



## **How TDSNI approaches tenancies with more than one tenant or landlord**

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## Introduction

TDS Northern Ireland will regard the member landlord (i.e. the landlord who is registered as the user with TDS Northern Ireland) as having the authority to act on behalf of any other named joint landlords.

### **Submitting a deposit to TDS Northern Ireland**

When a member landlord protects a tenancy deposit with TDS Northern Ireland, they will be able to record the details of any other joint landlords.

### **Custodial scheme deposit repayment process involving joint landlords**

The landlord who is the registered user with TDS Northern Ireland will be able to request the repayment of the deposit at the end of the tenancy. They should ensure that they agree their actions with any other named landlords; TDS Northern Ireland will only take the instructions of the registered user landlord.

### **Joint landlords and the dispute resolution mechanism**

The member landlord should manage the dispute resolution process on behalf of other joint landlords.

### **Awards made to the landlord(s) by the adjudicator**

Any deposit amount due to joint landlords will be returned to the landlord or agent registered with the scheme, who will in turn be responsible for reimbursing any joint landlord(s).

TDS Northern Ireland cannot resolve disputes between landlords.

## Key principles

TDS Northern Ireland operates both an insurance scheme, where the member agent or landlord holds the deposit and a custodial scheme, where TDS Northern Ireland holds the deposit. Whichever type of scheme protects the deposit, TDS Northern Ireland operates a 'Lead Tenant' model. This means that one tenant must be named as lead tenant, which means that they act on behalf of other named tenants.

## CUSTODIAL SCHEME: Tenancies involving more than one tenant

In the custodial scheme TDS Northern Ireland holds the tenant's deposit in a designated account, until its repayment is applied for at the end of the tenancy.

Where a tenancy involves more than one tenant, the landlord must say which tenant is the lead tenant, when the landlord registers the deposit. The lead tenant is authorised by all of the joint tenants to act on their behalf when dealing with the:

- protection of the deposit;
- claim for repayment of the deposit from the custodial scheme at the end of the tenancy; and
- any dispute about it.

The lead tenant's responsibilities should be set out clearly in the tenancy agreement

When submitting the deposit for protection with TDS Northern Ireland, the landlord must confirm that:

- all tenants have agreed to the appointment of the lead tenant;
- all tenants are aware of how TDS Northern Ireland will deal with joint tenants.

## Confirmation of deposit protection

When the deposit has been protected, TDS Northern Ireland will send confirmation to all joint tenants. The Tenancy Deposit Protection Certificate will show the names of all joint tenants and will highlight who the lead tenant is.

The deposit will be allocated a Deposit Account Number (DAN). Each tenant will be able to use a secure link to access the TDS Northern Ireland website and set up their own, individual on-line account. This will allow:

- all joint tenants to check that the deposit is protected on the TDS Northern Ireland website;
- where the deposit is held in the custodial scheme, the lead tenant only to apply for repayment of the deposit at the end of the tenancy;
- the lead tenant only to request use of the TDS Northern Ireland dispute resolution service.

If tenants do not have access to the internet, they can get in touch with the TDS Northern Ireland custodial contact centre for alternative arrangements.

## Change in lead tenant by landlord

If the landlord wishes to nominate one of the other joint tenants to replace the lead tenant during the tenancy, he can do so online via the TDS Northern Ireland website, or by contacting TDS Northern Ireland.

The landlord will only be able to nominate one of the other joint tenants registered with TDS Northern Ireland. The landlord will be asked to confirm that:

- all tenants have agreed to the appointment of the replacement lead tenant;
- all tenants are aware of how TDS Northern Ireland will deal with joint tenants; and
- the landlord will indemnify TDS Northern Ireland against any claims from the joint tenants.

Once the landlord has completed the process, TDS Northern Ireland will confirm the change in lead tenant with all parties and issue a new Tenancy Deposit Protection Certificate showing the new lead tenant and other joint tenants.

## A request by the tenants to change the lead tenant during the tenancy

This can only be processed via the landlord (or agent acting on their behalf). The tenants should discuss with the landlord any changes they wish to make in relation to the lead tenant. The landlord should advise TDS Northern Ireland accordingly.

## Change in lead tenant by tenant(s) at the end of the tenancy

At the end of the tenancy, any of the joint tenants can apply to TDS Northern Ireland to become a replacement lead tenant if they are told by TDS Northern Ireland that the appointed lead tenant has not responded to a landlord's deposit repayment request. One of the joint tenants can apply to become lead tenant in order to respond on behalf of all the tenants. This process will be available from 15 working days after receiving the repayment request.

Any tenant applying to become a replacement lead tenant must:

- confirm in writing that all tenants have agreed to their appointment as lead tenant;
- confirm in writing that the other joint tenants are aware of how joint tenants will be dealt with;
- indemnify TDS Northern Ireland against any claims from other joint tenants.

