



## Information for Tenants

### A Tenant's Guide to my|deposits

April 2013

Your Landlord or Agent has protected your deposit with **my|deposits**, a government-approved tenancy deposit protection scheme.

This booklet explains:

- Tenancy deposit protection
- How your deposit is protected with **my|deposits**
- How the deposit is returned to you at the end of your tenancy
- How to notify **my|deposits** of a dispute
- The Alternative Dispute Resolution (ADR) process

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## What is Tenancy Deposit Protection?

It is common practice for a Landlord, or their Agent, to take a deposit as a safeguard should problems occur during your tenancy and you breach the terms of your contract e.g. your failure to pay rent or if you cause damage to the property.

Since the 6 April 2007 all Landlords and Agents who take deposits from Tenants on residential property in England and Wales under an Assured Shorthold Tenancy (AST) agreement must protect the Tenant's deposit in an authorised deposit protection scheme. The law was introduced to help ensure that Tenants are able to recover their deposit at the end of their tenancy less any amount that the Landlord, or their Agent, can prove a legal entitlement to withhold.

**my|deposits** is an insurance-based government-authorised tenancy deposit protection scheme. Landlords and Agents can join **my|deposits** and pay a fee to protect your deposit. This protection enables them to hold on to deposits for the duration of the AST, and then return any agreed amount to you at the end.

Your Landlord must protect the deposit with an authorised deposit protection scheme and provide you with the Prescribed Information within 30 days of receiving the deposit. Your Landlord's failure to do this can result in the following penalties should you decide to take the Landlord to Court:

- Your Landlord will be required to either return the deposit to you or to lodge the full amount with the authorised custodial tenancy deposit scheme within 14 days.
- Your Landlord will be penalised with a fine of between one and three times the deposit amount to be paid within 14 days.
- Your Landlord will be unable to obtain a Court Order to regain possession of the property (under Section 21 of the Housing Act 1988) unless and until the deposit is protected and/or any penalty has been paid (as above).

*tip*

*You should thoroughly familiarise yourself with the terms of your AST agreement before signing it. If necessary take legal advice. There may be charges to pay at the end of the AST, such as an inventory check out or inspection fees.*

## How your deposit is protected with **my|deposits**

Within 30 days of receiving the deposit from you, your Landlord/Agent must protect the deposit with **my|deposits**. In addition, the Landlord/Agent must provide you with details of the authorised scheme under which the deposit is protected and what to do if there is a dispute regarding the amount of the deposit to be returned to you at the end of the tenancy (Prescribed Information).

**my|deposits** provides proof of the deposit protection in the form of a Deposit Protection Certificate (DPC) which should be provided to you by your Landlord/Agent. You should ensure the details on the DPC are correct and counter-sign the certificate to confirm this, or notify your landlord of any necessary changes.



*Deposit protected with us. Certificate sent to Landlord/Agent*



*Signed certificate sent to Tenant as proof of protection*

*tip*

*You should keep a signed copy of the DPC safely with your copy of the AST agreement and other documents relating to your tenancy. You will need them if a dispute arises at the end of the tenancy.*

## Nominating a Lead Tenant

If you are a Tenant on a Joint and Several Tenancy agreement then you will need to nominate a Lead Tenant to represent and correspond with us on behalf of all the other Tenants on the agreement. Your Landlord/Agent will notify us of the name of the nominated Lead Tenant when protecting the deposit.

### Is your deposit protected? - check online

my|deposits will not send you confirmation of your deposit protection but your Landlord/Agent is obliged to send you a copy of your DPC. You can check the Tenant section of our website to find out if your deposit is protected. <http://www.mydeposits.co.uk/tenants/get-started/check-your-deposit> All that is needed is your surname, the rental postcode and the month the deposit was paid. Your search results are displayed instantly.

*tip*

*Remember your Landlord/Agent has 30 days to protect your deposit. We suggest that you do not search online if your AST has recently started so as to give sufficient time for registration.*

## Renewal of your tenancy agreement

If you are staying in the same property but your Landlord/Agent issues a new AST agreement to you then your Landlord must protect the deposit again and give you a new DPC as proof of protection.

The only time your landlord does not need to re-protect the deposit is if you are staying in the property on a Statutory Periodic Tenancy (SPT).



