



Tenancy Deposit Scheme

Insured

Custodial



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Tenancy Deposit Scheme

# Statistical Briefing

for England and Wales

2017-18

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# Executive Summary



## Growth of the PRS

- The private rented sector (PRS) is now larger than the social rented sector.
- The number of private rented homes has risen in England from 2.13 million in 2001 to 4.85 million in 2016 and in Wales from 90,000 to 202,000.
- There has been an increase in protected tenancy deposits with 924,181 protected in March 2008 to 3,748,725 protected in March 2018.
- The value of tenancy deposits has increased year on year from £885,098,501 in March 2008 to a total of £4,159,663,783 in March 2018.
- The value of the average deposit has increased from £880 in March 2010 to £1,110 in March 2018.



## Dispute numbers

- Adjudications completed by all tenancy deposit schemes have risen from 458 in 2008, to 8,098 in 2009, and now 31,865 in 2018.
- The percentage of total deposits protected resulting in a dispute has remained low ranging between 0.05% and 1.08%. Currently the rate sits at 0.85%; the eighth consecutive year that the rate remains below 1%.



## Reasons for disputes in England and Wales

- Of the cases submitted to TDS Insured in 2017-18, cleaning appeared as a reason in 54% of cases with damage arising in 49%.
- 61.72% of disputes raised with TDS Insured were raised by tenants in 2017-18, with 27.84% raised by the agent and 10.44% raised by the landlord.

## About TDS

The Tenancy Deposit Scheme is a Government-approved, not-for-profit company that provides Insured and Custodial tenancy deposit protection in the private rented sector.

The tenancy deposit protection legislation was introduced in April 2007 in England and Wales as a result of the 2004 Housing Act. Similar provisions came into force in Scotland in July 2012 and in Northern Ireland in April 2013.

This briefing contains key statistics\* on tenure, deposit protection and disputes in England and Wales to the 31 March 2018. It has been created for members of our TDS Insured scheme, TDS Custodial scheme and other stakeholders interested in how tenancy deposit protection legislation has operated since its introduction.

\*Some of the data included is Government data released under the Freedom of Information Act. Other data is the Tenancy Deposit Scheme's own internal performance reporting.

# 1

# Tenure in England and Wales

## Tenure in England (2001 to 2016)

Since 2001, the private rented sector in England, as shown in Table 1, has steadily grown year on year. It has risen from 2.1 million homes in 2001 to an estimated 4.8 million in 2016. The private rented sector is now larger than the social rented sector which, in comparison, is an estimated 4 million in 2016. This shows a decrease from the 4.3 million homes in the social rented sector in 2001.

The number of owner occupied homes in England showed a small increase from 14.735 million homes in 2001 to 14.786 million homes in 2016, which is the highest it's been since 2012.

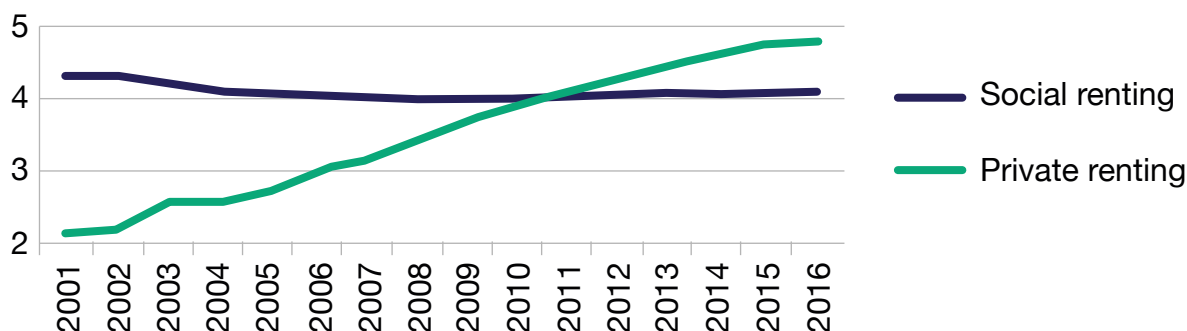
**Table 1: Tenure in England 2001 to 2016 (millions of homes)**

