

STATES OF JERSEY



RENTAL DEPOSIT SCHEME TO PROTECT TENANTS' DEPOSITS

Lodged au Greffe on 18th August 2009
by Deputy G.P. Southern of St. Helier

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to request the Minister for Housing to bring forward for approval, by the end of March 2010, Regulations under Article 24 of the Residential Tenancy (Jersey) Law 200- to establish a rental deposit scheme to protect deposits paid by tenants and to resolve disputes arising from the operation of the scheme.

DEPUTY G.P. SOUTHERN OF ST. HELIER

REPORT

I first lodged a proposition to establish a Rental Deposit Scheme (RDS) on 29th August 2008 (P.137/2008) in response to a decision from the then Minister for Housing –

“... not to put forward proposals for a Tenants’ Deposit Scheme as part of the Residential Tenancy Law at this time.”

I believed then on the basis of significant research conducted over several years by CAB that the case for such a scheme had been clearly made. A copy of that proposition, including a summary of the CAB evidence, is contained in the Annex to this proposition. The response of the Minister for Housing to that proposition was contained in his comments which were lodged on 10th October 2008, as follows –

“Comments of the Minister for Housing

As Minister for Housing, I have a natural sympathy for tenants, and wish to protect them. Equally, I have a responsibility to landlords and the general public, and to introducing new legislation on the basis of the widest consultation and the most robust evidence.

It is for these reasons that the Draft Residential Tenancy (Jersey) Law 200-, a framework for tenant and landlord relations, was published for consultation on 29th April 2008, proposing improved security of tenure for tenants and a means of introducing a deposit scheme.

The Consultation Findings Report has now been issued (R.107/2008), and a conclusion drawn that a **compulsory, agency-led custodial deposit scheme is the preferred model for deposit protection – because of its potential swiftness as a scheme for mediating, arbitrating, and returning monies and resolving disputes, and its dedicated, specialised nature.** As part of the 2008 Jersey Annual Social Survey, 3,500 people are presently being asked their views on these issues. The results of this will be published in January 2009, and at that point, a final decision will be made as to how to proceed.

In the meantime, discussions have begun with agencies who may be able to operate a deposit scheme, and with the Law Draftsman, in preparation for the likely introduction of a deposit protection scheme under the Residential Tenancy (Jersey) Law 200-. Furthermore, as these proposals have been developed, close contact has been maintained with the Citizens’ Advice Bureau.

Members are strongly urged to reject this projet, and instead permit the open and thorough process outlined above to be completed.

Thereon, the Draft Residential Tenancy (Jersey) Law 200- will be lodged for debate early in 2009, and Draft Regulations under that Law for the establishment of a **scheme to protect deposits and resolve disputes will likely be lodged later in 2009.”**

On the strength of these and other assurances given by the Minister for Housing on rental deposit protection, I withdrew my proposition. As a result, the Draft Residential Tenancy (Jersey) Law 200- (P.74/2009) was lodged on 21st May 2009 and debated on 13th July 2009. Unfortunately, the Minister for Housing made only a token effort to keep his promise to the Assembly on rental deposit protection, but merely introduced powers to regulate a potential protection scheme in Article 24 of the draft Law.

In his introduction to the Residential Tenancy Law, the Assistant Minister stated –

“...it sets out a modern framework of responsibilities and rights for both the landlord and the tenant in one law. It does not, and I want to make this clear in the first few minutes, establish a tenants’ deposit scheme at this stage. It will enable one to be set up to a separate regulation after this law is approved and I will deal with that later.”

The excuse for the failure to introduce a deposit protection scheme was that such an action would fail to protect unqualified lodgers, along with those with a tenancy. This, in turn, we were told would require the introduction of a new migration policy to replace current outdated law.