*New signed certificate sent to Tenant as proof of protection*

*tip*

*An SPT arises when your AST comes to the end of the fixed term and continues with none of the terms of the original AST altered and with no defined end date (i.e. no fixed notice period is given by either party).*

## Returning the deposit to you

As a member of my|deposits, your Landlord/Agent will hold the deposit for the duration of the tenancy. The only time my|deposits will hold any of the deposit is if a dispute is raised. In this event the Landlord/Agent must lodge the disputed amount with us for safekeeping until the dispute is resolved.

You should formally request from your Landlord/Agent, the return of your deposit within 10 days of the end of your tenancy. Keep evidence of this request. You and your Landlord/Agent should then attempt to negotiate the deposit amount to be returned.

If your Landlord/Agent returns the agreed deposit amount to you then they are required to unprotect the deposit with my|deposits.



*Landlord/Agent returns deposit to Tenant*



*Landlord/Agent contacts us to unprotect deposit*

*Continues overleaf*

If you cannot reach an agreement over the return of the deposit, or if payment of an agreed amount is not made, you can raise a deposit dispute with **my|deposits** within 3 months of vacating the property. Any amount of the deposit that you cannot agree becomes the 'disputed amount' and is subject to the disputes procedure.



*We send confirmation letter to Tenant*

*tip*

*If your alternative address changes please immediately notify your Landlord/Agent prior to or at the end of the tenancy.*

### Notifying us of a dispute

If you are unable to reach agreement with your Landlord/Agent over the return of your deposit, you can raise a Deposit Dispute.

*tip*

*We strongly recommend that you try to resolve your differences with your Landlord/Agent before involving **my|deposits**. Our experience is that many disputes can be satisfactorily resolved by simple communication between Tenant and Landlord/Agent.*

You can notify us of a dispute within three months of the date you vacated the property. We are unable to accept disputes after this period has elapsed. Any one Tenant to a Joint Tenancy Agreement may raise the deposit dispute, providing they are named on the DPC. This one Tenant does not have to be the Lead Tenant, but will:

- [a] personally conduct all aspects of the Deposit Dispute pursuant to [b] to [e] below inclusive;
- [b] have the authority to act for all Joint Tenants;
- [c] agree to fairly distribute any money which is returned to them at the end of the Deposit Dispute to the other Joint Tenants;
- [d] agree to indemnify the scheme against any claims or loss by the Joint Tenants; **and**
- [e] notify all the Joint Tenants that we cannot resolve any dispute between the Joint Tenants; **and**

Only one dispute can be raised under the Deposit Protection Certificate.

### About our Alternative Dispute Resolution service

ADR is an alternative method of resolving disputes to the traditional option of going to Court. **my|deposits** provides an ADR service to resolve Deposit Disputes over the return of the deposit. Both you and your Landlord must agree to its use. The Adjudication is completely evidence based; it is not mediation, arbitration or counselling and neither party is required to meet the Adjudicator. Your Landlord/Agent must provide evidence to justify their proposed deductions from the Deposit. The Adjudicator will analyse the evidence submitted and make a binding decision as to how the Deposit should be distributed. There is no obligation to use ADR but it is available to you and your Landlord at no additional cost and is designed to allow easy and quicker access to a resolution of the Deposit Dispute than going to Court. Whilst your dispute case is being determined, your Landlord/Agent must lodge the Disputed Deposit amount with **my|deposits** for safekeeping. We will distribute the money once a decision is made.

## 1. Online Dispute Handling

You can raise a dispute and manage the process online at [www.mydeposits.co.uk](http://www.mydeposits.co.uk). The online service allows you to submit all of your supporting evidence via our website. This includes uploading dated photos, your AST agreement, inventories and other evidence. The website contains more information on the type and format of evidence you should submit including a checklist of common items. Please contact us if you wish to submit video evidence as there may be restrictions to the file sizes that our system can receive. Visit the Dispute Resolution page on the Tenant Section of our website to start. You will need your deposit protection number given on your DPC.

Once you have notified us of a dispute you will have 10 working days in which to send in any remaining evidence by post or email. After the 10 working day period has expired no further evidence will be accepted.

*tip*

*No paperwork or postage is required when you use the online service. You can submit all your evidence and monitor the progress of your dispute online. Please note you will have to pay for postage if you decide to submit paper based evidence by post.*

## 2. Paper Dispute Handling

If you wish to raise a dispute by post you can contact us on **0844 980 0290** between 8.30am and 5.30pm Monday to Friday. You will be sent a Dispute Notification Claim Form (DNCF) to complete and return to us together with your supporting evidence within 10 working days.



We will assume that you receive anything that we send you two days after we post it to you by First Class post. We may reject submissions received outside required timescales.