Year	Owner occupation	Social renting	Private renting
2001	14.735	4.339	2.133
2002	14.846	4.310	2.197
2003	14.752	4.212	2.549
2004	14.986	4.120	2.578
2005	15.100	4.050	2.720
2006	15.052	4.034	2.987
2007	15.093	4.013	3.182
2008	15.067	4.000	3.443
2009	14.968	4.022	3.705
2010	14.895	4.032	3.912
2011	14.827	4.044	4.105
2012	14.754	4.068	4.286
2013	14.685	4.100	4.465
2014	14.674	4.012	4.623
2015	14.684	4.030	4.773
2016	14.786	4.042	4.847

Source: Housing Review JRF/CIH 2018

Figure 1 is an illustration which shows the rapid growth of the private rented sector in England, and how it has overtaken the social housing sector in recent years.

**Figure 1: Private renting and social renting in England 2001-2016 (homes in millions)**



Source: Housing Review JRF/CIH 2018

## Tenure in Wales (2001 to 2016)

A similar picture emerges in Wales showing rapid growth of the private rented sector, from 0.09 million in 2001 to 0.202 in 2016. In comparison, the social rented sector appears to have remained at a similar level throughout the same period.

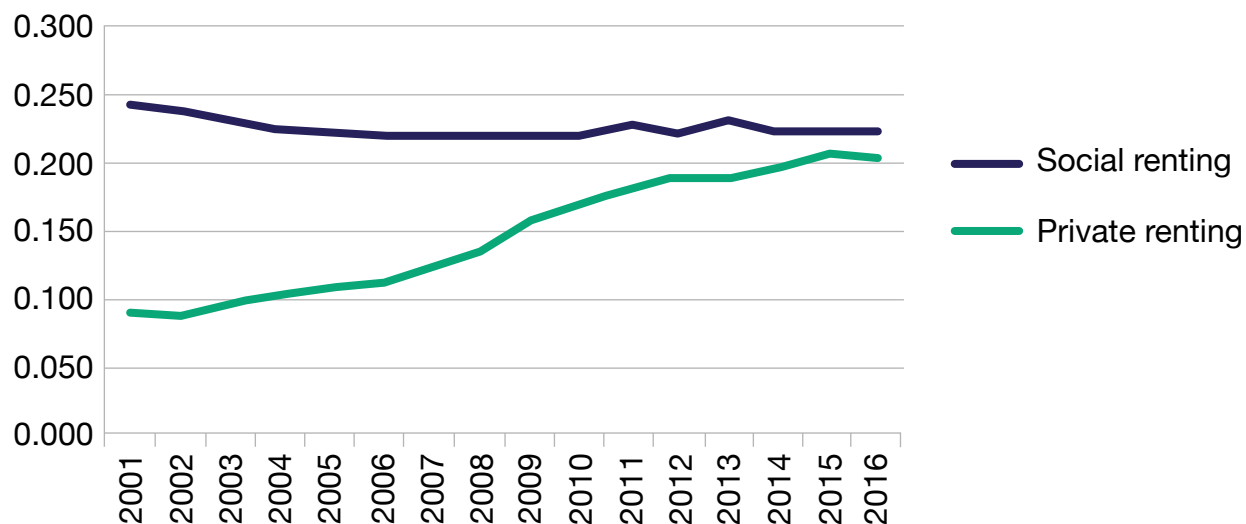
**Table 2: Tenure in Wales 2001 to 2016 (Millions of homes)**

Year	Owner occupation	Social renting	Private renting
2001	0.941	0.243	0.090
2002	0.957	0.240	0.089
2003	0.966	0.233	0.097
2004	0.980	0.226	0.103
2005	0.990	0.223	0.108
2006	0.998	0.222	0.113
2007	1.002	0.221	0.122
2008	1.001	0.221	0.135
2009	0.989	0.220	0.157
2010	0.983	0.221	0.171
2011	0.980	0.230	0.181
2012	0.977	0.223	0.191
2013	0.983	0.233	0.190
2014	0.981	0.223	0.196
2015	0.974	0.224	0.208
2016	0.986	0.224	0.202

Source: Housing Review JRF/CIH 2018

The chart below (Figure 2) shows the growth of the private rented sector in Wales from 2001 to 2016. This, in comparison to England, illustrates that the PRS in Wales has yet to take over the social rented sector, in fact it saw a slight decrease from an estimated 0.208 in 2015 to 0.202 million in 2016.

