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TENANCY DEPOSIT PAYMENT AGREEMENT

[Notes:

1: text in purple can be completed in advance of the date of agreement

2: text in red should be completed on the date of agreement

3: the agreement refers to "Housing Options Team". This should be amended if the Council department or section issuing the agreement has a different name]

DATE: [Date agreement is executed]

THIS AGREEMENT IS BETWEEN:

[Name of council] Council ("the Council", "us") and

[Landlord's name] ("you")

In connection with a tenancy ("the tenancy", "the original tenancy") whereby you are granting possession of

[Full postal address of tenanted property] ("the property") to

[Name(s) of tenant(s)] ("the tenant")

On [date] ("tenancy start date")

A. PURPOSE OF THIS AGREEMENT

- (1) You are entering into a tenancy agreement with the tenant in respect of the above property. You require a deposit to be held as security for the performance



of the tenant's obligations and the discharge of the tenant's liabilities under or in connection with the tenancy.

- (2) You are agreeing to accept a tenancy deposit payment from the Council for the purpose set out above at A(1) subject to the obligations and conditions set out in this agreement.

B. IT IS AGREED THAT

- (1) The tenancy deposit money remains the property of the Council and is to be returned to the Council, less any legitimate deductions, when it becomes repayable under the terms of the tenancy and this agreement.
- (2) Where there is a conflict or inconsistency between this agreement and the tenancy agreement regarding the deposit, including how the landlord must deal with the deposit or the circumstances in which it becomes repayable, this agreement will prevail over the tenancy agreement and any related documentation.
- (3) We will enter into a separate agreement with the tenant concerning the circumstances in which they must reimburse the Council for any loss it suffers under the terms of the tenancy and this agreement. You are not a party to this agreement.
- (4) This agreement and our agreement with the tenant (the "collateral agreements") do not prevent you exercising your legal rights to claim against the tenant under the terms of the tenancy where you have suffered loss under or in connection with the tenancy.
- (5) The Council provides no guarantee or indemnity to you in connection with the tenancy except to the extent expressly provided for under this agreement.
- (6) Where a dispute arises as to whether the deposit or part of it is repayable to the Council under this agreement either party may seek a resolution under the alternative dispute procedures, but this does not limit either party's right to apply for a court order requiring repayment and compensation.

C. CONDITIONS THAT MUST BE SATISFIED BEFORE WE ARE WILLING TO PROCEED WITH THIS AGREEMENT

- (1) Prior to the granting of the tenancy and the execution of this agreement you will give a Council representative access to the property so we can decide whether we are satisfied that the property is suitable for the proposed tenant and so that we can inspect and record the condition of the property and decide whether you have complied with those matters listed in Appendix 1.
- (2) Prior to the granting of the tenancy you will, upon receiving a written request, provide the Council with any information or documentation it reasonably requires for the purpose of deciding whether to enter into this agreement.
- (3) You will provide us with a copy of the written tenancy agreement you propose to use before the date on which it is proposed the tenancy will be granted, so we



can decide whether the terms of the proposed tenancy are acceptable, including the terms governing the circumstances in which deductions may be made from the deposit.

- (4) We must be satisfied that the property is suitable for the tenant. For this purpose we will inspect the property and check those matters listed in Appendix 1.
- (5) The tenant must enter into a separate agreement with the Council, to agree the terms on which they will reimburse the Council for any loss it suffers under the terms of this agreement. The agreement between the Council and tenant will not extinguish any liability of the tenant to you under the tenancy, nor prevent you seeking compensation from the tenant for any loss you suffer under or in connection with the tenancy.
- (6) If it appears that the tenant (or another household member) may claim housing benefit or universal credit housing costs from the beginning of the tenancy the Council will ensure the tenant (or relevant household member) gives permission in writing for the Housing Options Team to obtain certain information from the housing benefit department of the relevant local authority or the Department of Work and Pensions, as set out in clause D(5) and Appendix 3.

D. WE (THE COUNCIL) AGREE TO:

- (1) Pay you the sum of £[...] for you to hold as a tenancy deposit (as defined by section 212(8) of the Housing Act 2004) (“the deposit”) within 30 days of the date on which this agreement is entered into.
- (2) Forward the deposit payment by BACS bank transfer using the details below at E(1).
- (3) Underwrite and guarantee the rental and other responsibilities of the tenant under the tenancy agreement, subject to the Council’s total liability under this agreement, which is limited to a sum equivalent to the total amount of the deposit stated at clause D(1), and subject to the other conditions contained in this agreement.
- (4) Take reasonable steps prior to the execution of this agreement to establish whether the tenant (or another household member) will be submitting a claim for housing benefit or universal credit housing costs for the purpose of paying the rent under the tenancy agreement.
- (5) In the event that the tenant (or another household member) intends to claim housing benefit or universal credit housing costs, obtain written authority from the tenant (or relevant household member) immediately prior to the start of the tenancy authorising the Housing Options Team to obtain information from the Housing Benefit Office or Department of Work and Pensions for the purposes listed in Appendix 2. The tenant may subsequently exercise their right to withdraw this permission.