The appointment of a replacement lead tenant will take effect from the date TDS Northern Ireland receives the change of lead tenant application as long as it has been properly completed.

If a response to the landlord's repayment request is received from the original lead tenant before the appointment of the replacement lead tenant has been confirmed, TDS Northern Ireland will regard the response from the original lead tenant as having been submitted on behalf of all the joint tenants.

### **Responding to a landlord's repayment request**

When TDS Northern Ireland receives a repayment request from a landlord, a copy of it will be sent to all joint tenants.

TDS Northern Ireland will explain to all joint tenants that only the lead tenant can respond to the landlord's repayment request within 30 working days. If no response is received, payment will be made in accordance with the landlord's repayment request.

If TDS Northern Ireland has not received a response to a landlord's repayment request within 15 working days, we will contact the other joint tenants and give them the opportunity to appoint a replacement lead tenant to continue the process and provide a response to the landlord's repayment request within the 30 working days. If no response is received, payment will be made in accordance with the landlord's repayment request.

If TDS Northern Ireland has not received a response to a landlord's repayment request within 15 working days, we will contact the other joint tenants and give them the opportunity to appoint a replacement lead tenant to continue the process and provide a response to the landlord's repayment request within the 30 working days. If no response is received, payment will be made in accordance with the landlord's repayment request.

### **Request for repayment from tenant(s)**

The lead tenant is responsible for dealing with end of tenancy matters concerning the repayment of the deposit. Any repayment request received from the lead tenant will be sent to the other joint tenants for information only.

The tenants will be notified that the landlord or agent registered with the scheme must respond within 30 working days (as with tenants, where there are joint landlords, only the landlord registered with the scheme (or an agent acting on their behalf) can make a repayment request, or respond to one received from a lead tenant).

TDS Northern Ireland will not be able to accept a repayment request from the lead tenant if a repayment request has already been received from the landlord.

If TDS Northern Ireland has not received a repayment request from the landlord, and the landlord disagrees with the lead tenant's repayment request, the landlord can submit their own. If they do, the landlord's repayment request will replace the lead tenant's, and the lead tenant will instead be invited to respond to the landlord's repayment request.

The tenants will be notified that the landlord must respond within 30 working days. If no response is received, the deposit will be paid in full to the tenant(s).

## Repayment of the deposit to joint landlords and joint tenants

The member landlord or agent will normally initiate the repayment request. The member will recommend how the deposit is to be apportioned and, where there is more than one tenant, will be able to specify whether different amounts are due to the tenants.

If the lead tenant agrees with the amount to be returned, but disagrees with the way that the deposit is split amongst joint tenants, then the lead tenant can specify how the deposit is to be allocated between joint tenants. If joint tenants cannot agree how the deposit is to be split between themselves, TDS Northern Ireland will pay the deposit due to joint tenants equally between them.

## Repayment of the deposit following an adjudication decision

TDS Northern Ireland will normally pay any deposit due to the tenants, equally to all tenants named in the tenancy agreement. The only exception to this will be if a different allocation of the deposit repayment is authorised in writing.

## Point to note

Any deposit for a tenancy involving joint tenants can only be registered with TDS Northern Ireland once. It is not possible to register the deposit in 'shares' individually for each joint tenant. If different payments have been made, then these should be detailed in the tenancy agreement.

## INSURED SCHEME: Tenancies involving more than one tenant

If the deposit is insured with TDS Northern Ireland this means that the landlord or letting agent holds the deposit. Your tenancy agreement will specify who.

Where a tenancy involves more than one tenant, the landlord will be asked to nominate one of the tenants as the lead tenant when registering the deposit. The lead tenant is authorised by all of the joint tenants to act collectively on their behalf when dealing with:

- the protection of the deposit;
- the agreement of any end of tenancy deposit deductions with the landlord or letting agent; and
- where the lead tenant disagrees with these deductions, the lead tenant only may submit a request to use TDS Northern Ireland's dispute resolution mechanism.

### The lead tenant's responsibilities should be set out clearly in the tenancy agreement

When submitting the deposit for protection with TDS Northern Ireland, the landlord will be asked to confirm that:

- All tenants have agreed to the appointment of the lead tenant;
- All tenants are aware of how TDS Northern Ireland will deal with joint tenants.

## Confirmation of deposit protection

When the deposit has been protected, TDS Northern Ireland will send confirmation to all joint tenants. The Tenancy Deposit Protection Certificate will show the names of all joint tenants and will highlight who the lead tenant is.

The deposit will be allocated a Deposit Account Number (DAN) and each tenant can manage their own details via their online account. It is important to keep this safe and secure.

Using the online account will allow:

- All joint tenants to check that the deposit is protected on the TDS Northern Ireland website;
- The lead tenant only to request use of the dispute resolution mechanism.

A guidance document on activating your online account can be found on the TDS Northern Ireland website.