

# Landlords Overview



## How the Scheme Operates for Landlords - An Overview

The following information is an overview of how the my|deposits Tenancy Deposit Protection Scheme operates for landlords. Please refer to the Scheme Rules for the full terms and conditions of Your Landlord Membership.

### Joining my|deposits

Landlords can apply to become Landlord Members of the Scheme. Landlord Membership of the Scheme does not depend on You being a member of any trade association or body.

### Protecting Deposits

The law states that You must protect a Deposit within **14 days** from the date that You receive it from the Tenant. The Scheme will always hold You responsible for the provision of the Disputed Deposit Amount and will take legal action against You if You cannot provide Us with any Disputed Deposit Amount when We request it.

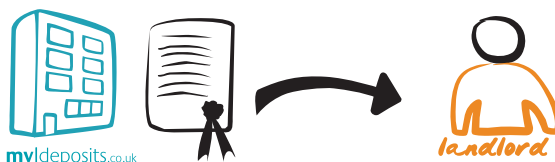
Each Deposit that You protect will attract a Protection Fee to cover the costs of insurance, adjudication where necessary and associated administration work undertaken by the Scheme Administrator. A single fee per Deposit will protect it for the duration of the Assured Shorthold Tenancy (AST) agreement. If You replace the AST at any time, You must unprotect the original Deposit and re-protect it again. A further Protection Fee will then become payable.

You do not need to re-protect a Deposit under the following circumstances:

- 1.) You allow it to roll into a Statutory Periodic Tenancy Agreement, or
- 2.) You amend the original AST by agreement in writing with the Tenant.

The AST may be a single or joint and several tenancy agreement. If it is the latter, You will need to advise the Scheme of a Lead Tenant who will, by mutual agreement with the other named Tenant(s), be the only Tenant with whom the Scheme will deal over matters concerning the protection of the Deposit.

Once the Deposit is protected We will confirm to You that the Deposit is protected in the form of a *Deposit Protection Certificate* (DPC). You must sign the DPC and ensure that a copy is retained by both You and the Tenant (and any other Relevant Party who has an interest in all or part of the provision of the Deposit).



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Wherever possible You must ensure that the Tenant (or Lead Tenant in the case of a joint tenancy agreement) signs a copy of this DPC to confirm that they have received accurate confirmation of the Deposit protection. You may be required to provide proof that You have provided the Tenant with the opportunity to sign the DPC.

The DPC also contains information as to what procedures the Tenant should follow in the event of a Deposit Dispute. Please note that it is the statutory responsibility of the Landlord to provide evidence to the Tenant of a Protected Deposit. We have no statutory obligation to provide evidence of the Protected Deposit to the Tenant or Relevant Party and therefore We do not send copies of the DPC to them.

## Unprotecting Deposits

At the end of the tenancy agreement, You must unprotect the Deposit. If You are replacing the tenancy agreement for the same Tenant, You will need to unprotect the original Deposit and re-protect it again. This action will attract a new Protection Fee. You do not need to re-protect a Deposit again if:

- 1.) You allow the AST to roll into a Statutory Periodic Tenancy Agreement, or
- 2.) You amend the original AST by agreement in writing with the Tenant.

At all times, You may only unprotect a Deposit with the agreement of the Tenant. To enforce this rule, the Scheme will write to the Tenant advising them that the Deposit has been unprotected.



## Dealing with my|deposits

The protection and unprotection of Deposits should be arranged via Our secure internet website using a unique log-on password provided to You by the Scheme Administrator when You first join the Scheme. You should use Your online account at all times to ensure speed and accuracy.

## Accounting with my|deposits

Payment of the Protection Fee(s) will be made by You online by credit/debit card at the time that the protection is arranged. Membership renewal fees are levied on an annual basis. In the event of mid-term cancellation of Your Membership, or if you fail to renew Your Membership when invited to do so, all Protected Deposits under Your account will automatically cease to be protected after 90 days from the date of cancellation or non-renewal.

## Deposit Dispute Handling

At the end of a tenancy agreement You should unprotect the Deposit with the agreement of the Tenant. If there is a Dispute between You and the Tenant as to how the Deposit will be apportioned, the Tenant is entitled to notify the Scheme of a possible Deposit Dispute over the amount of their Deposit that You are proposing to return to them. The Scheme will only accept notifications from Tenants whose Deposits are protected with Us and only over matters concerning the Deposit.



The Scheme will only accept notification made after the 10th day from when the Tenant first requests the return of the Deposit from You.