The Assistant Minister finished his opening remarks thus –

*“But the introduction of these 2 laws, the Residential Tenancy Law and the migration policy, will logically lead to a review of other related legislation and these will include the 1946 Dwelling-Houses (Rent Control) (Jersey) Law and the 1962 Lodging Houses legislation, both **need** review to make any updates felt necessary as a result of the introduction of this draft law and the migration policy.”*

The Minister then chipped in with the following –

“..... if the House approves the migration policy then it will encompass the unqualified, give them more legal rights and the issues in regard to deposits. There is a difficulty at the moment with deposits..... when they need their deposit back, they often need it virtually the same day or the same few days to be able to move on or they have decided they want to go back home or something, and there has been a lot of discussion taking place with the Lodging House Association and we would rather hope that once the migration policy comes into being at the end of next year or early 2011”.

The timescale for rental deposit protection was thus put back from the promised 2009 target to 2011. The Minister continued to imply that the introduction of deposit protection for tenants alone was not only undesirable, but legally impossible –

*“So the news is good and I have promised Deputy Southern on 2 or 3 occasions, particularly when he brought his proposition last year, to come to the States and he thankfully – thank you very much – delayed it on the basis that I made a promise that I would run with this **[Interruption]** ... it is all right to say: “Where is it.” I am trying to explain and have explained that it is not possible to bring it forward for the unqualified sector until the migration policy proposal is produced.*

The steps are now, if we pass this law today, officers in the Population Office will continue to monitor its impact for one year after its implementation and it will be possible for me or the Minister for Housing of the time to bring in orders that may specify further issues to be considered in tenancy agreements and that has never been possible under the old existing laws.”

When asked to clarify whether the law could discriminate between tenants and lodgers under Article 14 of Human Rights Law by Deputy S. Pitman, the Attorney General stated –

Mr. W.J. Bailhache Q.C., H.M. Attorney General –

“The discrimination provision in Article 14 of the Human Rights Convention is in these terms: “The enjoyment of the rights and freedoms set forth in this convention shall be secured without discrimination on any grounds such as ...” and then there is a list of grounds which then follows. The grounds are: sex; race; colour; language; religion; political or other opinion; national or social origin; association of a national minority; property; birth or other status. I think that the position is that none of those grounds would apply to the discrimination between persons who are tenants and persons who are not tenants. Therefore it is entirely the case that this legislation, which deals only with tenancies and does not deal with lodgers, is not discriminating in that sense. The nature of law is dealing with tenancies and not with lodging arrangements. There are many cases of laws which are both in this jurisdiction and elsewhere which distinguish between tenancy arrangements and lodging arrangements. It has been particularly so in the U.K. with regard to rent control, with regard to rating and things like that.”

Following the acceptance by the Assembly of the proposals contained in the Draft Residential Tenancy (Jersey) Law (P.74/2009), the Minister for Housing apologised to members for having misled them during the course of the debate –

“Before we start, may I just say a couple of words on something I may have misled the Deputy and Members this morning when I mentioned about rental deposits that we had had legal advice. I am advised by the Crown Officers that was not the case inasmuch that I can now recollect that it was a discussion round the table with the law drafting officers and Law Officers. So I did not actually get any legal advice but advice was given around discussions that would take place in building up the issues of rental deposits. I would like to make it quite clear that I do apologise if I unintentionally misled Deputy Southern and others.”

The end result is that, despite promises to the contrary, rental tenants and landlords still have no scheme in place to protect deposits and resolve disputes and little prospect of seeing one put in place before 2011. I believe that this situation is unsatisfactory and that the case for delay has not been properly made. This proposition will enable this to be resolved in the case of tenancies as soon as possible, and that this can be extended to lodgers (or their equivalent under a new migration law) at a later date, perhaps by 2011.

