Consultation Response

Tenancy money: probity and protection

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Shelter

Summary

Shelter's response to the legislative options suggested in the consultation paper can be summarised as follows:

Option 1

Whilst voluntary regulation is to be encouraged and welcomed, we believe that statutory regulation is required to underpin good practice and to ensure that all deposit money is dealt with equitably and fairly.

Option 2

We strongly support a statutory custodial deposit protection scheme similar to that proposed in option 2.1:

- It should be unlawful to directly collect and hold deposits. Instead, they should be collected and held by a single, national scheme operated by an independent third party (commonly called a 'custodial' scheme). We favour a scheme into which the tenant deposits the money.
- The legislation should not allow for a number of approved statutory schemes. This would make the legislation too complex to explain and difficult to enforce. However, there is a case for members of national, professional, self-regulating bodies that are bonded by insurance schemes to be exempt from this aspect of the legislation.
- Disputes over the return of all deposits should be subject to a single, national, independent adjudication scheme, such as the scheme currently being piloted by the Independent Housing Ombudsman.

Option 3

We strongly welcome the Law Commission's proposal that written contracts should be required in all rental agreements. But this measure alone would be insufficient to ensure that all deposit money is dealt with equitably and fairly. The aim must be to improve the current situation for individual tenants by preventing the need for them to issue county court proceedings if the landlord unreasonably withholds their money.

Option 4

We support the principle of a tenant guarantee rather than an actual payment. But we object to bank guarantees because having a bank account should not be a prerequisite to securing private rented accommodation.

Option 5

We favour legislation prohibiting deposit taking entirely but accept it is currently unattractive to landlords. Therefore, we strongly support the legislation being framed in such as way as to make the direct collection and holding of deposits unlawful by introducing a statutory, custodial scheme. This would allow for the practice of deposit taking to die out, without the need for a repeal of the legislation, if in the future there were more effective means for landlords to recover financial losses incurred by tenants.

Option 6

With regard to inventory-taking, regulation of 'non-deposit' fees and charges:

- We strongly support the proposal that there should be a statutory definition of the costs that might have to be met out of a deposit.
- We strongly favour legislation requiring the provision of inventories in all furnished and semi-furnished lets.
- We strongly support the proposal that the legislation should prohibit landlords and agents from making charges that are neither rent nor a deposit.

Option 7

We strongly support the proposal that there should be statutory requirements for accommodation agents to safeguard their clients' monies. We would like this to be incorporated into a statutory licensing regime for accommodation agents.

Introduction

1. Shelter welcomes the opportunity to respond to the proposals suggested in the consultation paper. The handling and return of deposits, along with the charging of other tenancy-related fees, has been an issue of concern for Shelter for many years.
2. Shelter welcomed the Government's recognition in 1998, following concerns raised by the National Association of Citizens' Advice Bureaux, Shelter and other tenant advice agencies, that tenants were experiencing significant problems with the return of deposits.
3. We welcomed the Government's announcement, also in 1998, that it would pilot a Tenancy Deposit Scheme to establish whether it was possible to tackle these problems through voluntary regulation and we were pleased to be given the opportunity to be represented on the steering group of this scheme, established in 1999. We feel that the work of this steering group, chaired by government officials and comprised of local government officers and representatives of tenant advice agencies, landlords organisations and accommodation agents' professional bodies, is an excellent example of government and the private letting industry working together to improve professionalism in the sector.
4. We believe that the resulting pilot of the Tenancy Deposit Scheme has been extremely worthwhile in developing a model that meets the needs of tenants, landlords and their agents. The scheme has explored and tested different means of protecting deposit monies and developed an independent adjudication service to deal with disputes. We note the important role of the Independent Housing Ombudsman in developing the scheme. However, Shelter has always maintained that only the statutory regulation of deposits will ensure that all deposit monies are dealt with equitably and fairly. We therefore welcome the suggestion that, because of the poor take-up of the voluntary scheme, legislation is now required.
5. This legislation should be seen as part of an integral package of measures to strategically tackle homelessness by giving more people the opportunity to obtain decent private rented accommodation. Other legislative measures should include: the requirement to provide written tenancy agreements[1]; the requirement that all managers of private rented accommodation should be registered as 'fit and proper '[2]; and the licensing of houses in multiple occupation. Shelter welcomed the Government's recommendation that, in order to tackle homelessness, 'everything should be done to remove the barriers to accessing private rented accommodation'[3]. The requirement to pay tenancy deposits and other tenancy fees makes it difficult for people with low incomes to obtain private rented housing. A lack of statutory regulation of deposits and other tenancy fees causes significant hardship and homelessness. It also gives private renting a poor image, making it an unattractive housing option for some households. Therefore, to make private rented housing more

accessible to some households and more attractive to others, Shelter strongly supports legislation regulating deposits and other tenancy fees.

6. *We hope that the Government will now move swiftly to introduce this legislation. We believe the forthcoming Housing Bill, due to be published in draft shortly, provides an ideal opportunity.*
7. We believe that the Tenancy Deposit Scheme provides an ideal base from which to develop a statutory scheme. We therefore strongly urge that the Government should provide the necessary funding to allow the scheme to continue until the introduction of a statutory scheme. In our view, the scheme has a vital role to play in: continuing to develop, test and modify operational issues; tackling the on-going concerns of landlords and tenants (such as resolving disputes over rent arrears caused by inefficiencies in the housing benefit system); building acceptance of the regulation of deposits; and thereby ensuring a smooth transition to a statutory scheme.

Questionnaire for consultees

Shelter's specific responses to the questionnaire for consultees are as follows:

1. IN WHICH CAPACITY ARE YOU RESPONDING?

(b) Shelter is a national campaigning charity that every year works with over 100,000 people.

Shelter has two aims. One is to prevent and alleviate homelessness by providing information, expert advice and advocacy for people with housing problems. Our services include:

- A national network of over 50 housing aid centres.
- Shelterline, our free, national, 24-hour housing advice service, which has recently received the Telephone Helplines Association Quality Mark.
- Shelternet, our free, online, housing advice website.
- The government-funded National Homelessness Advice Service, which provides specialist housing advice, training, consultancy, referral and information to other voluntary agencies, such as Citizens Advice Bureaux and members of the Federation of Information and Advice Centres, which are approached by people seeking housing advice.
- A number of specialist projects promoting innovative solutions to particular homelessness and housing problems.

During 2002, these services worked with over 20,000 private tenants in the United

Kingdom. Nearly 70 per cent of these tenants were renting accommodation on assured shorthold tenancy agreements with limited security of tenure.

