

## OVERVIEW OF TENANCY DEPOSIT PROTECTION

### WHAT DO YOU NEED TO KNOW ABOUT TENANCY DEPOSIT PROTECTION?

TDP was introduced in April 2007 as part of the Housing Act 2004 for all assured shorthold tenancies in England and Wales where a deposit was taken. From April 2012 you must protect any deposit you receive within 30 calendar days of receiving it.

Introducing Tenancy Deposit Protection was identified as a way to raise standards in the lettings industry and ensure tenants are treated fairly at the end of the tenancy. What are your legal obligations?

You're required to protect your tenant's deposit within 30 days of receiving it. Remember, a deposit is considered 'received' from the moment you take the payment, not when the funds have cleared. This applies to all forms of payment, whether it's a cheque, a bank transfer or cash.

### IF YOU FAIL TO COMPLY WITH YOUR LEGAL OBLIGATIONS, THERE ARE TWO POSSIBLE SANCTIONS:

1. You cannot end the tenancy or regain possession of your property under section 21 of the Housing Act 1998 until the deposit has been repaid or a court case has ended.
2. Your tenant can apply to a County Court to receive compensation between once and three times their deposit's value if:
  - They think their deposit is not protected
  - They've not received information about the scheme you protected their deposit with.

### WHAT ARE THEY?

A deposit dispute occurs when you and your tenant disagree with the amount of money you wish to deduct from their deposit. As a result you and your tenant are entitled to raise a dispute with our adjudication team; starting the Alternative Dispute Resolution process.



## HOW DOES IT WORK?

Alternative Dispute Resolution is a way of resolving deposit disputes at the end of a tenancy, rather than using the traditional route of the Courts. In the event of a dispute arising, the decision about who should receive the deposit is made by an impartial qualified adjudicator. The adjudicator will make their decision in an unbiased way, based on the evidence each party provides.

If you're involved in a dispute with your tenant you'll be required to submit evidence, which can include; photographs, inventories, invoices and/or other relevant information. You'll need to supply this within a specified timescale. Our adjudicator will consider all of the evidence submitted and decide how the deposit should be distributed. The more evidence you can collect the stronger your case will be. The deposit remains the property of your tenant until you have successfully claimed all or part of it. You and your tenant must consent to using our Alternative Dispute Resolution service before we can review the case.

## WHAT ARE THE SUBMISSION DEADLINES?

If you or your tenant decides to claim all or part of the deposit you must provide us with either a Joint Deposit Repayment Form, if it's a Joint Repayment, or a Statutory Declaration if it's a Single Claim. Both types of claim must be received by us as soon as possible after the tenancy has finished. Your evidence must have been received by us within 14 days of our request for evidence. It will then be passed to one of our adjudicators who'll then have 28 days from the date of receiving the evidence.

## FINALLY

Both parties are notified in writing at the same time with the adjudicator decision.