Once the Tenant has notified the Scheme, We will try and resolve the matter using Our Advice and Assistance Service which includes talking the problem through with the Tenant and asking them to contact You to discuss their issues. Both parties must ensure that they have taken every reasonable measure to resolve the Deposit Dispute. The Scheme will not accept a notification from a Tenant who has not acted in accordance with the contractual terms of the AST (including rent arrears) unless:

- 1.) You give written permission, and
- 2.) Tenant(s) can demonstrate reasonable cause for the breach of contractual obligations

If both parties have agreed for outstanding rent or other pre-agreed charges to be deducted from the Deposit, and can provide evidence to support this, the Scheme may still accept a Deposit Dispute for any remaining deductions not relating to the rent arrears or pre-agreed charges.

If this Advice and Assistance fails or the Tenant remains dissatisfied, the Tenant can then raise a **formal** Deposit Dispute under the terms of the Scheme. The Tenant will be asked to complete a Deposit Dispute Notification Claim Form (DNCF) and return this to the Scheme Administrator within **10 Working Days** together with evidence in support of their Deposit Dispute. This evidence must, at the very least, include a copy of the AST, signed by all parties. In the event that the AST agreement is not provided by the Tenant for a reason outside their control, We may, if the other evidence is sufficiently robust, proceed with the Deposit Dispute. The onus will then be on You to provide the signed copy of the AST agreement and satisfy Us that the Tenant was party to the AST. Your failure to provide the AST will allow the Scheme to invoke the *Default Alternative Dispute Resolution (ADR)* procedure which is detailed below.



If the Tenant fails to return the DNCF within the **10 Working Day** deadline, the Deposit Dispute will be 'timed out' and We will not be able to continue dealing with it. Once We receive the DNCF the Scheme will consider whether the complaint is valid or not. If not, We will advise the Tenant accordingly and take no further action.

If We deem that the Deposit Dispute is valid We will contact You and request:

- 1.) You send Us the Disputed Deposit Amount,
- 2.) Your evidence to support the reasons for withholding the Disputed Deposit Amount from the Tenant, and
- 3.) Your agreement to use the Scheme's *Alternative Dispute Resolution (ADR)* procedure (see below)

You must submit the Disputed Deposit Amount to the Scheme within **10 Working Days** from the date We request it and the evidence within **10 Working Days** from the date We request it. The Scheme will send You a copy of the DNCF and evidence which the Tenant provided to the Scheme. The Scheme will continue to hold the Disputed Deposit Amount until the Deposit Dispute is settled either by agreement, adjudication or Court Order.



You must send the Tenant any amount of the Deposit which is not in dispute within **10 calendar days** after the date the Tenant requests You to do so.

### Default Alternative Dispute Resolution (ADR) Procedure

If We correspond to the address You have given us but You fail to respond to the Scheme's requests within the timescales stated above, and the Tenant requests Us to do so, We will proceed to adjudicate on the Deposit Dispute based on the Tenant's evidence only. This procedure will also apply if You fail to provide the required evidence to the Scheme (detailed under Section E6 of the Scheme Rules), even if You have lodged the Disputed Deposit Amount with the Scheme and agreed to ADR.

If We deem that the evidence from the Tenant is strong enough to enable Us to award in the Tenant(s) favour, We will do so and pay the Disputed Deposit Amount to the Tenant by means of the Scheme's insurance arrangements. This is the Default Alternative Dispute Resolution procedure. The Scheme and its insurers will then require the Disputed Deposit Amount from You and We will cancel Your Membership.

If the evidence supplied by the Tenant is in Our reasonable opinion insufficient to justify the allegations then the Scheme will advise them accordingly and not proceed with the Deposit Dispute. However, the Scheme will take disciplinary action against You for failing to adhere to Our instructions when requested to do so.

### The Adjudication Process

You and the Tenant can request that a Deposit Dispute be dealt with by Our Alternative Dispute Resolution (ADR) procedure. The procedure is an impartial service offered as part of the protection of Deposit service and available to You, Your Tenant(s) and any Relevant Party(s). It is, in the main, undertaken by external, independent, qualified adjudicators who are members of the Chartered Institute of Arbitrators. For small sums of money, up to £250, or where the Deposit Dispute involves a simple contractual issue, the Scheme can appoint an internal adjudicator who, again, is a member of the Chartered Institute of Arbitrators and has not been involved in the Deposit Dispute up to that point, thereby ensuring impartiality.