Our second aim is to campaign for lasting improvements to housing-related legislation, policy and practice. Shelter's Campaign for Bedsit Rights is a specialist unit that works for improvements in the provision of private rented housing and, in particular, houses in multiple occupation. This work is informed by a network of supporters and contacts, including private tenants groups, statutory and voluntary housing advisers, private landlords and their associations, local authority officers and national organisations.

In addition to our ongoing policy and campaigning work on private rented housing issues, in 2001 Shelter, with the support of the Joseph Rowntree Foundation, established the Private Rented Sector Commission. This was comprised of experts from all sides of the sector, including tenants, landlords, service providers and local authorities. In 2002, the Commission published its consensus vision, including a set of practical proposals, for the future of private rented housing. These included a recommendation that the Tenancy Deposit Scheme should be enlarged and promoted on a national basis, as soon as possible, with government support.[4]

2. IS THERE A PROBLEM?

(a) Is it reasonable for landlords/agents to take a deposit?

Yes. It is understandable for landlords to require the payment of a deposit but it is reasonable for it to be collected and held by a third party.

It should be noted that public and social landlords, along with most other suppliers of contracted goods and services, do not charge deposits as security against financial loss as a result of breach of contract. In order to recover such losses at the end of a contract, they issue proceedings in the county court for a money judgment.

The majority of private landlords are small businesses and are therefore particularly susceptible to financial risk. It is therefore understandable that they need to speedily recover any financial loss incurred as a result of the tenant's breach of contract. This money may be required quickly to rectify damage in order to re-let the property. At present, landlords who do not charge a deposit must issue proceedings in the county court to recover such financial loss. The need to obtain and enforce a court money judgment is a costly and unsatisfactory way to recover losses that usually amount to less than £1,000 and that may be needed quickly to avoid cash flow problems or to enter into the next tenancy contract.

Shelter therefore believes that it is reasonable for landlords to require their tenants to deposit a sum of money into an independent protection (custodial) scheme. Alternatively,

if the landlord has appointed an agent who is a member of a national, professional, self-regulating body with adequate insurance or bonding arrangements to protect clients' monies, then it is reasonable for the agent to collect and hold the deposit on the landlord's behalf. In both cases, tenants should have access to a free, fast and independent adjudication service in the event of a dispute over a claim on the deposit, leading to the speedy release of the money. Such a scheme would provide landlords with a guarantee that they could quickly recover any financial loss, whilst providing tenants with a guarantee that their money would be quickly returned should the landlord have no legitimate claim to it.

Shelter does not accept, as the consultation paper suggests[5], that tenants need to pay a deposit to have a stake in their homes, keep to the terms of their tenancy or have a strong sense of a contractual relationship. We believe that the provision of clearly written tenancy contracts and improved security of tenure are the most effective means to give tenants a stake in their homes and ensure that they are aware of the terms of the contract. In fact, as the consultation paper suggests[6], the increasingly common practice of letting on assured shorthold tenancies, with limited security of tenure, has led to a much higher turnover of private tenants: a reason cited by landlords for taking a deposit. In addition, be believe that professional and efficient management of a letting is the most effective means of preventing a poor landlord/tenant relationship, breaches of tenancy and contractual disputes.

(b) If yes, how much should it be for? One month's rent/two months' rent/other

No more than the equivalent of one month's rent.

As stated in the consultation paper, over 70 per cent of landlords now require a deposit[7] and, of these, most charge the equivalent of one month's rent.[8] Shelter believes this should be the maximum amount charged.

The charging of a higher amount could be problematic for two main reasons. Firstly, the common charging of both a tenancy deposit - averaging £510[9] - and a month's rent in advance (in addition to other tenancy-related fees) means that private tenants are often required to pay an average lump sum of over £1,000 at the start of the tenancy. Such large payments can make private tenancies prohibitively expensive, particularly for people with below-average incomes. If it became common practice for landlords to require a deposit of more than the equivalent of a month's rent, as is now the case in some areas of the country, private rented housing would become inaccessible to even more households. This would limit housing opportunities and create more homelessness.

Secondly, as also stated in the consultation paper, the charging of a sum larger than the equivalent of two months' rent is usually regarded as a premium under section 15 of the Housing Act 1988. The charging of a premium can entitle the tenant to some additional tenancy rights and so most landlords are unlikely to charge such a large sum.

Consequently, we strongly favour legislation that provides a power to define by secondary legislation the maximum amount that can be required as a deposit. This amount should not exceed the equivalent of one month's rent.

(c) Is there a significant problem with landlords/agents unfairly withholding deposits?

Yes. In Shelter's experience there is a significant problem.

As stated in the consultation paper, large-scale surveys have found that at least one in five tenants[10] have all or part of their deposit unreasonably withheld. Other studies have put this figure much higher, at between 30 and 48 per cent.[11]

During 2002, Shelter's services were contacted by over 1,400 people experiencing problems with a deposit. The following cases clearly demonstrate that tenants experience a range of problems over the return of deposits.

- In August 2001, we advised a single woman from London via our National Homelessness Advice Service, who had been living in accommodation with a resident landlord for two years. The woman had recently left the accommodation without notice because her friends discovered a camera hidden in shelves in her bedroom, which was linked to a closed circuit television system controlled from the living room television. She immediately reported this to the police, who decided not to charge the landlord. Although she had paid her rent until the end of the month, her landlord was refusing to return £150 of her £300 deposit because she had not given a full month's notice.
- In November 2001, a single, professional man living in London contacted our Shelterline service. He had paid an £800 deposit on his assured shorthold tenancy but, when he had moved out two weeks previously, the landlord had refused to return the money. The reason given was that the landlord would have to fully redecorate because our client had smoked in the property. However, there was no mention of smoking in the tenancy agreement and our client had never been informed that the landlord preferred non-smokers. The property had been let via an agent, who confirmed in writing that the landlord had made no mention of smoking.
- In October 2001, a single woman contacted our Shelterline service. The landlord had required her to pay a £360 deposit before she signed the tenancy agreement. This money was described as a deposit against damage to the property. Our client had

then been unable to go ahead with the letting and never had keys to the property but the landlord was refusing to return any of the money.