For the sake of clarity, Article 24 outlining the scope of the required regulations is given here –

“24 Regulations

- (1) The States may by Regulations make provision for the purpose of carrying this Law into effect and, in particular, but without prejudice to the generality of the foregoing, for or with respect to the following matters –
 - (a) deposits or guarantees in relation to residential tenancies;
 - (b) setting up a scheme for the safe-keeping or investment of deposits paid in respect of residential tenancies;
 - (c) requiring the payment of deposits into such a scheme;
 - (d) the recovery of those deposits;
 - (e) the resolution of disputes as to deposits, including conferring jurisdiction on the Court in relation to those disputes;
 - (f) making provision of a saving or transitional nature consequent on the enactment of this Law.
- (2) The States may, by Regulations, amend Part 1, Schedule 1 or Schedule 2.
- (3) Regulations may do any one or more of the following –
 - (a) authorize any matter or thing to be from time to time determined, applied or regulated by any specified person or body;
 - (b) create an offence punishable by a penalty not exceeding level 3 on the standard scale;
 - (c) contain such transitional, consequential, incidental or supplementary provisions as appear to the States to be necessary or expedient for the purposes of the Regulations.
- (4) A provision of Regulations made under paragraph (1)(f) may, if the Regulations so provide, come into force on the day on which this Article comes into force or on a later day.
- (5) To the extent to which any such provision comes into force on a date that is earlier than the date of its promulgation, the provision shall not operate so as –
 - (a) to affect, in a manner prejudicial to any person (other than the States or an administration of the States), the rights of that person existing before the date of its promulgation; or
 - (b) to impose liabilities on any person (other than the States or an administration of the States) in respect of anything done or omitted to be done before the date of its promulgation.”.

Financial and manpower implications

As described in the Report of the Minister for Housing: R.107/2008 (Draft Residential Tenancy (Jersey) Law 200-: Summary of Findings of the Consultation) substantial research already in place indicates that there need be no financial and manpower costs to the States as follows –

As a result of the balanced responses received to this consultation, it is evident that some form of process needs to be put in place to provide peace of mind to both tenants and landlords with regard to the return of deposit monies. Asking for a deposit, as one landlord stated, is the only way a landlord has of

safeguarding their property. Equally, for a tenant, the prompt return of a deposit may be the only way that a tenant has of funding a deposit for a new home.

A choice of deposit protection schemes now operate in the U.K., and the type of custodial deposit scheme favoured by the Citizens Advice Bureau is one of the options that the Population Office is researching, and indeed, a **compulsory, agency-led custodial deposit scheme is my preferred model for deposit protection – because of its potential swiftness as a scheme for mediating, arbitrating, and returning monies and resolving disputes, and its dedicated, specialised nature.** This is only on the basis of any proposal being self-funding, requiring minimal administration for all, not being undertaken by the States, and being wholly unbiased.

STATES OF JERSEY



RENTAL DEPOSIT SCHEME TO PROTECT TENANTS' DEPOSITS

Lodged au Greffe on 29th August 2008
by Deputy G.P. Southern of St. Helier

STATES GREFFE

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PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to request the Minister for Housing to bring forward for approval, by the end of 2009 if possible, legislation to establish a rental deposit scheme to protect deposits paid by tenants and to resolve disputes arising from the operation of the scheme.

DEPUTY G.P. SOUTHERN OF ST. HELIER

REPORT

The Draft Residential Tenancy (Jersey) Law 200- has been out to consultation as a “White Paper” since 29th April 2008. As part of the consultation, Article 23(l) contains the capacity to bring general regulations for the setting up of a scheme for the safe-keeping or investment of deposits paid in respect of residential tenancies.

In his examination of tenants’ deposits the Minister states the following concerning an amendment to the then Housing Committee’s Policy Report (P.2/2002) –

“vi) Recovery of tenants’ deposits:

Subsequent to the Working Party’s Report Senator Corrie Stein lodged a proposition in the States¹ in which she asked the States *“to charge the Housing Committee to bring forward for States’ approval a scheme to safeguard the rental deposits paid by tenants to landlords or agents in the private sector, and deposits paid by lodgers to lodging house owners and to ensure the prompt return of monies at the end of the period of occupation.”*

Since that time questions have been put to the States asking when a deposit scheme to protect tenants’ and lodgers’ deposits will be introduced.