The Scheme requires both parties to agree to the procedure. The DNCF completed by the Tenant and the *Rebuttal Evidence Form (REF)* completed by You asks for positive confirmation for use of the ADR procedure. If either party refuses to use ADR then the Scheme will still request that You lodge the Disputed Deposit Amount with Us. The Tenant will then be advised to obtain a Court Order to release

any sums due to them. The Scheme will hold the Disputed Deposit Amount in a segregated Client Account until We receive the Court Order and then distribute it in accordance with the Order, once it is served and discharged.

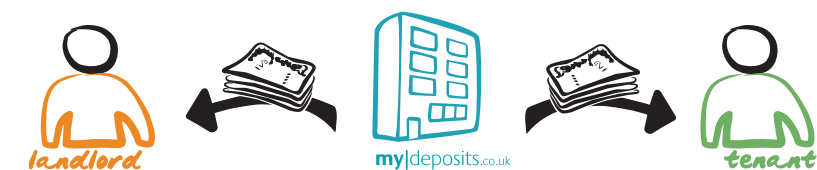
Where the Disputed Deposit Amount held by the Scheme is less than any **amount due to the Tenant** following the adjudication or Court Order, the Scheme will direct You to pay the Tenant the difference within a period of **10 days** from the date We request You to do so. Failure to adhere to this direction and provide written evidence to this effect will result in cancellation of Your Membership.

By agreeing to use ADR the parties agree to be bound by the decision of the Adjudicator. There is no right of appeal. ADR will take no longer than 28 days from the date We receive agreement to use it from both parties.

If You frustrate the ADR procedure by refusing to opt in or out, the Scheme can invoke the Default ADR procedure (see above) and the adjudicator can award in favour of the Tenant.

If You do not wish to be party to the ADR then You must advise Us. We will still require You to lodge the Disputed Deposit Amount with the Scheme which We will hold until the Deposit Dispute is resolved.

You and the Tenant can resolve the Deposit Dispute at any time by mutual agreement so long as We are advised by both parties at which time if We have received the Disputed Deposit Amount We will distribute the monies in accordance with Your joint wishes, **within 10 Days**.



### Transferring Your Protected Deposits to another authorised Scheme

Where You choose to transfer protection of a Tenant's Deposit out of the Scheme, You must give notice to the Scheme. The Scheme will continue to protect the Deposit for a maximum period of 90 days to allow You to provide evidence to the Scheme that the Deposit has been transferred to another authorised provider. The Scheme will notify the Tenant of your intention at least 60 days prior to the final date of protection. During this 90 day period the Deposit will remain fully protected by **my|deposits**.

If during the 90 day period We are advised of a Deposit Dispute by the Tenant, the Scheme will continue to provide ADR and other services under the Scheme until completion of the Deposit Dispute process, even if consent to use ADR is received from the second party after the last day of protection.

Where **my|deposits** decide that a Deposit will no longer be protected under the Scheme – in the case of cancellation of Membership or otherwise – the Scheme will inform You giving You 14 days notice of the proposed action.

*If You have any queries regarding Your Membership or the Scheme Rules, please contact Us by writing to The Chief Executive Office, mydeposits, 3rd Floor, Kingmaker House, Station Road, New Barnet, Hertfordshire EN5 1NZ*

### Data Protection Notice

Communities and Local Government has appointed Hamilton Fraser Insurance as Scheme Administrator to act on its behalf to gather and process the information You provide together with information from other sources for the purpose of providing a tenancy deposit scheme as regulated by the Housing Act 2004. This includes the provision of ADR Services. For further information, please refer to the full Data Protection Notice at the end of the Scheme Rules or contact mydeposits on 0871 703 0552 or by email to [dataprotection@mydeposits.co.uk](mailto:dataprotection@mydeposits.co.uk) or write to the Customer Services Manager, mydeposits, 3rd Floor, Kingmaker House, Station Road, New Barnet, Herts EN5 1NZ.

## Types of Deposit Dispute which cannot be dealt with by my|deposits

The following types of Deposit Dispute cannot be considered by my|deposits and should be resolved by other legal remedies:

- disputes relating to matters other than the return of the Deposit
- disputes where either party has indicated their intention to issue legal proceedings
- disputes where the issues involved have already been determined by the Court
- disputes which are being pursued in an unreasonable, vexatious or frivolous manner
- disputes which are unsubstantiated by evidence
- disputes which are fraudulent
- disputes which seek to raise matters which have already been decided upon or which have previously been decided by a similar Deposit Dispute process