- In May 2001, a young couple from the Brighton area contacted our Shelterline service. They had recently moved out of accommodation that they had shared with a friend on an assured shorthold tenancy. They had paid an £850 deposit but the landlord was withholding £350 of this. The reason given was to repair a burn in the carpet and for 30 minutes cleaning of the property, although the claim was not itemised and the landlord had provided no proof of the costs incurred to rectify the alleged damage. Our clients said that they had not burned the carpet, although it had been stained when they had moved in. No inventory had been provided at either the start or end of the tenancy.
- In June 2001, a single woman from the West Midlands contacted our Shelterline service. She had recently become an owner-occupier but her previous landlord was refusing to return all of her deposit. The reason given was to cover the cost of professional cleaning, although the tenant had cleaned the property thoroughly with the help of her friends before she moved out. The tenancy agreement made no mention of the need for professional cleaning at the end of the tenancy and she had never been informed this might be necessary. The landlord's agent had already successfully re-let the property but, despite this, the landlord still sent in cleaners. Our client was later informed by other former tenants of the same landlord that he was notorious for this practice and that the cleaners were friends of his. She suspected that they had a sham cleaning contract in order to withhold a proportion of the deposit. She was angry that landlords are not required to inform tenants of the costs that might be deducted from the deposit before entering into the tenancy and hoped that Shelter might use her case to illustrate the impact of this.
- In August 2001, we advised a couple with a child from East London who, four months earlier, had left the accommodation they had been renting on an assured shorthold tenancy. They had served the correct notice on their landlord and left no arrears or damage to the property. Their landlord had agreed that their deposit should be refunded in full and had arranged to meet with them to return the deposit. However, he had subsequently cancelled the appointment and had been delaying returning the deposit ever since.
- In July 1999, a young couple with a child from Kent contacted our Shelterline service. When they entered into their tenancy agreement, they had paid a total up-front fee of £820, half of which was for the deposit. During the tenancy there was a problem with the heating system, which left them without hot water. They reported this to the agent and were advised to contact British Gas, as the property was covered by a service arrangement. When they informed the landlord that they would be leaving the property, he had confirmed, in front of witnesses, that the deposit would be returned in full. But he later withheld £85 for the charge that British Gas had made for the work.

- In October 2001, a couple with a child from West Sussex contacted our Shelterline service. They had recently moved out of accommodation let to them via an agent. Before they moved in, they had negotiated with the agent to have a shower installed in return for a higher rent. However, at the end of the tenancy £165 was withheld from the deposit for the cost of the shower.

(d) If yes, is there a role for Government in addressing the problem?

Yes. Legislation is needed to end poor practice and underpin good practice. This should be included in the forthcoming Housing Bill.

The private housing industry, often in conjunction with local government, has attempted to voluntarily regulate the holding and return of deposits. Various national and local accreditation schemes require good practice on this issue. Such schemes are to be encouraged and welcomed. However, they cannot protect the money of tenants whose landlords or agents refuse to participate.

Since 2000, the Government has tried to encourage voluntary regulation by piloting the voluntary Tenancy Deposit Scheme. However, as the consultation paper acknowledges, the take-up of this scheme has been poor. By June 2002, a total of only 176 landlords and agents had joined the scheme, far short of the take-up target of 1,500.[12]

Shelter strongly believes that legislation is required to underpin the good practice and to ensure that all deposit money is dealt with equitably and fairly. Appropriate statutory regulation would enhance the reputation of the private letting industry by driving out bad practice. We believe that the forthcoming Housing Bill, due to be published in draft shortly, provides the ideal opportunity to introduce this.

The Government has indicated that it has a role in addressing the problem. In October 1998, the Housing Minister, Hilary Armstrong said:

> *'There are often disputes at the end of the tenancy about what should happen to the money. And too many landlords refuse to give it back for no good reason. Some countries have compulsory schemes under which an independent third party holds the deposit during the tenancy and decides whether the landlord should be given any of it at the end. There is much to recommend such schemes. But before considering a similar arrangement in England, which would need legislation and entail some bureaucracy, I want to see whether we could achieve the same sort of results by voluntary means.'*

In February 2002, the Housing Minister, Lord Falconer stated that:

> *'Although more time is needed to prove that it could operate as a self-financing scheme, its slow take-up makes a strong case for legislation on tenancy deposits.'*

And in November 2002, the Housing Minister, Lord Rooker stated that:

> *'Many private landlords share with me the desire for a professional approach in their sector, extending to all who own and manage properties that are rented out privately. Good practice is an important element of that - particularly in the avoidance, or prompt settlement, of disputes over tenancy deposits. The avoidance of disputes hinges upon a clear understanding of the rights and obligations of landlords and tenants - particularly with regard to inventories and standards of cleaning. But the safeguarding of deposits and the settlement of disputes may well require statutory regulation.'*

(e) Is there currently effective redress for the tenant who has experienced unfair withholding?

No. There is currently no effective redress.

Currently, the only way for tenants to recover their money if it has been unfairly withheld is to bring proceedings in the county court under the 'small claims track'. However, for a number of reasons, this cannot be described as an effective means to recover their money. A fee is payable to bring such proceedings. For the average deposit of £510, the court fee is £80. As the consultation paper acknowledges[13], in cases where the landlord disputes the claim and a hearing is required it can take around six months to receive a judgment[14]. And even with a favourable judgment there is no guarantee that the money will be recovered. Often, the tenant must initiate further enforcement action at further cost. For example, a further £45.00 is payable to issue a warrant of execution. Consequently, tenants are often deterred from issuing court proceedings to recover a deposit, particularly if they are vulnerable or socially excluded. A report into recourse to law found that people who are socially excluded are the least likely to take action to resolve their legal problems.[15]

As indicated in 1(a) above, the need to obtain and enforce a court money judgment is a costly and unsatisfactory way to recover losses that might be needed quickly to avoid cash flow problems or to enter into the next tenancy contract. Consequently, it is argued by private landlords, many of whom have very small businesses and therefore limited financial reserves, that it unreasonable for them to use court proceedings as their only means of redress in the case of financial loss. It is for this reason that landlords consider it reasonable to charge deposits.

For the same reason, it is unreasonable to expect private tenants, who often also have limited financial means and a need to recover the money quickly to enter into the next tenancy contract, to use court proceedings as their only means of redress in the case of financial loss caused by the unfair withholding of their deposit. Therefore, current practice is inequitable in that landlords commonly collect and hold deposits to avoid the need for court proceedings but such proceedings are the only form of redress for tenants whose money is then unfairly withheld.

Furthermore, recourse to the courts to resolve disputes over deposits is at odds with the priorities of the Lord Chancellor's Department. Key objectives within the department's Public Service Agreement[16] include increasing the availability of legal services to reduce social exclusion and improving people's knowledge and understanding of their rights. These objectives are underpinned by performance targets, which include a reduction in the proportion of disputes that are resolved by resort to the courts.

