



Case Studies

Who should read this?

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Tenants	Agents	Landlords

Insured / Custodial

Adjudication Digest March 2014

The Adjudication Digest takes a recent decision by a TDS Adjudicator and sets out the reasoning behind the decision. The aim of these Digest reports is to help tenants, landlords and agents better understand how we make our adjudication decisions. The names of the landlords and tenants involved have been removed and this is only a brief summary of the dispute.

Amount of deposit in dispute: £135.00. Dispute initiated by: Landlord.

Award made:	£135.00
Tenant	£135.00
Landlord	£0.00
Agent	£0.00

In this month's case, the tenants paid the landlord £200.00 which was the premium for an insurance policy to safeguard the payment of rent. This was not protected with TDS (and did not need to be). The landlord had an agent acting on his behalf, and their tenancy agreement included the usual clauses concerning the need to return the property in the same condition as at the start of the tenancy. However the deposit clauses one would normally expect to see were not included, perhaps because no formal deposit was taken. During the tenancy the tenants asked to keep a pet and paid a £150.00 "pet deposit" – the agent protected this with TDS. No documentation was provided about the terms for this deposit.

At tenancy end the landlord claimed £135.00 for the removal of pet hair from throughout the property. No quotations or invoices were provided. The adjudicator noted from the check-in/inventory report that the property had not been professionally cleaned at the start of the tenancy. The check-out inspection noted many cleaning deficiencies and the tenants were allowed back into the property to clean it. The agent advised that after this they still found pet hairs throughout the property. As a new tenant was about to move

in, the agent engaged a cleaning contractor. No revised check out report was produced to show when the property was again inspected, or to confirm the exact condition of the property after the tenants' attempts to clean it.

The adjudicator was unable to make any award to the landlord. They did not consider that the landlord has substantiated his claim that the cost of cleaning ought to be at the tenants' expense. This was because they only had the agent's claim that the tenants' cleaning was insufficient at tenancy end, and the property was not professionally cleaned at tenancy start.

However, the adjudicator went on to point out that even if the landlord had proven their case, they would still not have been entitled to an award. This was because the permitted purposes, for which the pet deposit money could be used following the end of the tenancy, had not been documented.

So what are the key points here?

- Where deposits are taken during a tenancy, remember to document carefully the purposes for which deductions can be taken from it. In this case, the standard deposit clauses were not included in the tenancy agreement. Although a deposit was taken subsequently, the basis for any deductions were unclear.
- Allowing a tenant into a property after they have left is not mandatory or indeed recommended. If it is allowed, make sure that any work done and the property's final condition is recorded. In this case, the landlord had a solid claim for the cost of cleaning when the tenants first left the property. However what happened next and how the property was then left was not well documented, and the claim lost.

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