- (6) If you notify the Housing Options Team in writing that a breach of tenancy has occurred or that you reasonably suspect that such a breach is imminent make reasonable efforts to contact the tenant within five working days and advise them of their responsibilities under the tenancy agreement and the collateral agreements, so far as is reasonable and practicable.
- (7) Reimburse you any legal costs you reasonably incur in recovering any payment due from the Council under this agreement, provided that the total sums being sought do not cumulatively exceed the total sum for which the Council may be liable under this agreement (see D(1) above).
- (8) Provide you with a copy of the Property Inspection Inventory completed prior to the start of the tenancy within 30 days of the start of the tenancy and within 14 days of receiving a request from you in writing for a duplicate copy.
- (9) Abide by any determination made by an independent adjudicator as to what sums, if any, are repayable under this agreement if it is agreed that a dispute regarding the sums payable should be settled by independent adjudication. This does not prevent or restrict the Council exercising its right to seek alternative legal remedies, including applying to court for judgment ordering repayment of the deposit.

E. YOU (THE LANDLORD) AGREE TO:

- (1) That the Council may forward the deposit money to you by BACS to the following bank account:
 - Payee: [Account name of landlord's bank account]
 - Sort Code: [Landlord's sort code]
 - Account number: [Landlord's account number]
 - Reference: [Reference to be quoted when transferring money, e.g. "SMITH DEPOSIT"]
- (2) Provide the Council's Housing Options Team with a copy of the signed and dated tenancy agreement within 30 days of the date of this agreement.
- (3) Record within the tenancy agreement that the deposit has been paid by [Name of Council] Council and that it must be repaid to the Council (less any deductions authorised under the tenancy agreement and this agreement).
- (4) Deal with the deposit money in accordance with the law governing tenancy deposits, and where the tenancy is an assured shorthold tenancy, the statutory requirements under Part 6 Chapter 4 of the Housing Act 2004, including but not limited to:
 - (a) Protecting the deposit money by registering it with one of the authorised statutory tenancy deposit protection schemes within 30 days of receiving the deposit.
 - (b) Complying with the initial requirements of the scheme within 30 days of receiving the deposit.



- (c) Giving the tenant and the Council the information prescribed under section 213(5) and the Housing (Tenancy Deposits) (Prescribed Information) Order 2007 within 30 days of receiving the deposit.
- (5) Where the tenancy is an assured shorthold tenancy notify the relevant statutory deposit protection scheme that “Housing Options Team, [Name of Council] Council” is the person to whom the deposit money must be returned and provide the scheme administrator with the address listed at clause H(2), to ensure the Council’s interest in the deposit money is properly registered.
- (6) Notify the Council in writing if the tenancy ends. For the purpose of this clause “the tenancy ends” does not include:
 - (a) the ending of a fixed term tenancy if a statutory periodic tenancy immediately arises by operation of law, or
 - (b) the ending of a contractual tenancy if a ‘replacement’ contractual tenancy agreement is agreed by the landlord and tenant.

providing that:

- (aa) the tenant remains the same tenant as under the original tenancy;
 - (bb) the tenant remains in possession of the dwelling-house; and
 - (cc) the landlord remains the same landlord as under the original tenancy.
- (7) Deal exclusively with the Council’s Housing Options Team when seeking to reach agreement about repayment of and/or deductions from the deposit money, this obligation not restricting your general right otherwise to deal with the tenant, including in relation to the performance of their obligations under the tenancy.
 - (8) Notify the Council of any sums you propose to deduct from the deposit within 21 days of the end of the tenancy or within 14 days of the deposit becoming repayable to the Council whichever is the latter.
 - (9) In the event that you propose to deduct monies from the deposit:
 - (a) Provide detailed particulars of the grounds on which you propose to deduct monies from the deposit, together with the proposed sums for each item.
 - (b) Take all reasonable steps to provide our nominated Council representative access to the property at a mutually convenient time during normal office hours within 14 days of the date on which the deposit becomes repayable to the Council (see section F below) for the purpose of enabling the Council to check the condition of the property and determine its liability to you for any sums claimed under the terms of the tenancy and this agreement. In the event that access to the property cannot reasonably be obtained within 14 days, to take all reasonable steps to secure access for the Council as soon as possible thereafter.