The proposal was researched and considered by the former Housing Committee and has been reviewed again as part of the final work done in connection with the proposed RTL.

It has been decided **not** to put forward proposals for a Tenants’ Deposit Scheme as part of the RTL **at this time.**”

As justification the white paper puts forward the following –

“The true extent of any problem is unknown as there is inadequate documented evidence regarding the current situation. That is not to deny that problems do exist but there are only limited records kept by the Citizen’s Advice Bureau and the Petty Debts Court to assist with an analysis of the problem. Further information is required as to the nature of the problem, the number of people affected and the amount of deposits currently paid.”

Further on, the consultation document lists further reasons for not acting at this stage –

“Overall, it is therefore concluded that no legally binding Tenancy Deposit Scheme should be introduced **at present** in the Island for the following reasons:

- a) the real extent of the problem is not known;
- b) any scheme established in law will create bureaucracy and Government is committed to reducing “red tape” where possible;

¹ Housing Committee Strategic Policy Report 2002-2006 (P2/2002): Amendment Lodged au Greffe 23rd April 2002

- c) setting up and administering a scheme is likely to have a cost. If government were to be involved in any way it would require resources which would entail additional government expenditure;
- d) there is already provision available in the Petty Debts Court for applicants to have their cases dealt with privately using mediation processes and additional means of accessing mediation are available;²
- e) there are several new provisions in the RTL which seek to clarify the rights and obligations of tenants and landlords with regards financial transactions which take place between them, including the payment and repayment of deposit monies. It is hoped that these provisions will help manage any issues arising over the return of deposits;
- f) as described above, the RTL at present only extends to those qualified to rent property. Thus, any scheme established under the RTL would not afford protection to those falling outside its remit, including lodgers;

It is proposed that:

- i) the current mediation process in the Petty Debts Court be promoted for resolution of deposit disputes;
- ii) further research be done on the value of deposits and cases where there is a dispute concerning the return of a rental deposit;
- iii) once further evidence has been acquired a review of the need for a Tenancy Deposit Scheme takes place within the next 2 years.”

I believe that this do-nothing attitude for at least 2 years is completely unacceptable.

To start with, the basic tenet of this argument, that the true extent of the problem is not known, is untrue. The Jersey Citizens Advice Bureau (the Bureau) believes that the Residential Tenancy (Jersey) Law provides the best opportunity to end the problems of rental deposits being unreasonably withheld by landlords and agents. In its response to the white paper, from which much of this report is taken, the Bureau produces a great deal of evidence to support its case for action now.

Over the last decade, disputes over the partial or non-return of rental deposits has consistently been amongst the most common issues of concern brought to the Bureau by Jersey residents renting in the qualified or non-qualified sector. Problems include –

- disputes over cleaning costs and whether the employment of “professional cleaners” was really necessary;
- disputes over whether any deterioration of fixtures and fittings is more than reasonable wear and tear;

² http://www.jerseylegalinfo.je/Mediation/Accredited_Mediators/Accredited_Mediators.aspx

- cases where the landlord simply says he has not got the money available or where the agent is having difficulty contacting a landlord who lives abroad;
- rental deposits used by landlord to replace carpets at the end of a short tenancy;
- cases where the landlord denies ever receiving a rental deposit;
- disputes over what notice period should have been given by a tenant, where there is no written agreement, resulting in deductions from rental deposit;
- rental deposit not passed on to new owner when property is sold;
- unreasonable delays in returning rental deposits following inspection of accommodation.

A selection of case studies illustrating these problems and the size of the sums involved are given in the Appendix.