### Submitting evidence for ADR

You must submit a copy of the signed Assured Shorthold Tenancy (AST) agreement. Without the AST it is difficult to establish whether you had a formal contract with your Landlord/Agent. We may accept a deposit dispute without this document subject to a satisfactory written explanation as to why you have not included it. You should also include a copy of your deposit protection certificate, or the deposit protection certificate number listed to speed up the process.

*tip*

*The ADR is evidence based; the more evidence and the better the quality of the evidence that you supply, the more it will assist your case. Examples of evidence include copies of signed inventories or checking in/out registers, photos, rent statements, utility bills and other correspondence between you and your Landlord/Agent.*

You must pay the cost of preparing and submitting your evidence to us and all evidence is non-returnable unless we have made a prior agreement with you. If you do wish for your evidence to be returned you will be charged an administration fee to cover our post and packaging costs, and this must be paid in full in advance.

We may not accept a deposit dispute where:

- The Deposit Dispute relates to matters other than the return of the Protected Deposit;
- A party has already commenced Court proceedings on any matter related to the tenancy, unless they have been withdrawn or are stayed for mediation purposes or the court has subsequently directed that the matter be dealt with by ADR;
- There are allegations of fraud, criminal activities, duress or harassment by either party which we deem outside our remit;
- There is clear evidence of rent arrears or we consider the Deposit Dispute is being raised frivolously or unreasonably by the Tenant.

### Notifying your Landlord/Agent of your dispute

After we accept your completed claim we will notify your Landlord/Agent of your dispute together with instructions on how to view your evidence.

The Landlord/Agent must then acknowledge the dispute within 10 working days of the date on the notification of dispute and send the disputed deposit amount to us.

The Landlord/Agent must also tell us if they wish the dispute to be resolved by my|deposits ADR. We will notify you if they decide not to use the ADR service. The dispute will then have to be resolved with your Landlord/Agent through the Court. Whoever chooses Court must initiate Court Proceeding within 6 months or we will return the disputed amount to the other party. If your Landlord/Agent agrees to ADR they will have a further 10 working days (making 20 working days in total from the date on the notification letter) to submit their evidence to us. Both sets of evidence are then passed to the Adjudicator to make a decision on the dispute. Once the Adjudicator's decision has been made, we will distribute the disputed amount in accordance with the decision within 10 days.



*Landlord/Agent must send us the disputed deposit amount*

### Dealing with disputes if the Landlord/Agent fails to co-operate with my|deposits

If your Landlord/Agent does not send the disputed amount to us or does not indicate their preferred method of resolving the dispute within the prescribed timescales, we will, if you have agreed to our ADR service, assume that the Landlord/Agent has also consented to use ADR.

We will then submit your evidence to the Adjudicator for a decision. Any amounts awarded will be paid out within 10 working days of receipt of the Adjudicator's decision.

*tip*

*For more information on the ADR process and key timelines please see the Tenant section of our website.*

## General Conditions

**my|deposits** ADR will not be offered by the scheme if either you or your Landlord/Agent have told us that they intend to take Court action. However, we will still ask that the disputed deposit amount be lodged with us until the decision is reached by the Court.

The Adjudicator may:

- Ask for more information or make further enquiries of the parties. If information or enquiries are not answered within the defined time period, the adjudication will continue regardless;
- Proceed to adjudication even if either party has not acted in accordance with our Scheme Rules.

**The Adjudicator's decision is final and binding on all parties. There is no way to appeal the decision through my|deposits. It may be possible to challenge the Adjudicator's decision through the Courts, but you should seek legal advice should you wish to do this.**

## Confidentiality

All aspects of our ADR process are confidential and will not be published, apart from as required by Law, for enforcement, and where we and/or the Adjudicator are required to provide statistical information to the CLG and other Government Departments based on the results of the adjudications. Any statistical publications will remain anonymous.

## Liability

We will take reasonable care in the selection of the Adjudicator. We do not accept any responsibility for any losses or expenses suffered or incurred by you as a result of any acts or omissions by the Adjudicator. Any claim you may have against us is limited to the disputed deposit plus interest at 2% above HSBC base rate from the date of liability being proved to payment.

## The my|deposits Scheme Rules

The Scheme Rules govern the Scheme and include important provisions regarding disputes. If you would like to refer to the rules they are available to read or download on the **my|deposits** website at [www.mydeposits.co.uk](http://www.mydeposits.co.uk)

**my|deposits.co.uk**

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