**Figure 2: Private renting and social renting in Wales 2001-2016 (homes in millions)**



Source: Housing Review JRF/CIH 2018

# 2

# Tenancy Deposits in England and Wales

In England and Wales, deposits taken on assured shorthold tenancies (ASTs) must be protected in a Government-approved tenancy deposit protection (TDP) scheme. Tenancy deposit protection legislation came into force in April 2007 and over the years there has been a steady increase in the number of tenancy deposits protected, reflecting the increase in the size of the private rented sector.

The table below (Table 3) illustrates the growth of tenancy deposits protected in England and Wales in both Insured and Custodial schemes since March 2008.

Year	Total deposits protected
March 2008	924,181
March 2009	1,553,130
March 2010	1,888,532
March 2011	2,220,543
March 2012	2,374,385
March 2013	2,659,301
March 2014	2,848,110
March 2015	3,066,130
March 2016	3,425,718
March 2017	3,691,242
March 2018	3,748,725

**Table 3: Number of Tenancy Deposits protected in England and Wales (March 2008 to March 2018)**

Source: MHCLG FOI Data 2018

Year	Value of tenancy deposits
March 2008	£885,098,501
March 2009	£1,406,482,263
March 2010	£1,661,896,693
March 2011	£2,104,219,832
March 2012	£2,325,317,355
March 2013	£2,637,843,361
March 2014	£2,865,824,221
March 2015	£3,187,501,867
March 2016	£3,566,784,769
March 2017	£4,017,045,899
March 2018	£4,159,663,783

**Table 4: Total value of tenancy deposits protected in England and Wales (March 2008 to March 2018)**

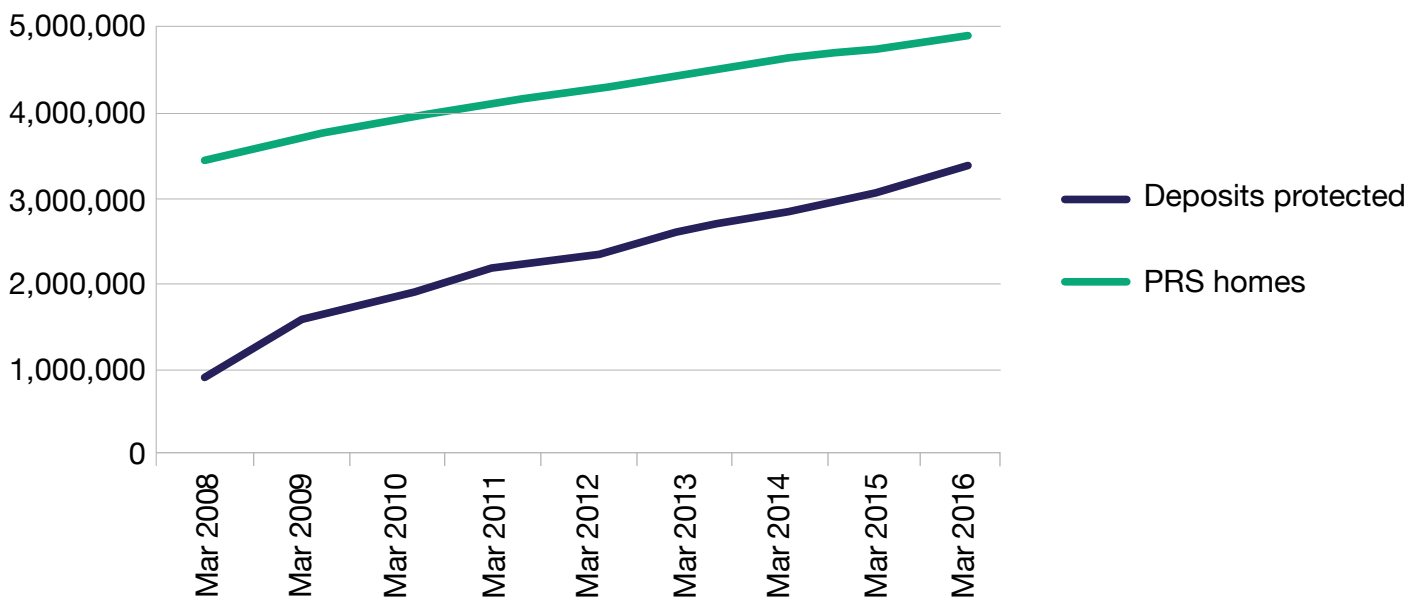
Source: MHCLG FOI Data 2018

## Tenancy deposits by value

The value of deposits protected has also increased over the years and now stands at just under £4.2 billion at 31 March 2018 (Table 4).