(f) Should deposit-takers be required to account properly for their decisions?

Yes. If landlords decide they have a valid claim on the deposit, they should be required to account for this.

It is wholly unreasonable for any supplier of goods or services to make a charge without accounting for what this charge covers.

The consultation paper states that many disputes over the return of deposits arise because of a lack of clarity at the start of the tenancy about the sort of costs that might be recoverable from the deposit. It suggests that increased clarity would help to avoid disputes and ensure the speedy resolution of those that may still arise[17]. Shelter's experience supports this view. Disputes over the return of deposits often relate to costs arising from the landlord's standard re-letting process, such as redecoration, professional cleaning, servicing of boilers and advertising fees. In Shelter's view, the out-going tenant should not be liable for such costs unless they were incurred to rectify damage, beyond reasonable wear and tear, caused by the tenant. Neither should monies owed directly by the tenant to utility companies, which make their own arrangements for debt recovery, be claimable from the deposit.

The consultation paper suggests that there is a case for a statutory definition of the costs that might have to be met out of a deposit.[18] Shelter strongly supports this proposal. We believe this would reduce the number of disputes and make those that do arise easier to resolve. This should be combined with a single, statutory, independent adjudication scheme to resolve disputes, based on the model currently being piloted by the Independent Housing Ombudsman. Such an adjudication scheme should require

landlords to provide itemised documentary evidence, such as estimates for work to repair damage, in support of their claim on the deposit.

(g) Is there a significant problem with tenants defaulting on the final month's rent and leaving damage?

No. There is no clear evidence that this is a significant problem.

The consultation paper acknowledges that there is no data available on the proportion of tenants who withhold their last month's rent in lieu of the deposit, although it is a common complaint of landlords.[19] It also acknowledges that this practice can result in there being no deposit remaining from which the landlord can make a claim to recover other costs, such as damage to the accommodation.

However, it is also acknowledged that a tenant's perception that the landlord might withhold the deposit almost certainly contributes to the practice of withholding the last month's rent. In Shelter's experience, this perception is often enforced by a previous incidence of having a deposit unreasonably withheld or unprofessional management by the current landlord or agent, such as an unreasonable delay in dealing with repairs.

If tenants can be assured that their deposit will be returned reasonably and swiftly at the end of the tenancy, it is much less likely that they will default on the final rent payment. The aim of legislation should be to raise the standards and expectations of both tenants and landlords by promoting more professional and equitable practices.

(h) In principle, to whom does interest earned on the deposit belong?

In principle and in fact, the deposit is the tenant's money until at least the end of the tenancy and so the tenant should earn the interest accrued.

Shelter's good practice advice to landlords is that deposit money should be placed in a ring-fenced client account and that any interest earned should be repaid to the tenant with the return of the deposit, minus any money deducted to recover proven and itemised financial loss.

Shelter favours a statutory deposit scheme in which all deposit monies are held by an independent third party (commonly known as a custodial scheme). The total financial holdings of such a scheme would amount to a substantial sum, attracting above-average rates of interest. This should allow the scheme to be self-financing. The scheme operated in the Australian state of New South Wales earns and uses interest in a similar manner. In fact, the high rates of interest generated allow for a basic rate of interest to be paid on each individual deposit held.

(i) Is there a need for additional protection for tenants' deposits beyond the current framework?

Yes. There is a need for legislation to ensure deposits are held securely.

As previously stated in points 2(c), (d) and (e) above, whilst there is existing voluntary regulation and good practice in relation to the holding of deposits, a significant proportion of tenants still suffer a financial loss because of poor deposit practices. There is currently no effective redress for tenants in this position.

As the consultation paper estimates, around £790 million is currently held in deposits. Because of a lack of statutory regulation, all of this money is vulnerable to being misappropriated by unscrupulous landlords and letting agents.

(j) Should the protection of client monies held by letting agents be left to voluntary arrangements such as membership of a professional organisation or accreditation scheme?

No. There is need for legislation to ensure that client monies are held securely.

The consultation paper states that there are many unscrupulous letting agents and others who, whilst well intentioned, do not have sufficient knowledge and experience to provide a professional service.[20]

As previously stated in points 2(c), (d), (e) and (i) above, whilst there is existing voluntary regulation and good practice in relation to the holding of client monies, without statutory regulation there is little to prevent unscrupulous agents from misappropriating such funds. Again, the only redress for landlords and tenants who have lost money in this way is to issue costly and lengthy legal proceedings.

In our response to the Housing Green Paper[21], Shelter stated that:

> *'In our view, the present legal framework does not afford landlords effective protection against unprofessional agents, nor does it safeguard tenants against, for example, being charged unnecessary fees. We believe that this could be achieved through the introduction of a full licensing regime for managing agents'.*[22]

(k) Is it right for Government to impose statutory requirements about the handling of client monies by letting agents?

Yes. There should be statutory requirements for letting agents to hold client monies securely.

As previously stated in point 2(j) above, Shelter favours a statutory licensing regime for all accommodation agents, incorporating standards relating to the handling of clients' monies. We therefore strongly support the proposal that there should be statutory requirements for accommodation agents to safeguard their clients' monies.[23] These should include requirements to ring-fence such monies in separate client accounts and secure their loss in the case of misappropriation or bankruptcy through suitable insurance.

(l) In principle, is it reasonable to make tenancy charges apart from the deposit (for example, 'finder's fee', referencing, issue of written agreement)?

No. The charging of most tenancy-related fees to tenants is unreasonable.

In principle, tenants should not be charged for costs arising from the landlord's usual letting procedures, such as the issue of a tenancy agreement, checking of references and the provision of an inventory. For example, if a landlord chooses to instruct a solicitor to produce a tailor-made tenancy agreement, rather than use a standard agreement, which is easy to obtain and complete free-of-charge, it is unreasonable that the tenant should be expected to bear the cost of this. As accommodation agents are appointed to manage the letting on the landlord's behalf, it is also unreasonable for agents to levy such charges on tenants.

Shelter has been concerned about the charging of excessive, tenancy-related fees for some time. In 1999, with the help of a number of local authorities and Citizens' Advice Bureaux, we collected evidence to show that this was a common practice throughout the country.[24] This was submitted to Government officials. Generally, such fees fall into two categories. Excessive charges are often made at the commencement of the tenancy and are justified as covering the taking up of references, credit checks, drawing up of the tenancy agreement, stamp duty, legal fees and administration costs. Other fees are charged for the renewal of a fixed-term tenancy shortly before the fixed term is due to expire. Tenancy renewal charges mean that tenants have to either pay the charge or lose the security of tenure afforded by a fixed-term contract. In some cases, the refusal to renew the contract and pay the required renewal charge results in the termination of the tenancy and homelessness. Our evidence suggested that, in some cases, both tenants and landlords were being charged unreasonably excessive fees by agents for the same service.

