

WHAT IS THE TENANCY DEPOSIT SCHEME FOR REGULATED AGENTS?

Many tenants in the private sector give their landlords a deposit against possible non-payment of rent or damage to property. When a tenancy comes to an end, there is usually no disagreement about the return of the deposit. But sometimes there is, and this can cause much hardship and inconvenience to both the landlord and the tenant.

The Tenancy Deposit Scheme for Regulated Agents (TDSRA) has been developed to ensure that the deposits they hold are protected and that disputes about their return are resolved swiftly, inexpensively and impartially.

HOW DOES IT WORK?

- The deposit will continue to be held by the agent.
- Where there is no dispute at the end of the tenancy, the agent will, as normal, pay out the deposit promptly.
- If either the landlord or the tenant wants to challenge the proposed apportionment of the deposit, they must tell the agent within 20 working days. The agent must try to negotiate a settlement between the parties within 10 working days.
- If this can't be done, any of the parties can refer the dispute to the Independent Case Examiner (ICE) for expert, third party independent adjudication.
- The agent will transfer the deposit to The Dispute Service. It administers an Assurance Fund, which enables the ICE to carry on with an adjudication and to pay out the deposit even if the agent has not sent it to him.
- The ICE, operating like an Ombudsman, will make his decision within 10 working days of receiving all the necessary information. The deposit will be paid out within a further 5 working days.

“Twenty per cent of tenants say they have suffered from landlords withholding their deposit without good reason. This is something the Government will not ignore, it is the right of the tenant to have their deposit safeguarded and it is the responsibility of Government to ensure they do. Therefore new provisions in the Housing Bill will require that tenancy deposits be protected in the future.”

Keith Hill MP Minister of Housing

WHAT IS A REGULATED AGENT?

Regulated agents are:

- members of an Approved Body (see below) which regulate the activities of its members in the private rented sector; and
- covered by a recognised bonding scheme that protects and insures money they are holding on behalf of landlords and tenants.

WHAT IS AN APPROVED BODY?

The Approved Bodies contribute to the Assurance Fund. They are also expected to take appropriate disciplinary action against firms who have failed to comply with the rules of the Scheme. A list of Approved Bodies can be found on our website.

DO ALL AGENTS HAVE TO JOIN TDSRA?

Not at the moment. Government has recognised that fair and effective systems for protecting deposits and resolving disputes are essential to the long-term well-being and development of the Private Rented Sector. Legislation currently going through Parliament may compel agents who are not part of TDSRA to place deposits with an independent third party.

WHO PAYS?

- Agents pay an annual subscription based on the number of offices they have.
- It is a matter for members to decide how they recover the subscription from landlords.
- The service is free to tenants.

MANAGEMENT OF TDSRA

The Scheme is managed by The Dispute Service. The ICE is its Chief Executive. The Board of TDS Ltd has no role in the resolution of disputes or in the day-to-day management of the company.

“Shelter welcomes the launch of ARLA’s tenancy deposit scheme. It will provide greater assurance to private tenants that their money will be held securely and returned speedily and fairly. This very welcome move needs to be backed up by legislation in the Housing Bill to set criteria for the statutory approval of industry schemes and to introduce a statutory default scheme for landlords and agents who fail to follow ARLA’s lead in ensuring that the tenancy deposit rip off is ended once and for all.”

Adam Sampson Director of Shelter

“I am delighted to support this excellent initiative. Deposit disputes are a significant nuisance, and bedevil the attempts of the private rented sector to move on from the poor image generated by bad practice in the past. ARLA are to be congratulated for getting to grips with this on behalf of all good agents. I am sure the Scheme will be a valuable template for forthcoming Government initiatives.”

Lord Richard Best Director Joseph Rowntree Trust

WHO SHOULD I CONTACT?

If you want

more information about the Scheme
to find out about joining the Scheme
advice about the Tenancy Deposit Scheme for Regulated Agents

please contact

- your local Council, Citizens Advice Bureau, students union or other housing adviser
- organisations supporting TDSRA such as the Association of Residential Lettings Agents, the National Association of Estate Agents, or the Royal Institution of Chartered Surveyors.

If you want to know

if an agent has joined the Scheme; or
If your agent is in the Scheme AND you have a **dispute** about your deposit

please contact

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if you want copies of

the forms and other published information

please visit

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