuance or renewal of the tenancy. This will include, but is not limited to, referencing fees, inventory fees, credit check fees and administration charges.

The Act confirms that holding deposits, rent and tenancy deposits will not be included in the ban, neither will charges imposed for defaulting on the agreement, including interest charges on unpaid rent and replacement keys, fobs or security devices. These charges fall under the 'Default Fees' part of the Act.

Default Fees can be disputed by a tenant through Trading Standards and these are likely to be charges incurred during the tenancy rather than at the end of it.

TENANCY DEPOSITS

Under the Fees Ban, there will be a cap on the amount of deposit which you can take on assured shorthold tenancies (ASTs). For tenancies where the rent is up to £50,000 per year, the deposit will be capped at five weeks' rent. For those tenancies where the rent is £50,000 or more, up to £100,000 (the maximum threshold for an Assured Shorthold Tenancy), the deposit will be capped at six weeks' rent.

Agents and landlords will therefore need to bear in mind that they cannot take any additional deposit beyond a five/six-week deposit already charged. This means that if a tenant requests a pet part way through the tenancy, the landlord would be unable to increase the deposit to allow for carpet cleaning or fumigation.

There is no requirement to refund deposit amounts exceeding the above limits where a fixed-term agreement, entered into before the implementation date, becomes a statutory periodic tenancy.

Where a tenant renews their tenancy by signing a new fixed term agreement, after the implementation date, any amount of their existing deposit which exceeds the above limits must be refunded.

HOLDING DEPOSITS

The Tenant Fees Ban will limit holding deposits to a maximum of 1 week's rent. The legislation also dictates that the landlord will have 15 days to decide whether the tenancy proceeds once a holding deposit has been paid by a tenant.

If the tenancy doesn't proceed, the money must be repaid to the tenant in full within 7 days of either the 15-day deadline being reached, or the landlord deciding against the tenancy proceeding. This means that if the landlord decides on day 4 that the tenancy will not proceed, they have 7 days from this date to repay the funds, rather than from day 15.

If the tenancy does proceed, the holding deposit must be either returned within 7 days of agreement, or as is common now, converted into part payment of either the actual deposit or the initial rent payment, with the tenant's agreement. We would recommend taking it towards the rent to reduce confusion as to the date the deposit (or part of it) was received.

PENALTIES

Where a banned fee is taken, this will constitute a breach of the legislation. Consequently, a tenant will be entitled to get the money back through the Courts.

The legislation will be governed by Trading Standards and agents can expect a fine of up to £5,000 per offence upon first breach. Any further breaches of the legislation constitute a criminal offence, or the landlord can be fined up to £30,000 as a civil penalty.

It is expected that Banning Orders may also be used for repeat offenders.

DEFAULT PAYMENTS

The Act restricts payment for default fees to:

- The loss of a key or other security device giving access to the dwelling, or;
- A failure to pay the full rent due within 14 days beginning the date on which the payment is due. Further amendments to the Act have restricted the interest payable on overdue rent to an annual percentage rate of 3% above the Bank of England base rate.

Default fees can only be recovered where they have been written into the tenancy agreement and the amount of payment required cannot exceed the reasonable costs incurred, which must be evidenced in writing to the person liable for the payment.

We'll be releasing more detailed guidance on the Tenant Fees Act in due course to assist our members with any queries they may have.

THE REST OF THE UK

The Tenant Fees Ban in Wales will come into effect on 1 September 2019, subject to it receiving Royal Assent. The Bill intends to ban tenants from being charged for accompanied viewings, signing a contract, renewing a tenancy or receiving an inventory.

Agents and landlords' fees will be limited to those relating to rent, deposits (both security and holding) and fees incurred as a result of a tenant breaching the contract.

In Scotland, up-front tenant fees have been banned since 2012.

In Northern Ireland, a number of recent court cases have held that administrative fees charged as a precondition of a tenancy are void.

We're yet to see how the Tenant Fees Ban will affect the private rented sector, but as always, TDS endeavours to provide guidance to all of our customers and members.

HOW TO CALCULATE YOUR 5-WEEK DEPOSIT

Rent Per Calendar Month
 $\times 12 / 365 \times 7$

FOR EXAMPLE

$\pounds 850.00 \times 12 = \pounds 10,200$

$\pounds 10,200 / 365 = \pounds 27.95$

$\pounds 27.95 \times 7 = \pounds 195.62$

$\pounds 195.62 \times 5 = \pounds 978.08$

From 1st June 2019 landlords in England will be limited to 5 weeks' deposit for new and renewed tenancies.

Get the deposit cap right with our handy calculator.