## Rebuttal Evidence required to be submitted by You.

The following evidence will be required from You in order that We can deal with a Deposit Dispute. Some or all of this evidence will need to be submitted by the Tenant but for completeness You should always produce the following evidence:

- a copy of the AST agreement signed and dated by both You and the Tenant
- details of any pre-agreed charges levied against the Tenant which have been agreed in advance of the tenancy agreement by the Tenant
- a detailed statement of the rent account and confirmation that all payments are up-to-date
- any other evidence that relates directly to the Deposit Dispute including, but not exhaustive, receipts and estimates for damaged, destroyed or repaired items, cleaning bills, utility bills, signed copies of inventories or checking in/out schedules, photographs or video evidence in electronic formats

## Prescribed Information that will be provided by my|deposits

The following information will be provided in the form of a Deposit Protection Certificate (DPC) and a leaflet called Information for Tenants by my|deposits in order to assist the Landlord Member in complying with The Housing (Tenancy Deposits) (Prescribed Information) Order 2007:

- The name, address and contact details of the Scheme that is protecting the Deposit
- Property address
- Name, address and contact details of the Landlord/Agent who has received the Deposit
- Value of the Protected Deposit
- Name and address of the Tenant paying the Deposit, including an alternative address to be used after the Tenant has left the rented property
- Name and address of any Relevant Party subject to the protection of the Deposit
- Period of protection
- Earliest contractual tenancy end date
- Name, address and contact details of the Alternative Dispute Resolution service provided by Scheme
- Information for Tenants explaining how the Housing Act provisions affect them in relation to Tenancy Deposit Protection

Further information that is also required by the Act, and that should be provided by You, is detailed below.

## Prescribed Information that must be provided by the Landlord/Agent

The following information must be provided to the Tenant by the Landlord/Agent to comply with the provision of the Housing (Tenancy Deposits) (Prescribed Information) Order 2007.

- Information explaining the purpose of the Deposit and when and why it might be withheld
- The signature of the Landlord/Agent on the DPC provided by the Scheme to confirm that the information recorded on it is accurate
- An opportunity for the Tenant to countersign the DPC to confirm that the information recorded on it is accurate





### Reminder of some Important Timescales when Dealing with Tenancy Deposit Protection

The following timescales are restated here for clarification. It is important that You strictly adhere to these timescales when dealing with Deposit Protection and Deposit Disputes.

PROTECTING A DEPOSIT ONCE YOU HAVE RECEIVED IT FROM THE TENANT	14 DAYS
UNPROTECTING A DEPOSIT	AS SOON AS THE TENANT HAS RECEIVED THE DEPOSIT BACK FROM YOU AND HAS AGREED THAT YOU SHOULD UNPROTECT IT
RETURNING UNDISPUTED DEPOSIT MONIES TO THE TENANT	10 DAYS FROM THE DATE THE TENANT REQUESTS IT
PAYMENT OF FEES TO THE SCHEME ADMINISTRATOR	NO LATER THAN 7 DAYS FROM THE DATE THE SCHEME REQUESTS PAYMENT
PERIOD OF TIME THAT A TENANT CAN RAISE A DEPOSIT DISPUTE WITH THE SCHEME	NO EARLIER THAN 10 DAYS AFTER THE EXPIRY OF THE TENANCY AGREEMENT AND NO LATER THAN 90 DAYS AFTER THE DEPOSIT HAS BEEN UNPROTECTED
PERIOD OF TIME THAT A TENANT HAS TO RETURN THE DISPUTE NOTIFICATION CLAIM FORM AND EVIDENCE TO THE SCHEME IN THE EVENT OF A DEPOSIT DISPUTE	10 WORKING DAYS
PERIOD OF TIME AN AGENT MEMBER OF MYDEPOSITS HAS TO LODGE ANY DISPUTED DEPOSIT AMOUNT WITH THE SCHEME WHEN REQUESTED TO DO SO	10 WORKING DAYS
PERIOD OF TIME AN AGENT MEMBER OF MYDEPOSITS HAS TO LODGE REBUTTAL EVIDENCE WITH THE SCHEME WHEN REQUESTED TO DO SO	10 WORKING DAYS
FORMAL ADJUDICATION PROCESS TIMESCALES	28 DAYS FROM ALL PARTIES AGREEING TO USE ADR
DISTRIBUTION OF DISPUTED DEPOSIT AMOUNTS FOLLOWING FORMAL ADJUDICATION DECISION	10 DAYS
PAYMENT OF DISPUTED DEPOSIT AMOUNTS FOLLOWING SUBMISSION OF A COURT ORDER	10 DAYS

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