We also provided evidence of the impact that this practice was having on the ability of many households to secure and retain private rented accommodation, and the financial hardship this could cause. Whilst households with low incomes can claim housing benefit if they are unable to cover the cost of their rent, housing benefit does not cover up-front fees. In some areas, this can mean that people with low incomes have to borrow money to cover these costs and, if this is not possible, are effectively excluded from obtaining private rented accommodation.

We called for the Unfair Terms in Consumer Contracts Regulations 1999 to be applied to tenancy agreements and, to reflect the spirit of fairness embodied by the Regulations, for specific statutory regulation of the charging of such fees. In 2001, in our response to the subsequent Office of Fair Trading Draft Guidance on Unfair Terms in Tenancy Agreements, we provided further evidence of the impact of the lack of regulation on tenancy fees.

(m) Should such charges be banned altogether, or restricted in some way (for example according to a standard scale or on the basis of work actually done)?

Yes, such charges for tenants should be banned altogether.

As stated above, tenancy fees usually relate to services that should be an integral part of the landlord's letting service. As such, they should be covered by the rent. If a landlord chooses to appoint an agent to let the property on his/her behalf, then the contract between the landlord and agent should deal with the services that the agent will provide and the charge that will be made for these services. As the consultation paper suggests, the commission charged by the agent should include the provision of such services.

The legislation should therefore prohibit landlords and agents from charging tenants anything other than the rent and a deposit. Landlords should only be able to receive deposit money at the end of the tenancy with either the tenant's signed consent or the instruction of a statutory adjudication scheme.

It could be argued that the prohibition of up-front tenancy-related fees might drive up rents because landlords and agents will still make such charges as part of the rent. However, rents, unlike the tenancy fees (that are often hidden until the tenant is committed to the contract or living in the accommodation) are subject to market pressure. In addition, as previously stated in point 2(l) above, households with low incomes can claim housing benefit if they are unable to cover the cost of their rent whereas housing benefit does not cover up-front fees.

Shelter believes that anything other than an outright ban on such charges would be unsatisfactory. For example, attempts to define or prescribe whether certain charges are

justified or proportionate would result in very complex legislation, which would be much more difficult to enforce.

3. HOW IS THIS ISSUE DEALT WITH IN OTHER COUNTRIES?

Please provide views/information based on experience about deposit protection schemes in other countries.

Shelter notes the information provided about deposit protection legislation in other countries in Annex 6 of the consultation paper. This states that the statutory custodial deposit scheme first introduced in the Australian state of New South Wales in 1977 has attracted minimal criticism. This model has now been successfully implemented nationally in New Zealand and regionally in the Australian states of Queensland and Victoria and the Canadian province of New Brunswick. All these governments report that the schemes have widespread acceptance within the residential rental industry and have not acted as a disincentive to private renting.

Information recently received from a member of the New South Wales Consumer, Trade and Tenancy Tribunal confirms that both the New South Wales and Queensland legislation incorporates features that Shelter would like to see in legislation in this country. These include: statutory requirements relating to the maximum amount - in relation to the rent - that can be charged as a deposit; provision of inventories; statutory definition of the costs that can be claimed from a deposit; and the regulation of accommodation agents.

We believe that the New South Wales model has been successful because:

- There is a single scheme rather than a variety of alternatives
- There is a minimum of bureaucracy and information is easily accessible. For example, the scheme allows participants to check records quickly and easily via the Internet
- The emphasis is on avoidance of disputes via clarity at the outset
- There is a free and fast adjudication service
- The scheme is self-financing
- It has been introduced as part of a wider drive to professionalise the sector.

We recommend that all these elements should be incorporated into a statutory approach in this country.

One issue that raises some concern for Shelter is that of non-compliance and enforcement. In New South Wales, accommodation agents manage 85 per cent of residential rental properties. As accommodation agents must be licensed, there is relatively little non-compliance with the deposits legislation. However, Shelter understands that there is a moderate level of non-compliance amongst landlords who

directly manage their accommodation. In theory, this should not be a problem to enforce as tenants can check whether their landlords have lodged the deposit with the Bond Board and, if the landlord has failed to do so, they can refer the matter to the Department of Fair Trading. However, in practice, the limited security of tenure available to most tenants means that they might be jeopardising their tenancies if they report the landlord's breach of the legislation. The same would be true in this country. It is for this reason that Shelter would like to see a single, statutory custodial deposit scheme into which the tenant deposits the money.

4. STANDARDS OF PRACTICE

(a) Is there a case for formal independent guidance on standards of letting and deposit management (for example inventories, standards of cleaning, proof of costs incurred)?

Yes. There is a case for a statutory requirement for the provision of inventories in all furnished and semi-furnished lettings and statutory clarification of the expected standards of letting and deposit management.

As previously stated in point 2(f) above, there is a need for clarity about the costs that can be claimed from a deposit and the evidence, including adequate inventories, that should be required to make a claim. This would help to avoid disputes over the return of a deposit and ensure the speedy resolution of those that may still arise.

The consultation paper suggests that clarification of acceptable deposit practice could be prescribed in statute (or a power to do so by secondary legislation could be sought). It points out that, since the proposed legislation will give tenancy deposits a statutory basis for the first time, there is a case for a power to define by secondary legislation the costs that might have to be met out of a deposit.[25]

Shelter strongly supports this proposal. Secondary legislation should define the costs that can be claimed from a deposit and the evidence required to make such a claim. As previously stated in point 2(f) above, in Shelter's view costs relating to the landlord or agent's standard re-letting process (such as professional cleaning) should not be claimable from the deposit unless there is evidence to show they were incurred to rectify damage, beyond reasonable depreciation, caused by the tenant. Such statutory clarification is included in the deposits legislation operating successfully in other countries, based on the New South Wales model.

Shelter would strongly favour legislation requiring the provision of inventories in all furnished and semi-furnished lets. In Shelter's experience, tenants are often unaware that by signing the inventory provided by the landlord without checking and, if necessary, amending the information it contains, they could be jeopardising the return of their deposit.

Others are unable to insist that they amend an incomplete or inaccurate inventory because this might result in losing the tenancy. The legislation should therefore require that inventories contain information confirming: their legal status and implications; the right of both parties to be given reasonable time to check the information contained in them; the right of both parties to amend this information if it is found to be incorrect; and a requirement that both parties must confirm that the information is correct by signing the inventory. This could be achievable by means of a model, standard form inventory, similar to the standard form tenancy agreements and notices that are available.