The Bureau points out that a key objective of housing policy over the last 15 years has been to encourage the provision of private rental accommodation. The number of private rental accommodation households in the last Census was 7857, which represents 22% of the total number of households. Non-qualified accommodation, in private houses or registered lodging houses, consisted of a further 2808 households, representing 8% of the total number of households. (Census 2001)

In addition, there has been considerable expansion of Housing Trust rental accommodation over the last 7 years and it is reasonable to estimate that the total number of rented units, both qualified and unqualified, now exceeds 11,000. In nearly all tenancies or lodgings a rental deposit, equivalent to one month's rent, is held by the landlord or his/her agent. The average rent for all types of private lettings is currently £209 per week (Income Support Housing Component – May 2008) which equates to an average rental deposit of £905. It follows, therefore, that the total amount of rental deposits held by landlords or their agents can be estimated at around £10 million.

A deposit of the order of £905 is a large sum of money for those tenants who are on low incomes to find. This leads to major problems for tenants raising the deposit in the first place and regaining it quickly at the end of a tenancy, so that it can be available for the next tenancy. There is currently no regulation over the size of deposits which can be charged; over how the landlord should hold and account for the money; over how quickly deposits should be returned or over who should benefit from the interest on the money held. The Bureau describes such a system as an invitation for misunderstanding on both sides and for landlord abuse.

If the landlord fails to return the deposit, the onus is on the tenant to take action, ultimately through the Petty Debts Court, to try to establish a claim to the money. Increasingly the problem is becoming a concern for landlords as well, since tenants who have lost their deposit once may decide not to pay the last month's rent rather than risk being out of pocket again. Such action leaves landlords without any security to cover loss or damage to their property.

The Bureau has raised this problem and pressed for reform since 1996. The Consultation Paper on the Residential Tenancy (Jersey) Law 200- proposes that “*further research be done on the value of deposits and cases where there is a dispute concerning the return of a rental deposit*” in order that “*a review of the need for a Tenancy Deposit Scheme takes place within the next 2 years*”. The Bureau believes that there is already an overwhelming case for the enactment of legislation to ensure that a custodial rental deposit scheme is set up in Jersey without further delay and prevarication.

The scale of the problem

The Bureau keeps statistics on the number of enquiries received in respect of Housing Costs. Within this category they include issues concerning rental deposits.

A detailed analysis of the Housing Costs category for 2007 reveal that out of a total of 236 issues, 212 (90%) related to rental deposits.

The following statistics cover the 5 year period from January 2003 to December 2007 –

Housing Costs –

Year	2003	2004	2005	2006	2007	
Cases	306	305	241	278	236	total = 1336

90% of this figure is 1,229 giving an average of 245 rental deposit issues per annum.

Furthermore, in 1998 the Bureau carried out a survey of its clients for a 2 week period, 26th January to 6th February, which involved asking every client who was or had been a private tenant in the last 5 years whether they had ever been charged a rental deposit; if so they were asked to complete a short questionnaire with the help of an adviser. The survey was therefore not confined to people who had come to the Bureau with a rental deposit problem or indeed any problem relating to a private tenancy. This resulted in 58 questionnaires being completed by clients.

Key findings were that –

- 31% of the respondents who took part in the survey said that they had had a deposit unreasonably withheld in the last 5 years.
- Only 5 out of the 18 respondents who said that they had had a deposit unreasonably withheld were successful in getting their money back. In two cases it took over 3 months for the rental deposit to be eventually returned.
- 75% of the respondents, who had had a rental deposit unreasonably withheld, agreed with the proposal that a Custodial Scheme to safeguard deposits should be set up.

It is of course likely that, in some of the cases where the tenant felt the deposit had been unreasonably withheld, an independent arbiter might have found differently. Indeed the Bureau provides advice to landlords as well as tenants, and it is clear that there are occasions where the deposit provides a crucial safeguard for the landlord.

