



## Case Studies

### Who should read this?



Tenants



Agents



Landlords

Insured

Custodial

# Tenancy Deposit Disputes: Early Resolution

Adjudication Digest June 2020

The Adjudication Digest takes a recent dispute during lockdown and sets out the reasoning behind the parties' decision to resolve the dispute early with the help of an Adjudicator, as opposed to going to adjudication. The aim of these Digest reports is to show tenants, landlords and agents when early resolution is preferable or how we make our adjudication decisions in deposit dispute claims.

More real-life case studies can be found on the Tenancy Deposit Scheme website [here](#).

**Amount of deposit in dispute:** £695.00

**Dispute initiated by:** Landlord

<b>Award made:</b>	<b>£695.00</b>
<b>Tenant</b>	<b>£445.00</b>
<b>Landlord</b>	<b>£250.00</b>
<b>Agent</b>	<b>£0.00</b>

The landlord's claim was for £500.00, with an undisputed deposit amount of £195.00, which was returned to the tenant. The landlord was claiming £120.00 for cleaning, £180.00 for replacement of damaged blinds, and a contribution towards a stained carpet and various damage claims. Lastly £200.00 was claimed for redecoration.

The tenant felt that the property was left clean, and that the other claimed matters were either in the same condition at the start of the tenancy or that fair wear and tear had not been considered.

The landlord provided a copy of the tenancy agreement, an independent check-in report conducted at the start of the tenancy, and a limited number of photographs taken at the end of the tenancy that went to damage only. While a check-out report had been carried out by the letting agent, neither the landlord nor the tenant had seen the check-out report and it was not possible for the agent to gain access to the document due to Covid-19 lockdown.

Having made attempts to contact the agent for an indication as to when a copy of the check-out report would be available, without success, the landlord requested that an adjudicator explain the approach that would be taken in the event the dispute proceeded to adjudication. This way, the landlord could make a decision as to whether to proceed to adjudication without the check-out report and on the basis of limited photographs only.

The adjudicator discussed the fact that the check-in report recorded the décor as already in used condition at the start of the 6½ year tenancy, that the usual lifespan of décor had likely to have expired and that the extent of the deterioration to the décor shown in the limited photographs largely fell within the scope of fair wear and tear. Having understood that an adjudicator must take into account fair wear and tear and that a landlord should not be placed in a better position than at the start of the tenancy, the landlord made the decision to bring the dispute to a close sooner rather than later. Instead, they decided to offer the tenant an opportunity to end the dispute with a 50/50 split i.e. a £250.00 reduction in the claim.

This landlord's offer was put before the tenant who accepted, resulting in the dispute being resolved without adjudication. £250.00 was paid out to the landlord, and £445.00 (including the undisputed deposit of £195.00) was returned to the tenant.

## **So, what are the key points here?**

- Understand the approach taken by an adjudicator – guidance can be found on the Tenancy Deposit Scheme website [here](#).
- Consider the reasonableness of any claim being made.
- In recent weeks we have been successful in negotiating a settlement between the parties in the absence of a check-out report.
- We recognise that agents and landlords may have difficulty in conducting check outs. Where that is the case and no check out is yet available, we encourage continued discussion with the tenant about the deposit. If a dispute is raised with TDS, we are happy to facilitate discussion between the parties to reach an agreement about the deposit, including guidance on cleaning charges and our approach to any items of damage.
- If a formal check out needs to be delayed further, we will consider any evidence sent to us on a case by case basis when it is available. The weight that can be attached to the evidence may vary depending on the time that has passed between the end of the tenancy and the check out.