

PROTECTING YOUR BOND

What is the bond for?

Most landlords or letting agents ask for one month's rent as a bond. Some landlords ask for more than this. Rents can vary enormously and there is no limit on the amount of money that landlords can charge.

Your bond gives your landlord security in case you cause damage to the property or don't pay the rent. The bond is usually equivalent to one month's rent. It belongs to you and should be returned when you move out unless your landlord can show s/he has suffered a financial loss.

Your landlord can't take money out of your bond to cover normal wear and tear. You can ask to be shown receipts or estimates for items that have been deducted from your bond.

What happens to the money?

The landlord (or agency) holds on to the money until you leave the property. The bond is your money and it should be returned to you at the end of the tenancy unless your landlord has lost money because of your actions.

At the end of the tenancy the bond should then be returned to you, but reasonable deductions can be made if you cause any damage or owe any rent money. Your landlord is responsible for returning the bond even if you initially paid it to a letting agent acting on your landlord's behalf.

How can I be sure I'll get it back?

The landlord can only keep all or part of your bond if you have caused damage to the property or not paid the rent. To ensure that you get your bond back at the end of the tenancy it is advisable to:

- check that your tenancy agreement says exactly what the bond covers and when it will be returned
- ensure there is a detailed inventory of the property
- keep records of all rent payments
- notify the landlord of any damage, and repair it if you caused it

It is good practice for landlords to keep the bond in a separate account and pay you any interest earned, but they are not legally required to do this.

How can an inventory help?

An inventory is a detailed list of the contents and condition of the property and any items provided with it, such as furniture or equipment. You should do an inventory of the property with the landlord or agent before you move in. The landlord or agent may prepare one and give it to you. Always check that it is accurate and that everything is in working order.

The inventory should also state the condition that everything is in. Make sure you note if anything is damaged, marked, scratched, burnt or worn. A detailed inventory can prevent disputes later on. Both you and the landlord should sign the inventory and keep a copy.

If the landlord or agent refuses to do an inventory, do one yourself and get an independent witness (such as a friend) to sign it and send a copy to your landlord or agent. You could also take photos showing the condition of the property when you move in.

What records should I keep?

It's always a good idea to keep records, just in case! If you have problems getting your bond back they could make a big difference. Useful items might include:

- the inventory
- any photographs you took when you moved in
- receipts for items you have replaced
- receipts or estimates for repairs done to the property
- receipts for rent payments
- letters to your landlord, and any replies you have received.

It is also advisable to keep a record of all the rent payments you make either in a rent book or by keeping receipts.

WHAT BONDS COVER

When can the landlord keep my bond?

The bond belongs to you and should be returned to you unless your landlord can show s/he has suffered a financial loss. Your landlord can make reasonable deductions from the bond for:

- damage to the property
- unpaid rent
- missing items
- cleaning

Even if your landlord has a valid reason for keeping part of your bond the rest of it should be returned.

Your landlord may try to withhold some or all of your bond for a different reason such as because you had a noisy party when your contract stated you could not. This sort of thing is not legal. Landlords can only claim for any financial loss they have actually suffered.

Your landlord cannot normally deduct costs for re-letting the property such as advertising or agency fees. This would only be possible if you left your tenancy without ending it properly.

Can I be charged for cleaning?

Tenancy agreements often state that carpets and curtains must be cleaned to a professional standard before the tenant moves out. This does not mean that they have to be as clean or cleaner than when you moved in.

You are only required to clean any items soiled above normal wear and tear. If possible keep records and receipts for any cleaning you do or pay for.

What if I've damaged something?

Your landlord can only deduct as much as is needed to repair or replace what you have damaged on a 'like for like' basis. So, if you break an old armchair, you shouldn't have to pay for a brand new one. As with cleaning, you should not be penalised for normal wear and tear.

What counts as normal 'wear and tear'?

Your landlord cannot keep your bond because of general wear and tear to the condition of the property. For instance, if the carpet gets a bit worn out, it's probably wear and tear, but if you burn a hole in it, it's not.

The amount of wear and tear it is normal to expect depends on the condition of the property when you moved in and the length of time you lived there. If you think you are likely to have problems it may be worth taking photos or getting a witness as early as possible in your tenancy.

What if I owe the landlord rent?