Summary

- It is clear from the case studies contained in the Appendix that the current system is open to abuse; that the scale of the problem is significant and that for many tenants and lodgers the rental deposit system is unsafe.
- When the landlord or agent refuses to return a deposit the tenant only has the option of instigating legal action through the Petty Debts Court. Clients of the CAB, however, have commented that they do not think it was worth the hassle of taking court action.
- Legal Aid is not usually available for small claims under £1000 and it is unrealistic to expect lay people to put forward argued legal case at a hearing, especially if the landlord is legally represented and particularly if English is not their first language.
- Speed is of the utmost concern to the outgoing tenant who will require a fast return of the rental deposit, within days rather than weeks, in order that it may be used for the next tenancy.
- In order to use the Petty Debts Court the plaintiff is required to pay court fees. Thus a claim for the return of an average deposit of £1,000 would cost £30. This presents an additional barrier to tenants who may have already faced the problem of having to find a further deposit.
- The most serious weakness of the Petty Debts Court procedure to recover a rental deposit is the potential difficulty of enforcing the judgment as the onus remains with the plaintiff to initiate enforcement, through the Viscount's Department, by means of a wage arrest or arrest on assets.

Conclusions

The Bureau believes that the case for reform of the system for holding rental deposits is overwhelming. The Residential Tenancy Law focuses on raising standards in the private rented sector and therefore is the appropriate place to tackle this issue.

Any reform must meet the reasonable requirements of both landlords and tenant for a secure, easy to use and non-bureaucratic system for holding deposits and ensuring their prompt return to the appropriate party at the end of the tenancy.

The custodial model used in England and Wales, called The Deposit Protection Service (DPS), supported by an independent Alternative Dispute Resolution (ADR) service, meets these requirements.

In order to gain the trust and support of all parties the selected scheme administrator would need to demonstrate its independence and its ability to deliver a fast and efficient service with user friendly procedures and a clear system for complaints and redress.

A statutory, custodial rental deposit protection scheme would do much to improve the image of the private rented sector – a sector which it is current States policy to promote, given the difficulties young people have in accessing affordable housing to buy in the island.

In the face of this serious and significant issue, the Housing Minister proposes to prevaricate until possibly the end of 2010 or beyond. He cites six reasons (page 2 above) for delay, none of which stand up to scrutiny.

The Minister's call for further research into the scale of the problem is redundant. The work has already been very adequately carried out by CAB and shows clearly that the problem is significant and needs to be addressed.

The Minister dismissal of such schemes as “bureaucratic red tape” does not bear up in the face of the evidence already gathered. Surely protection of tenants (and landlords) is a legitimate and justified action. As to cost, as the CAB report points out with some £10 million in total held in deposits, there should not be any problem in making the running costs self-funding. Further, given that there is a U.K. model (DPS) as reference, devising a suitable scheme, perhaps involving a body such as the Community Savings and Credit organisation, should not prove arduous.

As the CAB report confirms, the Petty Debts system does not adequately address the problem, yet the Minister remains reliant on it.

Finally, in proposing his RTL, whilst failing to address the issue of tenants' deposits, the Minister is surely failing in his duty to a significant proportion of the population, especially since the proposed law already contains the articles required enable a scheme to be put in place. To suggest that the RTL only applies to qualified tenants is merely an excuse for doing nothing.

Manpower and Resource Implications

Given the massive resource dedicated to achieving the effective change from the rent rebate/abatement schemes to Income Support which took place over the past year, it would seem probable that sufficient officer time and resource could be found from the current departmental resource to deliver such a scheme in the timescale proposed.

THE NATURE OF THE PROBLEM

The following case studies case studies illustrate the nature of the problem of non-return or partial return of rental deposits. The case studies are taken from CAB records for 2007.

1. Disputes over cleaning costs

- (A) Client advised that relationship with his landlord became difficult as she disapproved of his girlfriend living with him. When the lease expired his landlady retained £350 out of his rental deposit of £1000 for professional cleaning.
- (B) Client was informed by his landlord, at the end of the tenancy, that he would not be returning the rental deposit as he would have cleaning expenses. Client was willing to pay the cleaning bill, on receipt of proof of the cost of cleaning, but landlord refused to do this.
- (C) Client stated that she left her property “spotless” at the end of the tenancy and no complaint was made by the landlord at the inspection when the keys were returned.