Monthly rent

£

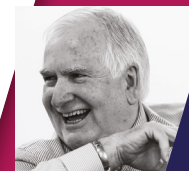
Weekly rent

£ 0.00

5 weeks' rent

Maximum deposit

£ 0.00



Steve Harriot,
Chief Executive

10 THINGS

TO GET RIGHT WHEN REGISTERING A TENANCY DEPOSIT – ENGLAND & WALES



John King,
Director of Customer Relations

The Tenancy Deposit Protection (TDP) legislation confirms what a landlord, or a letting agent acting on the landlord's behalf, must do to register and protect the tenancy deposit. To help you get it right, we have listed 10 key things you need to consider when registering a tenancy deposit. Breaching the TDP requirements can be costly with the potential for penalties to be imposed by the Courts and possible issues over gaining possession if the process isn't managed correctly.

1 The tenancy deposit must be registered within 30 days of being received
The clock starts ticking from the point the tenancy deposit is received, in part or total. Late registration may attract a penalty from the Court, so make sure you register in good time.

2 The tenants and any relevant person must be served with Prescribed Information (PI) in 30 days
Prescribed Information is a list of details that must be served on the tenant(s) and any relevant person in relation to that tenancy. In TDS Insured, we have designed a downloadable template, so that landlords and their letting agents can ensure all the relevant data has been included. TDS Custodial provides pre-populated PI for you to serve on the tenants.

3 Prescribed Information also includes the scheme leaflet
TDS has a scheme leaflet for both our Insured and Custodial schemes; the leaflet must be served on the tenant(s) and any relevant person. The scheme leaflets can be easily downloaded from our website.

4 Early service of PI
If you supply a copy of the PI before the tenancy deposit is received, you must make sure that you also re-serve a copy within the required timelines of receiving the deposit.

It's great to be efficient and provide draft documents to all parties, but the registration and the Prescribed Information documents must be completed and served within 30 days of the tenancy deposit being received, so make sure you comply. If you serve the PI in advance of the tenancy deposit receipt date, you may be in breach of the legislation.

5 A relevant person is a person, company or organisation that pays the deposit on behalf of the tenants
If the tenancy deposit is paid on behalf of the tenant by another person or organisation, they are a relevant person and entitled to the Prescribed Information documents. Don't forget to serve the PI on tenants and relevant persons within 30 days of receiving it.

6 Ensure you have recorded all the information accurately with all the required detail
It's best practice to keep an audit trail of your actions and even get documents signed or receipted to show when they were served. It's better to be prepared.

7 Make sure the Prescribed Information has been signed by the landlord or the approved agent to confirm the details are accurate
The Deregulation Act 2015 made provision for the Prescribed Information to be signed by the landlord's representative; make sure, as a letting agent, you have the correct authority to confirm the details are accurate.

8 Keep copies of all documents in case you need to refer to them later and complete all details to avoid confusion
If you need to serve documents to obtain possession of the property, you should make sure you have the full details to show you protected the tenancy deposit correctly, and if challenged you can prove all was in order with confidence.

9 Make sure your tenancy agreement refers to the correct tenancy deposit protection scheme
If you change any details, make sure they are recorded and that the tenancy agreement confirms the correct scheme. If you do change tenants, landlord, property or schemes, there is a requirement under the Deregulation Act 2015 to re-serve the Prescribed Information documentation again.

10 Don't register non-Assured Shorthold Tenancies (Company Agreement, Common Law Tenancy)
Don't be tempted to register a tenancy deposit from an agreement that is not an AST. The Housing Act 2004 makes provisions for the protection of a tenancy deposit on Assured Shorthold Tenancy agreements only; you don't need to register the tenancy deposit if it's not an AST, nor do you need to serve Prescribed Information. You won't want to imply the tenancy deposit is protected as this could lead to confusion at the end of the tenancy.

WELCOMING...

MONEY SHIELD

In this article, TDS discusses the incoming mandatory Client Money Protection (CMP) legislation in England and introduces Money Shield – an approved CMP scheme offering a solution for agents to comply with the legislation.

On 28 March 2017, it was announced that the government intended to make Client Money Protection mandatory for all letting agents in England.

On 3 May 2018, the government laid regulations which required letting agents to hold CMP. The regulations took effect on 1 April 2019.

SO, WHAT IS CMP?

Client Money Protection is an insurance product offered by a government-approved scheme to ensure that landlords and tenants can claim monies which are misappropriated by a letting agent. Letting agents hold rents, deposits and other client monies in a client account that is separate from the business account and, if the money is misappropriated or stolen, landlords and tenants can make a claim through the CMP scheme to ensure they're not left out of pocket.

Requirements

From 1 April 2019, letting agents in the UK are required to:

- Belong to a government-approved CMP scheme;
- Display a certificate of their membership in-branch and on their website;
- Notify all clients within 14 days if their CMP membership is revoked or they change to a different provider; and
- Provide their customers with the name and address of the CMP scheme.