If you still owe rent when you leave, your landlord is entitled to deduct this from your bond. If you owe more than the value of your bond your landlord can take you to court to get the money back.

If you are thinking of withholding the last month's rent in case the landlord refuses to return the bond, bear in mind that you are legally liable to pay rent and your landlord could take you to court to recover it.

If you do withhold the last month's rent, make sure your landlord would have no other claim to your bond. Repair any damage that may have occurred and be sure to keep records to show the condition you leave the property in and anything you have paid for such as cleaning. Keep the money in a separate bank account in case your landlord does try to claim it back.

When should I get it back?

You should get your bond back at the end of your tenancy. Your tenancy agreement may say exactly when. It can take a few days, and some landlords refuse to refund your money until they get proof that you have paid all the bills.

When you are about to leave, arrange to do an inspection with your landlord to check the contents of the property against the inventory. If there is no damage and your rent is up to date your landlord should be able to return your bond.

If you didn't have an inventory at the start of the tenancy, or the one you have doesn't include this sort of detail, it may be difficult to prove that the landlord is keeping your bond unfairly.

How can an inventory help?

When you moved in, you may have been given an inventory - a list of any items of furniture and equipment provided with the property. These sometimes give details of the condition of each item, which can be helpful if, for example, a carpet already had a big stain or burn on it.

You should always check that the inventory is accurate and that everything is in working order. Does it say what condition everything is in? Make sure you note if anything is damaged, marked, scratched, burnt or worn. Both you and the landlord should sign the inventory and keep a copy. If s/he refuses to do so, get an independent witness (such as a friend) to sign it and send a copy to your landlord or the agent. You could also take photos just in case.

What if my landlord keeps my bond unfairly?

If your landlord refuses to return the bond when you leave you should be told the reasons for this. Ask for a breakdown of the costs your landlord incurred.

Decide whether you agree with the costs. If you are prepared to accept some of the costs and not others write back and say so. If not, you could try to negotiate or take your landlord to court.

GETTING YOUR BOND BACK

Get all your paperwork together

Get together all of the paperwork you have relating to your bond and any evidence of the condition of the property when you moved in. This can be helpful if you have to negotiate with your landlord later. Useful items might include:

- the inventory
- any photographs you took when you moved in
- receipts for items you have replaced
- receipts or estimates for repairs done to the property
- receipts for rent payments
- letters from and to your landlord (eg. about repairs or replacement items)

These may also be useful later, if you need to go to court to get the bond back.

Write to the landlord

The first step is to write and ask your landlord to return your bond. Your letter should ask:

- why your bond is being kept
- what specific costs are being taken out of your bond

Give your landlord a deadline for replying (such as within two weeks). Keep a copy of the letter.

Your landlord may reply with a list of the deductions from your bond rather than returning it. Look at these and see whether you agree with them. If you don't agree with some or all of the costs you will need to write again.

If your landlord doesn't respond to your letter at all, you should write again once the deadline has passed (see below).

Write a second letter, warning of court action

You will need to write to your landlord again if:

- s/he hasn't responded to your first letter
- you disagree with any of the costs s/he is deducting from your bond
- you agree with some, but not all of the deductions

Your letter should say:

- which costs (if any) you do not accept
- the reasons why you do not accept them
- the amount of money you think should be returned to you

Give your landlord a deadline for a second reply (such as within two weeks). In your letter say that you will take your landlord to court if your bond is not returned by this date.

If you don't get a reply or are not happy with it

If you don't get a reply or your landlord still won't give you the money, you can try to get it back by taking her/him to court. This is quite straightforward, so you won't need a solicitor. You may not even have to go to a court hearing at all - your landlord may pay up once s/he knows you are considering this action.

If your bond is held by a letting agent

If you rented through a letting agent and they hold your bond, they do so on behalf of your landlord. If they are unfairly refusing to return your bond, or the company stops trading and disappears with your money, you should contact your landlord direct. S/he is responsible for returning your bond even if you originally paid it to the agency.

You are entitled to know the name and address of your landlord. Your letting agent has a legal duty to provide this information within 21 days, if you request it in writing. Get advice if you need help with this.

If your letting agent behaves unreasonably and is registered with a regulatory organisation, you can contact that body to report the problem. The National Approved Lettings Scheme and the Association of Residential Letting Agents are the two main regulatory bodies for letting agencies.