

Deposits explained and the importance of inventories

How much deposit is taken and when?

We will collect the deposit, together with the initial rent payment, from the tenant at the commencement of the tenancy, this will normally equal a month and a half.

Who holds the deposit and what about its protection?

Regardless of the service used by the landlord, Bridges holds the deposit in our client account in a stakeholder capacity. As Stakeholder, we will be unable to release the deposit, or any part of it, to the landlord or tenant without the other party's written consent. All deposits that we hold will be under the protection and terms of the Tenancy Deposit Scheme legislation which was introduced in 2007.

Our scheme - The Dispute Service (TDS) - explained?

To comply with Tenancy Deposit Protection legislation, Bridges are a member of the Tenancy Deposit Scheme which is administered by The Dispute Service Ltd. www.thedisputeservice.co.uk

We will hold the deposit and register it and issue notification to the tenant that it is protected.

At the end of the tenancy, both landlord and tenant must agree on any deposit deductions within 10 days of the tenancy being terminated. Once agreed, Bridges will release the deposit back to the tenant.

What if there is a dispute over the deposit?

If, after 10 working days following notification of a dispute to Bridges - and reasonable attempts have been made in that time to resolve any differences of opinion - there remains an unresolved dispute between the landlord and the tenant over the allocation of the deposit, it will be submitted by the TDS to their ICE (independent case examiner) for adjudication.

How long will it take to resolve?

The time quoted is 60 to 90 days and is binding. So our recommendation is always to try and negotiate before this very last resort. We have also found that the ICE, being unfamiliar with the personal nature of the case, will rely generally on the INVENTORY or our report.

The importance of inventories

Essentially, without one, it means landlords cannot deduct disputed claim monies from a tenant's deposit for damage beyond fair wear and tear or additional cleaning required to their property etc., unless they have clear formal evidence that the tenant has caused such and thereby created a financial loss to the landlord.

What evidence would a landlord need?

Along with copies of a formal rental agreement, a landlord is placed in a far stronger position to claim if they have a clear, detailed, written inventory, including photographs, prepared on their property, agreed and signed by the tenant at a formal check-in inspection. Our experience with the ICE is that these are fundamental when taking an unbiased viewpoint of a dispute.

What inventory arrangements are typical?

Some landlords try this themselves and some agents offer an 'in-house' service but due to non-independence, tenants are likely to claim findings as bias thereby running a far higher risk of an unwelcome dispute, which in turn, could weaken a landlord's position. Independent inventory services have been around for many years working behind the scenes, however, the procedures followed and quality of work produced has always varied widely.

Are they expensive?

The real answer to this comes with the position you find yourself in when damage has occurred but you are handicapped as you have no written record of the original condition. We like to think of an inventory as an important investment, initially a fixed cost but in future tenancies a small cost to update the original, which, all-in-all will save you money and much anxiety in the future.

