



Property management services

Tenancy Deposit Scheme



**Residential letting and
property-management specialists**

Tenancy Deposit Scheme

From 6 April 2007, all landlords and letting agents taking deposits for assured shorthold tenancies (ASTs) in England and Wales must join a tenancy-deposit protection scheme approved by the Government. This will protect all the deposits landlords and agents take.

The Government awarded contracts to the following three companies to run its tenancy-deposit protection schemes.

● **The Deposit Protection Service (DPS)**

The DPS is the only deposit protection scheme that keeps the deposit until it is time for it to be paid back at the end of the tenancy. It is free to use and open to all landlords and letting agents. The service is funded by the interest earned from the deposits held. Landlords and letting agents can register and make transactions online. Paper forms will also be available if you do not have access to the internet. The DPS is supported by a call centre and an independent service to solve disputes. For more information, visit their website, www.depositprotection.com, or phone 0870 707 1 707.

● **Tenancy Deposit Solutions Ltd (TDSL)**

This is a partnership between the National Landlords Association and Hamilton Fraser Insurance. This deposit protection scheme allows landlords either direct or through agents, to hold deposits. Letting agents can also join the scheme. For more information, visit the TDSL website, www.mydeposits.co.uk.

● **The Tenancy Deposit Scheme (TDS)**

TDS is a scheme backed by insurance companies. It protects deposits and solves disputes and is run by The Dispute Service. It adds to a scheme set up in 2003 to solve disputes and handle complaints for the lettings industry. The new scheme allows letting agents and landlords to hold deposits. For more information, visit the TDS website, www.tds.gb.com, or call 0845 226 7837.

Landlords and letting agents will be able to choose between two types of scheme – a single custodial scheme and two insurance-based schemes.

How the custodial scheme works

First, the tenant pays you a deposit. You then pay the deposit into the scheme.

Within 14 days of receiving the deposit, you must give the tenant information about the scheme you are using and the tenancy they have.

At the end of the tenancy, if you and the tenant agree how the deposit should be divided, you must tell the scheme. The scheme will return the deposit, divided in the way agreed by you and the tenant.

If you and the tenant do not agree on how the deposit should be split, the scheme will hold the amount until another service for solving disputes, or the courts, decide what is fair. Alternative Dispute Resolution Services (ADRS) is an agency which solves disputes at fixed prices without you having to go to court.

The interest earned by deposits in the scheme will be used to pay for the scheme. If there is any interest left over, this will be given to the tenant (or to you if the tenant isn't entitled to it).

How insurance-based schemes work

First, the tenant pays you a deposit. You keep the deposit and pay a premium to the insurer.

Within 14 days of receiving the deposit, you must give the tenant information about the scheme you are using and the tenancy they have.

At the end of the tenancy, if you and the tenant agree how the deposit should be divided, you must return the part of the deposit the tenant is entitled to.

If you and the tenant do not agree on how the deposit will be split, you must hand over the amount you disagree on to the scheme. The scheme will look after it until the dispute is solved.

If you do not hand over the amount you and the tenant disagree on, the scheme will return the deposit to the tenant if they are entitled to it.

Example of custodial and insurance-based schemes

Your tenant pays you a deposit of £1000. At the end of the tenancy, you say you want to keep £200 to pay for replacing damaged furniture.

Your tenant disagrees, and says the furniture was already damaged when they moved in. You and the tenant agree to go to Alternative Dispute Resolution Services (ADRS), to solve the disagreement, so you pass the £200 you disagree on to the scheme administrator until the dispute is settled.

In each scheme, you must return the deposit to the tenant within 10 days of:

- agreeing how the deposit should be divided, or
- receiving a decision from ADRS or the court.

If you need help understanding this information, please ask one of our staff, or contact Customer Services, telephone 01226 772720

আপনার যদি এই তথ্য বোঝার জন্য সাহায্যের প্রয়োজন হয়, তবে অনুগ্রহ করে আমাদের কোন একজন স্টাফকে জিজ্ঞাসা করুন, অথবা গ্রাহক পরিষেবার যোগাযোগ করুন, টেলিফোন 01226 772720

अगर आप इस जानकारी को समझने में सहायता चाहते हैं तो कृपया हमारे किसी कर्मचारी से पूछें, या उपभोक्ता सेवा, टेलीफोन 01226 772720 पर सघर्क करें

Jeśli nie rozumieją Państwo tych informacji i potrzebują pomocy, mogą Państwo poprosić o pomoc któregoś z naszych pracowników lub zadzwonić pod numer telefonu: 01226 772720 (Biuro Obsługi Klienta)

Если вам требуется помощь в понимании этой информации, обратитесь к нашим сотрудникам или позвоните в Отдел обслуживания клиентов по телефону 01226 772720.

اگر برای درک این مطالب نیاز به کمک دارید، از یکی از کارکنان ما کمک بخواهید، یا با بخش خدمات رسانی به مشتریان ما تماس بگیرید، شماره تلفن 01226 772720

اگر آپ کو ان معلومات کو سمجھنے کے لئے مدد کی ضرورت ہے، تو براہ مہربانی ہمارے عملے کے کسی رکن کو پوچھیں، یا کسٹمر سروسز سے رابطہ کریں، ٹیلیفون 01226 772720

إذا كنت بحاجة للاستفسار عن هذه المعلومات، رجاء اطلب المساعدة من أحد الموظفين أو اتصل بخدمات الزبائن على الرقم 01226772720

如果您需要协助，以便更好地了解该信息，请与我们的员工联系，或致电客户服务：01226 772720。



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