Landlord has now told her that he won't be returning the deposit as he had to use professional cleaners and plumbing expenses were also incurred.

- (D) Client had been in lodgings for 6 weeks but decided to leave because of the damp conditions. Landlord wants to deduct the cost of professional cleaners from her deposit of £450.
- (E) Client had been living in “unqualified” accommodation for 2 years. Client felt he left the property in better condition than when they moved in. Landlady said she used a “professional cleaning team” and there was no refund due from his rental deposit.
- (F) Client's lease expired and the landlady agreed, at the inspection, that the only deduction from his deposit would be occupier's rates. He was subsequently informed that £96 would be deducted for cleaning the flat.

2. Disputes over whether any deterioration of fixtures and fittings is more than reasonable wear and tear

- (A) Client has carpets professionally cleaned when he moved into “unqualified” accommodation due to poor condition and stains. The landlord “at the time” informed him that he would put in new carpets but this never happened. When client vacated the property the “new” landlord told him he would be deducting the cost of new carpets from his rental deposit.

- (B) Client was informed by landlord, at the end of a 5 years tenancy, that his deposit of £500 would be retained to pay for new carpets. Client stated that the carpets were not new when he moved in.
- (C) Client moved out of accommodation and was informed by his landlord that his deposit would be used for redecoration of the flat. Client disputed that the deterioration was anything more than normal wear and tear.
- (D) Client's landlord refused to return his deposit as "a piece of the bath tap had been damaged".
- (E) Clients vacated property after 6 years. They believed flat was in better condition than when they moved in. Landlord refused to return their rental deposit of £700 as in his opinion "money had to be spent to put things right".
- (F) Clients leased flat for 5 years. They were informed that the lease would not be renewed on expiry, by the agents for the landlord, because it was going to be sold. A week before expiry of the lease they were asked if they would be willing to move out earlier to allow redecoration to commence. They agreed to this but the agents subsequently refused to return the deposit as, according to a letter received from the landlord, the flat required redecoration of walls and doors, cleaning of blinds, curtains and oven.
- (G) Client was evicted from her flat due to a breach of one of the terms of her lease. She had recently redecorated the flat and left it in a clean condition. Landlord's agents failed to agree an inspection date and then told her that the deposit would not be refunded as they would have to clean and decorate before a new tenant could move in.
- (H) Client's rental deposit of £600 was retained by the landlord for cleaning and redecoration of the flat. He was then sent a bill for a further £300. Client was advised to obtain proof of the landlord's expenditure as, in his opinion, only the lounge needed redecoration.
- (I) Landlord deducted £150 from rental deposit "for marks on the wallpaper". The client states that the flat and garden were in a "diabolical" condition when she took on the lease and that the marks on the wallpaper were only wear and tear after 3 years.
- (J) Client has been warned that his rental deposit of £700 may be withheld as there is a minor crack in the washbasin caused by a dropped perfume bottle. The tenant thinks the landlord intends to use his deposit to replace the whole bathroom suite.
- (K) Client took on the tenancy of a flat. The carpets were in such a bad condition that he stayed in a hotel whilst they were being professionally cleaned. When he moved out the landlord refused to repay his rental deposit of £600 because of the state of the carpets.

- (L) Client lived in the same rented property for 19 years. Landlord refused to return his rental deposit of £1000 “as the cost of redecoration was going to cost more than he anticipated”. The lease did not require the tenant to decorate at the end of the tenancy.
- (M) Client’s son and a friend rented a non-qualified flat in St. Helier and paid a rental deposit of £1200. At the end of the 3 months tenancy the landlady stated that a dent in the bedroom wall, previously hidden by a headboard, would have to be repaired and the cost taken out of their deposit.
- (N) Client vacated her flat at the end of a 3 year lease. She was sent a cheque for £380 as the landlord retained £620 for redecoration and cleaning of carpets and cooker. Client felt that this was very unfair as there was no discussion on these matters at the final inspection.