(b) Is there a logical relationship between the protection of tenants' deposits with regard to landlords/agents, and the protection of landlords' monies with regard to letting agents?

Yes. In both cases there is a need for legislation to underpin established good practice in the handling of money belonging to another party.

There is a logical relationship between the protection of tenants' deposits and the protection of landlords' monies in that the statutory regulation of both is required to professionalise the whole private rented sector. However, Shelter believes that different approaches should be taken in relation to the protection of deposits and the protection of other tenancy monies.

In relation to deposits, as stated in points 4(a) above and point 5(2.1) below, we strongly support legislation prohibiting the direct collection and holding of deposits and the introduction of a single, national scheme (commonly called a 'custodial' scheme) to collect and hold deposit money. However, we accept that there may be a case for certain exemptions to this aspect of the legislation. All disputes over the return of deposits should be subject to a single, national, independent adjudication scheme, such as the scheme currently being piloted by the Independent Housing Ombudsman. In addition, we would like to see a statutory requirement for the provision of inventories in all furnished and semi-furnished lettings and statutory clarification of the expected standards of letting and deposit management.

In relation to other tenancy monies held by accommodation agents, as previously stated in point 2(k) above, Shelter favours a statutory licensing regime for all accommodation agents, incorporating standards relating to the handling of clients' monies. We therefore strongly support the proposal that there should be statutory requirements for accommodation agents to safeguard their clients' monies.

(c) Should there be a minimum standard of practice for letting agents to ensure financial probity of clients monies they hold?

Yes. There should be a statutory requirement for accommodation agents to safeguard their clients' monies.

As previously stated in point 2(k) and 4(b) above, Shelter favours a statutory licensing regime for all accommodation agents, incorporating standards relating to the handling of clients' monies. We therefore strongly support the proposal that there should be statutory requirements for accommodation agents to safeguard their clients' monies.[26] These should include requirements to ring-fence such monies in separate client accounts and secure their loss in the case of misappropriation or bankruptcy through suitable insurance.

(d) Is the standard set by the National Approved Letting Scheme an appropriate minimum standard for letting agents?

The standard set by the National Approved Letting Scheme could certainly form the basis of a statutory minimum standard for accommodation agents.

In our response to the Housing Green Paper[27], Shelter confirmed that we:

> *'supported the establishment of the National Approved Lettings Scheme in 1999, and it will be important that its contribution towards establishing a single 'kitemark' for reliable letting agents is fully evaluated'.*

We would therefore suggest that a thorough evaluation of the National Approved Letting Scheme (NALS) is necessary to establish whether its standards could form the basis of a statutory minimum standard for accommodation agents.

As previously stated in points 2(k), 4(b) and 4(c) above, we favour minimum standards for accommodation agents being underpinned by legislation via a statutory licensing regime. We therefore strongly support the suggestion in the consultation paper that standards for accommodation agents ultimately need the prescription of a statutory provision.[28] We suggest that, prior to its introduction, the Government should consult on the standards that might be required of licensed agents, perhaps based on the standards required by NALS.

5. THE FOLLOWING OPTIONS FOR DEALING WITH THE MANAGEMENT OF DEPOSITS AND OTHER CHARGES ARE IDENTIFIED IN THE CONSULTATION PAPER. PLEASE INDICATE WHETHER YOU FAVOUR EITHER NUMBER 1 OR ONE OF NUMBERS 2.1, 2.2 AND 2.3.

Shelter favours legislation similar to that proposed in option 2.1: a statutory custodial deposit protection scheme.

Option 1 - no government intervention

As previously stated in point 2(d) above, various national and local accreditation schemes already require good practice on this issue. Such schemes, including the pilot Tenancy Deposit Scheme, are to be encouraged and welcomed. However, they cannot protect the money of tenants whose landlords refuse to participate. Shelter strongly believes that legislation is required to underpin the good practice and to ensure that all deposit money is dealt with equitably and fairly.

Option 2.1 - statutory custodial deposit protection scheme(s)

Shelter strongly favours legislation that makes it unlawful for landlords, or their agents, to collect and hold deposits. Instead, they should be collected and held by a single, national scheme operated by an independent third party. In addition, all disputes over the return of deposits should be subject to a single, national, independent adjudication scheme, such as the scheme currently being piloted by the Independent Housing Ombudsman.

Tenant to lodge the deposit

The legislation must improve the current situation for individual tenants by preventing the need for them to issue county court proceedings if the landlord unreasonably withholds their money. Therefore, we favour a custodial deposit protection scheme into which the tenant deposits the money, as suggested in the consultation paper.[29] Our proposed scheme has a number of advantages.

- Ease of enforcement
  Under such a scheme, there would be no risk of the landlord retaining the money in breach of the legislation and there would be little need for enforcement, either by the tenant or via other agencies such as local authorities. In contrast, if the scheme were to allow landlords to collect and deposit the money, and a landlord failed to do so, and refused to submit it to the scheme or return it according to the adjudication, the only remedy for the tenant to recover the money would be to issue court proceedings. So, for the tenant, there would be no improvement on the current situation.
- Reduction of bureaucracy
  Compared to a custodial scheme that requires the landlord to deposit the money, it saves the landlord the time and bureaucracy of collecting the money from the tenant, paying this into an account and allowing time for it to clear (if it is in the form of a personal cheque) and then, in turn, depositing it with the scheme. The concern for landlords is that the money is available should they need to make a claim on it to recover financial loss. Confirmation that the tenant has deposited the money meets this concern. In some cases, tenants could even deposit a sum of money prior to finding a suitable letting, thus further speeding up the process.

- Alleviation of homelessness
  Another advantage is that it would improve access to private rented housing for homeless people with low incomes who cannot afford to pay a deposit. There are a large number of existing schemes (commonly called rent deposit schemes or deposit guarantee schemes) operated by local authorities and the voluntary sector to assist people in this position. They operate by either paying the money on the tenant's behalf or providing a guarantee to the landlord that the money will be available should the landlord have a legitimate claim to it at the end of the tenancy. In its report into tackling homelessness, the Government stated:
  'Everything should be done to remove the barriers to accessing private rented accommodation. Wider use of rent deposit schemes can encourage landlords to rent their homes and help prospective tenants who other wise cannot afford a deposit'.[30]
  The main difficulty for agencies operating these schemes, particularly in areas of high housing demand, is finding landlords willing to participate. This stigmatises participating tenants and reduces their housing options. Under a statutory custodial scheme where the tenant deposits the money, it would be possible for local deposit guarantee schemes to register with the statutory scheme. The tenant would then receive the same confirmation as other tenants that a deposit had been lodged, although in this case it might be in the form of an approved guarantee. The tenant would then, in theory, be free to seek accommodation with any landlord, although in practice their low income might still limit the number of landlords willing to let to them.