- (10) Provide the Council with any information or documentary evidence the Council requests and reasonably requires for the purpose of being satisfied that you have complied with your legal and contractual obligations when dealing with the deposit, including its protection, by forwarding such information or documentation to the Council within 14 days of you receiving any such request in writing.
- (11) Abide by any determination made by an independent adjudicator as to what sums, if any, are repayable under this agreement, in the event that it is agreed that a dispute regarding the sums payable should be settled by independent adjudication. This does not prevent you from exercising your right to seek alternative legal remedies.
- (12) Give permission for the Housing Options Team to obtain confidential information from other departments of the Council and third parties for the purpose of establishing whether you have performed your obligations under this agreement and whether the deposit money is repayable to the Council.

F. WHEN THE DEPOSIT BECOMES REPAYABLE TO THE COUNCIL

- (1) The deposit must be repaid to the Council, less any authorised deductions, when:
 - (a) the tenancy ends (within the meaning of clause E(6)).
 - (b) the landlord's interest in the property is assigned or otherwise transfers to a third party.
 - (c) the tenant (including any joint tenants) ceases to be a tenant.
 - (d) any variation in the terms of the tenancy agreement takes effect.
- (2) "Variation" at clause F(1)(d) does not include:
 - (a) variations to the rent or any service charges payable; or
 - (b) variations implied by law.

G. IF YOU DEFAULT

- (1) The deposit money becomes immediately due for repayment if you:
 - (a) fail to comply with any legal requirement relating to the dealing and protection of the deposit money (including but not limited to breaches of the statutory requirements contained in Part 6 Chapter 4 of the Housing Act 2004 in respect of assured shorthold tenancies); or
 - (b) breach the terms of this agreement.
- (2) In the circumstances set out in clauses F(1) the deposit immediately becomes repayable to the Council minus any legitimate deductions for breaches by the tenant committed before the date on which the deposit becomes repayable.

H. SERVICE OF NOTICES



- (1) Notices served under this agreement will be effective if sent by ordinary post or left at the relevant address at H(2) and H(3) or any other address in the United Kingdom that either party to this agreement has notified in writing to the other party as being the address to which notices must be sent in connection with this agreement.
- (2) Our address for service of notices is [Full postal address of relevant Council department].
- (3) Your address for service of notices is [Landlord's full postal address].

I. ALTERATIONS TO THE TENANCY AND THIS AGREEMENT

- (1) This agreement may only be amended by the agreement of both parties in writing.
- (2) The tenancy to which this agreement relates may be amended by agreement between you and the tenant.
- (3) However if you do not obtain the Council's prior agreement in writing to any amendment of the tenancy (other than the kind of variations set out at clause F(2)) this agreement will end and the deposit becomes immediately repayable to the Council less any authorised deductions in accordance with section G.

J. SIGNATURES

I acknowledge that the Council is satisfied that those matters referred to in section C and Appendix 1 of this agreement are satisfied.

Signed by and on behalf of the Council:

.....

Name (print): Date: / /

Signed by and on behalf of the landlord:

.....

Name (print): Date: / /



Witnessed by:

.....

Name (print):

Date: / /

APPENDIX 1

This Appendix lists the matters that the Council will check prior to entering into this agreement.

- (a) The condition of the property, fixtures and any other items that the tenant may be responsible for making good or providing compensation in respect thereof under the tenancy in the event of damage, deterioration or a requirement to clean.
- (b) Whether the accommodation is of sufficient size for the tenant and household members (if any).
- (c) Whether you have complied with all relevant statutory requirements, including those relating to fire, gas, electrics, carbon monoxide, safety measure, planning and licensing for houses in multiple occupation.
- (d) Whether you are a fit and proper person to act as a landlord under Part 2 of the Housing Act 2004.
- (e) Any matters that are relevant for the purpose of discharging the Council’s functions including any duties arising under Part 7 of the Housing Act 1996.
- (f) Any other matter that the Council may reasonably require for the purpose of this agreement and which relates to your suitability to act as a landlord or the suitability of the property for the proposed occupant(s).

APPENDIX 2

In the event that the tenant is intending to submit a claim for housing benefit or universal credit housing costs, the Council will obtain written authority from the tenant immediately prior to the start of the tenancy authorising the Housing Options Team to obtain information from the Housing Benefit Office or the Department of Work and Pensions for the purpose of establishing:

- (1) Whether they have submitted a claim for housing benefit or universal credit housing costs.



- (2) Whether a decision has been made on whether they are entitled to housing benefit or universal credit housing costs, and if so details of that decision.
- (3) Whether more information or documentation is required to make a decision on their entitlement to benefit.

APPENDIX 3

This Appendix lists the circumstances or events when the money paid under this agreement becomes repayable (under section F):

- (1) Breach by you of any term of this agreement.
- (2) Failure to comply with any statutory and legal requirement relating to the dealing and protection of the deposit. This includes, but is not limited to, breaches of the requirements of Part 6, Chapter 4 of the Housing Act 2004 in respect of tenancies that are assured shorthold tenancies.
- (3) Variations to the tenancy to which the Council has not given prior written consent (except the type of variations listed at clause F(2)).