3. Cases where the landlord simply says he has not got the money available or where the agent is having difficulty contacting a landlord who lives abroad

- (A) Client moved out of rented accommodation in March 2007 and by December 2007 the rental deposit of £800 had still not been returned. The managing agents had stated that it was up to the landlord to return the deposit and they would not supply their client’s name and address.
- (B) Client received back half of his rental deposit of £1400 but did not know how to contact his landlady to dispute deduction. He used to pay his rent to the caretaker of the flats.

4. Rental deposits used by landlord to replace carpets at the end of a short tenancy

- (A) Client’s rental deposit was retained for cleaning and replacement of carpets. Client doubted that new carpets were purchased and the landlady refused to provide proof of purchase.
- (B) Client had £1100 deducted from her rental deposit of £1500 for replacement of staircase carpet. She disputed that it was ever necessary to replace this carpet. Six months later she had occasion to visit the same property and discovered that the staircase carpet had not been changed.

5. Cases where the landlord denies ever receiving a rental deposit

- (A) Client moved out of accommodation that he had lived in for 15 years. He claimed back his rental deposit of £800 but the landlord stated that he was not sure that such a deposit was ever paid. Client had a receipt for the deposit and was advised to sue.
- (B) Client paid her rental deposit of £800 with a cheque for £600 and £200 cash. At the end of the tenancy the landlord said he could not remember receiving the £200. Client had a receipt. Subsequently the

landlord stated that he had returned £540 to her flatmate but client was adamant that this was untrue and was advised to sue.

6. Disputes over what notice period should have been given by tenant, where there is no written agreement, resulting in deductions from rental deposits

- (A) Client had been living in an attic flat with shared electricity. When she received the first bill it equated to £8 per day. The flat was always cold so she went to see the landlady and they mutually agreed that she could leave. When she went to collect her rental deposit of £500 the landlady said it was being retained as she should have given one month's notice.
- (B) Client gave 2 weeks' notice to vacate unqualified accommodation. A new lodger replaced him immediately. Landlord refused to return his deposit of £250 as he claimed insufficient notice was given.
- (C) Client's rented flat had serious damp problems which were pointed out to the landlord. Promises to carry out remedial work to address the problem never came to fruition and the tenant finally decided to break the lease. He gave notice on the 6th of February and moved out on the 1st March. Landlord refused to return his rental deposit as he had not given a full month's notice.
- (D) Client paid a rental deposit of £388. He was not given a lease but paid his rent monthly. He gave one month's notice to leave but the landlord said he had to give 3 months' notice and retained his deposit. Client was advised to sue.

7. Rental deposit not passed on to new owner when property is sold

- (A) Client's landlord denied any knowledge of a rental deposit having been paid. Flat was sold with our client as a sitting tenant. The seller had left the island.

8. Unreasonable delays in returning rental deposits following inspection of accommodation

- (A) Client moved out of rented accommodation in February. The rental deposit was not returned until late April.
- (B) Client had been waiting over 4 weeks for return of her rental deposit.
- (C) Client has been waiting over one month for return of rental deposit of £2060. Client desperately needs the money for new accommodation.
- (D) Client left accommodation in April and in July was still awaiting return of his rental deposit.
- (E) Client left flat in February. He was told by the agents that he would have to wait for repayment of his rental deposit of £1000 until the end of March, as the owner was on holiday in South Africa.

- (F) Client left the property he rented in January. Eight months later he was still waiting for return of his rental deposit of £300.
- (G) Clients vacated flat at end of lease. Three months later they are still waiting for return of their deposit of £1500.
- (H) Rented non-qualified apartment for 3 months. Vacated in July and was still awaiting return of rental deposit of £500 in September.
- (I) Client returned to South Africa when her visa expired. Her Uncle has been trying to get her rental deposit of £600 back, on her behalf, for over 3 months.