Exemptions

Shelter does not support the suggestion in the consultation paper that the legislation could provide a power for the Secretary of State to approve further deposit protection schemes. However, we are aware that some professional bodies, namely the Association of Residential Letting Agents, the National Association of Estate Agents and the Royal Institute of Chartered Surveyors, already require their members to safeguard their clients' monies from misappropriation via ring-fencing and adequate insurance schemes, such as professional indemnity insurance and client money protection insurance. Many of their members have joined the insured option of the pilot Tenancy Deposit Scheme. We therefore accept that there is a case for members of national, professional, self-regulating bodies that are bonded by such insurance schemes being exempt from the legislation relating to the taking and holding of deposits. This would allow them to continue to take and hold deposits. However, the legislation should still require them to refer all disputes over claims on the deposit to the statutory, independent adjudication scheme. This is the only way to ensure uniform standards, independence and transparency in the resolution of disputes. The cost of adjudication should be borne by the agent or landlord who had benefited from holding the deposit during the tenancy.

Option 2.2 - statutory custodial deposit protection scheme and approved insured alternatives

Shelter does not favour legislation that would allow for a number of statutory schemes to be approved by the Secretary of State. This would make the legislation too complex to explain and difficult to enforce. Tenants could still face unreasonable financial losses because their landlords, having confirmed they were members of one of the approved schemes at the start of the tenancy, might subsequently allow their membership to lapse, perhaps by failing to pay an insurance premium. It would also be easier for unscrupulous landlords and agents to deliberately mislead tenants into believing that they were members of an approved scheme. Finally, a variety of approved schemes would reduce the amount of deposit money held by a national, custodial scheme and therefore reduce the likelihood of it being self-financing.

Option 2.3 - statutory membership of either a statutory approved scheme or an approved trade association or accreditation scheme

As previously stated in point 5(2.2) above, Shelter does not favour legislation that would allow for a number of statutory schemes to be approved by the Secretary of State.

In addition, as previously stated in point 5(2.1) above, Shelter strongly supports legislation that requires all disputes over the return of deposits to be subject to a single, national, independent adjudication scheme, such as the scheme currently being piloted by the Independent Housing Ombudsman. In our view approved trade association or accreditation schemes operating their own adjudication function would not provide truly independent adjudication. For this reason, we do not support them as a statutory alternative.

PLEASE INDICATE IF YOU FAVOUR ANY OF THE FOLLOWING OPTIONS, EITHER ADDITION TO OR INSTEAD OF OPTIONS 1 AND 2.

Option 3 - Deposit protection through the tenancy agreement, using the Law Commission's approach.

We strongly favour Option 3 in addition to Option 2.1

Shelter strongly welcomes the Law Commission's proposal that written contracts should be required in all rental agreements and we suggest that the relevant details of the deposits legislation should be included in the compulsory terms of the tenancy agreement.

However, we believe that this measure alone, even when supplemented by the requirements of accreditation schemes, would be insufficient to ensure that all deposit money is dealt with equitably and fairly. The aim of legislation must be to improve the current situation for individual tenants by preventing the need for them to issue county

court proceedings if the landlord unreasonably withholds their money. If a landlord were found to be in breach of the terms of the tenancy agreement, the only remedy for the tenant would be to issue proceedings for breach of tenancy: this remedy is already available and is, in many cases, an ineffective means of redress.

Option 4 - A statutory bank guarantee scheme

We do not favour Option 4

Our main objection to this proposal is that, as the consultation paper acknowledges[31], a significant minority of people do not have a bank or building society account with which to set up a guarantee. In some cases, people experience difficulties in opening account. In other cases, they prefer not to open one. Shelter believes that having a bank account should not be a prerequisite to securing private rented accommodation.

An additional problem is that tenants would have to pay their bank for providing a guarantee to their landlord. In principle, this is inequitable and, in practice, would create a further financial barrier to people with low incomes securing private rented accommodation.

However, we strongly support the principle that the tenant should provide a guarantee, rather than an actual payment, to the landlord as confirmation that money is available should the landlord need to claim it to recover financial loss at the end of the tenancy. It is for this reason that we strongly support a statutory, custodial scheme where the tenant deposits the money and provides proof to the landlord that they have done so.

Option 5 - A ban on deposit taking by landlords/agents (with no statutory custodial deposit scheme)

We favour Option 5 instead of Option 2.1 but accept it is currently unattractive to landlords

This is obviously the most attractive option for tenants and would improve access to private rented accommodation to people with low incomes. It would also be the best option in a strategic approach to tackling homelessness. If landlords made their own insurance arrangements to cover financial loss, it is likely that they would pass on the costs to tenants via the rent. However, as stated previously in point 2(m) above, market forces may prevent rents from increasing too significantly and tenants with low incomes would be able to claim housing benefit for help with paying the rent. We do not accept, as the consultation paper suggests[32], that tenants need to pay a deposit to have a stake in their homes and keep to the terms of their tenancy. We believe that written tenancy contracts and improved security of tenure are the most effective means to give tenants a stake in their homes and ensure that they keep to the terms of their tenancy.

It could also be argued, as stated previously in point 2(a), that it is unreasonable for private landlords to take a deposit. Public and social landlords, along with most other suppliers of contracted goods and services, do not charge deposits as security against financial loss as a result of breach of contract. In order to recover such losses at the end of a contract, they issue proceedings in the county court for a money judgment.

However, as also stated previously, we accept that the majority of private landlords are small businesses and are therefore particularly susceptible to financial risk. It is therefore understandable that they should want to speedily recover any financial loss incurred as a result of the tenant's breach of contract. This money may be required quickly to rectify damage in order to re-let the property. At present, landlords who do not charge a deposit must issue proceedings in the county court to recover such financial loss. The need to obtain and enforce a court money judgment is a costly, lengthy and unsatisfactory way to recover losses that might usually amount to less than £1,000 and that might be needed quickly to avoid cash flow problems or to enter into the next tenancy contract.

