

Deposit disputes involving joint tenants – what you need to know

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Deposit disputes involving joint tenants – what you need to know

Joint tenants can ask TDS to deal with a dispute where:

- they have asked for the deposit to be repaid at the end of the tenancy, and have not received it after 10 days; or
- all of them, or some of them, do not agree to deductions that a landlord or letting agent claims from their deposit.

TDS will resolve the dispute using what is called “Alternative Dispute Resolution” or “ADR”. This is where a TDS adjudicator makes a binding decision about what happens to the deposit as an alternative to formal legal proceedings.

ADR is not compulsory, and you have to agree to TDS dealing with the dispute.

If there is more than one tenant named in the tenancy agreement, TDS can adjudicate provided none of the tenants object to us doing so. **If we cannot adjudicate the dispute may have to be resolved through the courts.**

So I have dispute about the deposit – what do I need to do?

Joint tenants can agree to ADR either:

- in the tenancy agreement itself; or
- when sending a dispute to TDS, or
- when responding to a dispute that has already been sent to TDS.

Agreeing to ADR in your tenancy agreement

Joint tenants can agree in their tenancy agreement to use TDS for alternative dispute resolution if there is a dispute about the deposit.

To do this, you will need the following clause, or a similar clause, in your tenancy agreement:

There being multiple tenants, each of them agrees with the other(s) that any one of them may consent on behalf of all the others to use alternative dispute resolution through a tenancy deposit protection scheme to deal with any dispute about the deposit at the end of the tenancy

Agreeing to ADR when the dispute comes to TDS

If the tenancy agreement does not contain a clause like the one quoted above, you can still give the agreement of all tenants to ADR. You can do this when you send a dispute to TDS, or when you respond to a dispute that has already been sent to us.

All the joint tenants need to do is to ensure they **all** complete the appropriate part of the Dispute Application Form or Dispute Response Form.

But I can't contact the other tenants – what do I do?

We understand that getting agreement from all joint tenants is not always easy at the end of the tenancy.

If you do not have a clause in your tenancy agreement like the one quoted above, or you can't contact all the other joint tenants, you will still be able to proceed. In the case of a Dispute Application Form, TDS will try to contact the other tenants for their response. If you are responding to a dispute, TDS will accept responses from any tenants we have been able to contact.

What happens next?

- When a joint tenant sends a dispute to TDS, we will still contact the other tenants (using the contact details that we have been given for them, or the tenancy property address) to invite them to respond to the dispute and submit evidence, or tell us that they do not agree to ADR.
- If a dispute is sent to TDS by a landlord or agent, we will contact the joint tenants (using the contact details that we have been given for them, or the tenancy property address) to respond to the dispute and submit their evidence, or tell us that they do not agree to ADR. If we get no response from any of the tenants, we will assume that they consent to TDS resolving the dispute.

POINTS TO NOTE

- TDS cannot accept a case if one or more of the tenants objects to using ADR to resolve their dispute (similarly, a landlord can refuse their consent to ADR too).
- This means that the parties have to contact us to tell us they do not want us to deal with the dispute. If we do not get a response from them, we will assume that they agree to TDS resolving the case. Tenants or landlords who have not responded to the dispute will still be entitled to their share of the deposit following ADR, but they will have missed their opportunity for any involvement in the decision process.
- TDS is only able to accept one dispute per tenancy agreement.
- Where there is no consent to ADR, this will mean that the tenant(s) or the landlord will have to start court proceedings if they cannot reach agreement and want to take things further.