What's the penalty for non-compliance?

Local authorities will police the legislation and they will have the power to impose fines of up to £30,000 on agents who do not belong to a government-approved CMP scheme and impose fines of up to £5,000 on agents who fail to display the correct documentation in-branch and on their website.

ENTER... MONEY SHIELD

Money Shield is a CMP scheme enabling agents to reassure their tenants, landlords, buyers and vendors that their money is completely safe. Money Shield will step in to reimburse landlords and tenants should their money, including rent and unprotected deposits, be misappropriated by an agent.

Money Shield is jointly owned by The Dispute Service (TDS) and Propertymark, operated in partnership with The Property Ombudsman (TPO) and is administered by industry experts, Propertymark – an established brand which is visible throughout the market and across the UK.

Not only will being a member of Money Shield fulfil your obligations under the legislation to join a scheme, but you'll be protected under an established brand in the market meaning your landlords and tenants can use your services with confidence that their money is safe in your hands.

You can join Money Shield at www.money-shield.co.uk

Money Shield offers the peace of mind that your money is protected.

Client Money Protection across the UK

England	Mandatory Client Money Protection from April 2019 for all letting agents
Wales	Rent Smart Wales requires all letting agents to have Client Money Protection from 1 April 2015
Scotland	All letting agents must have Client Money Protection from 31 January 2018
N. Ireland	Client Money Protection is voluntary



Nick Hankey,
Deputy Chief Executive

BREAKING NEWS

TDS LAUNCHES NEW GUIDE FOR INVENTORIES



TDS has launched a new guide for best practice for inventories in association with Propertymark Inventories and the AIIC (Association of Independent Inventory Clerks).

In this article, we look at TDS' new guide for inventories.

However well a tenant looks after their property, it will not be in the same condition at the end of the tenancy as it was at the start. Wear and tear to carpets, flooring, and other fixtures, fittings and decorations will, inevitably, have taken place. Even well-looked after contents will deteriorate over time and with use.

Landlords always need to allow for fair wear and tear during a tenancy. Tenants will, however, be liable for breakages, missing items, or damage to the property, which are in excess of fair wear and tear, as well as cleaning.

" Tenants often challenge deductions because there is ambiguity within the inventory, allowing room for argument."

There's no doubt that the quality of inventories has, in general, increased since the introduction of tenancy deposit protection in 2007. Adjudicators have needed to see good quality information to show a property's contents, condition and cleanliness at the start and end of the tenancy in order to make deductions from tenancy deposits.

No surprises so far – but it does surprise us how often a poor-quality report still goes to the root of a deposit dispute. We see inventories that are vague or ambiguous – or which try to be too detailed: does a tenancy property really need an inventory over 100 pages long, supported by several hundred photographs?

Tenants often challenge deductions because there is ambiguity within the inventory, allowing room for argument. It's also apparent to us that inventories are often written for the property professional and can be difficult for parties to follow or understand.

Faced with dilemmas such as these, it's often easier for a tenant simply to dispute deductions and let an adjudicator decide. As a result, TDS' guide to inventories, check-in and check-out reports is launching in early 2019.

We've spent the last year working hard at encouraging agents, landlords and tenants to use tools like our Deposit Deductions Template to better negotiate the return of deposits at tenancy end.

Our experience has shown us that where tenants understand the logic behind deductions claimed from a deposit, they are much more likely to reach an agreement.

Our new Guide to Inventories builds on this success. There is already guidance on inventories available in the private rented sector, but what's different about this guide is that it concentrates both on best practice and also the particular sticking points that we see causing problems in the disputes we deal with.

Our favourite statement from an inventory this year so far goes to the agent who described a property's garden at the start of the tenancy as being in a "homogeneous condition".

We know what "homogeneous" means (although all readers of that inventory might not) but what was it that the garden was meant to be similar to?

Answers on a postcard...



Michael Morgan,
Director of
Dispute Resolution

INTRODUCING...

MARGARET DOYLE

Our new Independent Complaints Reviewer



At TDS, we're committed to providing great service. A scheme which deals with the disputes of agents, landlords and tenants – we pride ourselves on being fair and impartial. One criticism which we've experienced is that both adjudication and service complaints are dealt with by TDS in-house. Whilst all complaints are escalated appropriately and dealt with by our Complaints Resolution Executive or Assistant Director of Dispute Resolution, we've taken the feedback on board and appointed an Independent Complaints Reviewer – Margaret Doyle.

The Independent Complaints Reviewer will look at the way TDS have investigated complaints about our service in order to ensure that the process has been fair and transparent, and that the issues raised have been properly considered.

Margaret Doyle is a consultant in alternative dispute resolution (ADR) and an independent mediator.