Therefore, whilst the current court system provides such an inefficient remedy for both landlords and tenants wishing to recover financial loss, we understand that there may be a case for landlords to require a deposit. However, we strongly support the proposal that the legislation is framed in such as way as to make the direct collection and holding of deposits unlawful by introducing a statutory, custodial scheme. This would allow for the practice of deposit taking to die out, without the need for a repeal of the legislation, if in the future there were more effective means for landlords to recover financial losses incurred by the tenant. For example, if there were a system of tenancy tribunals like those operating in New South Wales, where tenancy matters were dealt with swiftly, landlords may desist from requiring a deposit.

Option 6 - Statutory requirements with regard to inventory taking, regulation of 'non-deposit' fees and charges

We strongly favour Option 6 in addition to Option 2.1

Shelter strongly supports the proposal that there should be a statutory definition of the costs that might have to be met out of a deposit. As previously stated in points 2(f) and 4(a) above, there is a need for clarity about the costs that can be claimed from a deposit and the evidence, including adequate inventories, that should be required to make a claim. This would help to avoid disputes over the return of a deposit and ensure the speedy resolution of those that may still arise.

In addition, Shelter would also like to see legislation requiring the provision of inventories in all furnished and semi-furnished lets. This should require that inventories contain information confirming: their legal status and implications; the right of both parties to be

given reasonable time to check the information contained in them; the right of both parties to amend this information if it is found to be incorrect; and a requirement that both parties must confirm that the information is correct by signing the inventory. This could be achievable by means of a model, standard form inventory, similar to the standard form tenancy agreements and notices that are available.

Shelter strongly supports the proposal that the legislation should prohibit landlords and agents from charging tenants anything other than the rent and a deposit. As stated previously in point 2(l) and (m) above, tenancy fees often relate to services that should be an integral part of the landlord's letting service. As such, they should be covered by the rent. Shelter believes that anything other than an outright ban on such charges would result in very complex legislation, which would be much more difficult to enforce.

Option 7 - Statutory protection of clients' monies held by letting agents

We strongly support Option 7 in addition to Option 2.1

As previously stated in points 2(j) and (k) and 4(b) above, Shelter strongly supports the proposal that there should be statutory requirements for accommodation agents to safeguard their clients' monies. These should include requirements to ring-fence such monies in separate client accounts and secure their loss in the case of misappropriation or bankruptcy through suitable insurance. We would like these requirements to be incorporated into a statutory licensing regime for accommodation agents.

Enforcement

We agree that statutory regulation of deposits will require effective enforcement measures. If the statutory custodial scheme proposed in option 2.1 is introduced, we believe that the key enforcement issue will be to prevent non-compliance when a deposit is paid at the start of the tenancy. For example, landlords or agents may negligently or deliberately fail to lodge the money with the scheme or mislead the tenant into thinking they are members of an alternative approved scheme that allows them to hold the money.

As previously stated in point 5(2.1) above, it is for this reason that Shelter strongly favours a custodial deposit protection scheme into which the tenant deposits the money and provides confirmation of this before receiving the keys. We therefore strongly support this proposal in the consultation paper[33]. Under such a scheme, there would be no risk of the landlord retaining the money in breach of the legislation and there would be little need for enforcement, either by the tenant or via other agencies such as local authorities. In contrast, if the scheme were to allow landlords to collect and deposit the money, and a landlord failed to do so and refused to submit it to the scheme or return it according to the adjudication, the only remedy for the tenant to recover the money would be to issue court proceedings. So, for the tenant, there would be no improvement on the current situation.

However, in Shelter's experience tenants are sometimes unaware of their rights and rely on the landlord or agent to provide them with the correct information and provide a professional service. In such cases, tenants may be asked to hand over the money directly to an unscrupulous or negligent landlord and only later discover that this was a breach of the legislation. We therefore recommend that provision be made in the legislation that where the landlord or agent has unlawfully collected a deposit, the tenant should be entitled, during the course of the tenancy, to make a payment equivalent to the sum of the deposit direct into the scheme in lieu of a rental payment.

We also suggest that local authorities should have powers to investigate and prosecute landlords and agents who breach the legislation. For example, they may wish to investigate reports that a particular landlord is requiring a deposit directly in breach of the legislation, even though no prospective tenant has agreed pay this charge. They may also wish to take action against those who consistently breach the legislation. Therefore, we support the suggestion that local authorities should have powers to enforce the legislation.

End Notes:

1 Law Commission (April 2002): Consultation Paper No.162- Renting Homes: 1. Status and Security
2 Shelter (2002): Private Renting: A New Settlement - a commission on standards and supply, page 7, recommendation 22
3 Department for Transport, Local Government and the Regions (March 2002): More than a Roof: A report into tackling homelessness, page 27, paragraph 2
4 Shelter (2002): Private Renting: A New Settlement - a commission on standards and supply, page 6, recommendation 7
5 As above, page 26, paragraph 35
6 As above, page 9, paragraphs 1-3
7 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page 10, paragraph 6
8 As above, page 9, paragraph 5
9 As above, page 10, paragraph 6
10 Office of the Deputy Prime Minister, Housing in England, 1999-2000 and 2000-2001
11 Office of National Statistics, Omnibus Survey (1998); National Association of Citizen's Advice Bureaux, Unsafe Deposit (1998), Office of the Deputy Prime Minister, An Evaluation of the Pilot Tenancy Deposit Scheme (2002)
12 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page 16, paragraph 16
13 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page 11, paragraph 14
14 The Court Service - Judicial Statistics 2001
15 Professor Hazel Genn (1999): Paths to Justice: What people do and think about going to law
16 Lord Chancellor's Department (December 2000): Public Service Agreement
17 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page 26, paragraph 36
18 As above, page 26, paragraph 37
19 As above, page 13, paragraph 25
20 As above, page 27, paragraph 43
21 Department for the Environment, Transport and the Regions (2000), Quality and Choice: A decent home for all
22 Shelter (July 2000), The Housing Green Paper: Shelter's final response
23 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page28, paragraph 49
24 Shelter's Campaign for Bedsit Rights (December 1999): Fixed-Term Tenancy Renewal Fees
25 As above, page 26, paragraph 37
26 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page28, paragraph 49
27 Department for the Environment, Transport and the Regions (2000), Quality and Choice: A decent home for all
28 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page 49, paragraph 5
29 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page 29, paragraph 54
30 Department for Transport, Local Government and the Regions (March 2002): More than a Roof: A report into tackling homelessness, page 27, paragraph 2
31 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page 25, paragraph 32
32 As above, page 26, paragraph 35
33 Office of the Deputy Prime Minister: Tenancy money: probity and protection (November 2002), page 29, paragraph 54