

Tenant's Deposit Scheme

Controversial government plans for a mandatory deposit scheme would not do enough to protect tenants' money according to experts at Edinburgh's Cullen Property.

The plans could see landlords governed by dispute resolution obligations and forced to pay rent deposits into named tenant accounts in an attempt by the Scottish Government to address the estimated £3.6 million of tenants' money allegedly unfairly held in Scotland each year.

But Steve Coyle, operations director at Cullen Property, believes this is not enough and that landlords and property management companies need to do more to ensure that tenants' money is protected from the outset.

He says: "These government plans will not protect tenants' money because any individual or company that currently withholds deposit money illegally will simply adapt their policies and practices to continue doing so. Indeed the worst offenders won't even sign up to the TDS schemes in the same way in which unscrupulous landlords haven't signed up to the landlord registration scheme either.

"We are all for being fair, open and transparent and being able to prove any deductions is the best way of doing that but this appears to be yet more regulation where the good landlords who it's not aimed at will support it, and the bad ones who it should be targeting will simply ignore it, probably without any recourse from the powers that be."

Cullen Property has established a best practice method of dealing with tenants' deposits to avoid disputes arising in the first place, and is unusual in insisting that the tenant(s) is present at the check-out of the property, so that any discrepancies can be dealt with on the spot. Cullen Property also carries out regular property inspections to

ensure that any damage is dealt with immediately, thereby preventing problems worsening.

Mr Coyle adds: "In the 13 years we have been in business we have never been involved in a small claims procedure so we are confident that our deposit procedure works effectively and fairly for both tenant and landlord. This saves our landlords the potentially costly and time-consuming process of becoming involved in a small claims action, while ensuring that our tenants have a good experience renting from us.

"The tenant(s) is made aware at the check-out of any charges to be made, so there are no nasty surprises when they have their deposit returned, which is always within 14 days of the end of their lease date. And if the tenant(s) disagree with anything, we personally review each case and make a fair decision on the outcome."

Cullen Property offer the following tips to tenants:-

1. Request an inventory: looking after your deposit starts when you move into a new property. A detailed inventory avoids confusion over which items the property is equipped with
2. Check the inventory: ensure everything listed on the inventory is actually in the flat and in proper working order to avoid having to replace items you weren't given in the first place
3. When preparing to move out, put yourself in the new tenant's shoes – how would you like your new flat to look when you move in?
4. Once you know your moving out date, contact utility companies and the council to ensure your payments are up to date and avoid surprises when your final bill is prepared. Provide a forwarding address to the company and the landlord to avoid delays in returning your deposit
5. Assess whether any repairs are needed and contact trades

people in good time before your lease ends to arrange repairs. Check with your landlord for approved companies

6. Consider painting any walls, doors or skirting boards that may have been damaged during your tenancy. If you live in a traditional property with extremely high ceilings it may be worth asking a professional painter and decorator
7. Remove all personal belongings from the flat as you may be charged by the landlord if they have to organise a removal
8. Ensure the property is spotless before you hand it back to avoid the landlord hiring potentially expensive commercial cleaners. Pay special attention to carpets, windows and cookers
9. Return all keys you initially received. If several of you were sharing a property, ensure everyone leaves their full set of keys before the flat is returned to the landlord
10. It may sound obvious – be sure to meet the landlord for the handover as this is the best time to talk through any issues on the spot and resolve them