She is a Visiting Research Fellow with the UK Administrative Justice Institute at the University of Essex and has served as a non-executive director of several ombudsman schemes.

Margaret is currently an independent member of the Ombudsman Association's Validation Committee and also an Independent Complaints Moderator for the British Acupuncture Council.

Formerly, Margaret served as an independent complaints reviewer for IDRS Ltd and Ombudsman Services Ltd.

She is a consultant trainer on the Queen Margaret University Certificate in Ombudsman and Complaint Handling Practice course.

Having been successfully re-accredited with the Customer Service Excellence award, TDS takes any complaints about service very seriously and strives for the highest levels of complaints handling.

If a complainant remains unhappy about TDS' response to their formal complaint about an adjudication decision or other aspect of TDS' customer service, they can escalate their complaint to the Independent Complaints Reviewer.

It's important that Margaret is not a TDS staff member but someone who is appointed by the TDS Board to take an independent view of complaints and report annually to the Board on their work.

We think this appointment is key in showing that customer complaints are dealt with appropriately and that our customers have the opportunity to have their complaint reviewed by someone outside of TDS.

WHAT'S ON ?

Workshops, training and other resources



STOP PRESS! NEW COURSES FROM APRIL 2019

TDS Academy launched in 2012 to help property professionals benefit from our practical and useful guidance covering tenancy deposit protection legislation and the alternative dispute resolution (ADR) process.

“ I would recommend that all Property Managers attend this course – it is invaluable.

Alex Elsy, Head of Property Management
Alexander & Co

The Academy continues from strength to strength, with over 1,250 delegates taking its courses. Delegates have their attendance recognised with a certificate which can be used to confirm Continued Professional Development (CPD) with industry bodies.

Find out more about the
TDS Academy by visiting:

www.tenancydepositscheme.com/academy

In response to feedback, we have re-structured the TDS Academy courses from April 2019. There will be three half day courses, held on a range of dates and locations, so that delegates can 'mix and match' the training they want to do.

Foundation Course

This half-day course covers best practice for tenancy deposits, including complying with the legislation, and top tips for tenancy agreements, check-in and check-out reports. It will also cover the tenant fees ban.

Adjudication Workshop

This half-day course looks at claiming deposit deductions with top tips for negotiating with tenants. It examines the key issues that an adjudicator looks for in a dispute and gives delegates the chance to adjudicate on some dispute case studies.

Advanced Adjudication Workshop

This half-day course takes the adjudication workshop to the next level, with more challenging case studies and the chance to adjudicate on a real TDS case file.

TENANCY DEPOSIT QUALIFICATION

Developed by TDS with Propertymark's awarding body, the Level 3 Propertymark Award on Residential Tenancy Deposits offers the only tenancy deposit protection qualification in the private rented sector. With workbooks provided by MOL, this qualification can provide you with the accreditation you need to stay ahead of the competition.

Find out more about the qualification here:
<https://www.mollearn.com/property/agency/level-3-award-residential-tenancy-deposits>

UPCOMING COURSES

Foundation Course

Liverpool – 8th May

Birmingham – 12th June

Adjudication Workshop

Birmingham – 14th May

Exeter – 19th June

Advanced Adjudication Workshop

Birmingham – 15th May

London – 26th June

RESOURCES AT A GLANCE

TDS ACADEMY

In-depth training covering everything you need to know about tenancy deposit protection, dispute resolution and adjudication, ensuring you are well-prepared with the knowledge you need to comply with the current legislation.

TDS ADJUDICATION WORKSHOP

Your chance to think and experience the role of a TDS adjudicator, review some typical evidence and consider real case scenarios to decide who gets what and why.

LEVEL 3 PROPERTYMARK AWARD IN RESIDENTIAL TENANCY DEPOSITS

Developed in partnership with ARLA Propertymark and MOL to give you and your team a recognised tenancy deposit protection (TDP) qualification and stand out in a competitive market.

TDS CONFERENCE AND EVENT PRESENTATIONS

We regularly appear at ARLA Propertymark and NAEA meetings in addition to wider regional conferences held by numerous industry leaders, including TPOS and RLA, with the aim of providing advice and raising standards in the PRS for agents, landlords and tenants.

TDS GUIDES AND PUBLICATIONS

We produce a wealth of free information on our website covering topics such as TDP legislation, adjudications and TDS top tips.

www.tenancydepositscheme.com/agents-and-landlords-documents-and-forms.html

TDS CHARITABLE FOUNDATION

Projects funded by our TDS Charitable Foundation produce guides, training resources and reports, all designed to raise standards in the private rented sector.

Contact TDS

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🖱 www.tenancydepositscheme.com

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YouTube: [Tenancy Deposit Scheme](https://youtube.com/TenancyDepositScheme)