Figure 3 shows how the numbers of tenancy deposits protected has increased in line with the growth of the private rented sector in England and Wales.

**Figure 3: Tenancy deposits protected compared to the number of private rented sector homes in England and Wales since March 2008**

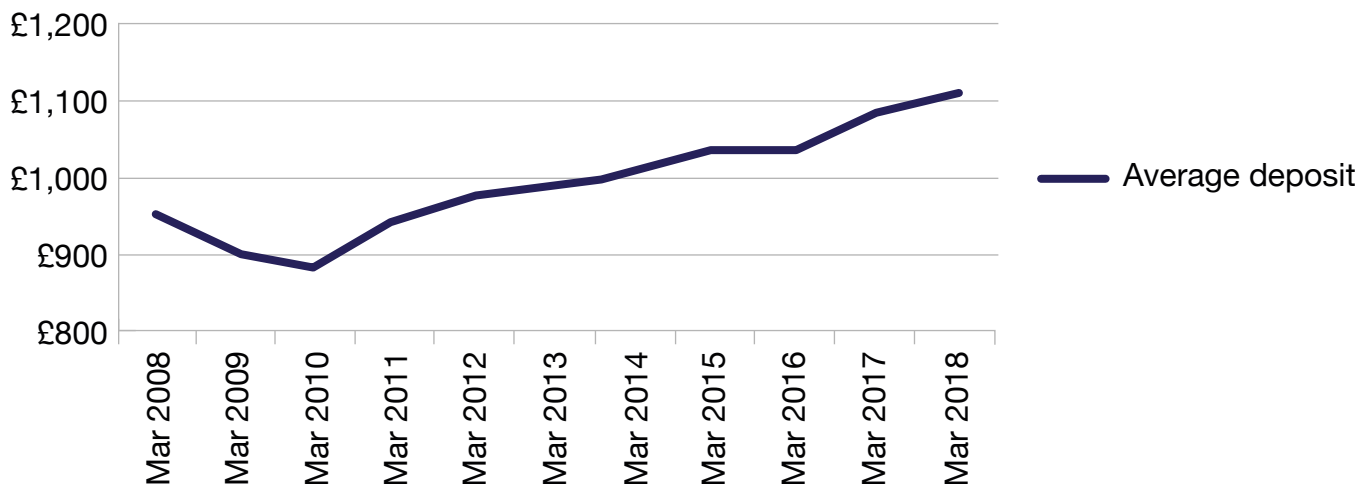


Source: MHCLG FOI Data 2018

### Average value of tenancy deposits protected in England and Wales (March 2008 to March 2018)

Figure 4 shows the average value of tenancy deposits protected over the last ten years. This has fluctuated from a low of £880 in March 2010 to a high of £1,110 in March 2018. It should be noted that these figures do not illustrate the large variations between regions in England and Wales.

**Figure 4: Average value of tenancy deposits protected in England & Wales (April 2007 to March 2018)**



Source: MHCLG FOI Data 2018

# 3 Disputes

The legislation covering tenancy deposit protection in England and Wales, Scotland and Northern Ireland provides for free dispute resolution if the parties are unable to agree how the tenancy deposit should be divided at the end of the tenancy.

## Adjudications as a percentage of tenancy deposits protected

Tenancy deposit protection legislation was introduced, in part, in response to concerns that a significant minority of tenants felt that their tenancy deposit was unreasonably withheld and had experienced difficulty in getting their deposit back.

However, as shown in the table below (Table 5), the consistent experience of the schemes is that tenancy deposit disputes are raised in a low proportion of cases, typically fewer than 1% of tenancy deposits protected. Taking account of the average length of a tenancy, the proportion is around 2.1% of tenancies ending in a year. This indicates that the parties are generally successful in reaching agreement without the need to raise a dispute with the schemes.

**Table 5: Adjudications as a percentage of tenancy deposits protected in England & Wales (March 2008 to March 2018)**

Year	Dispute percentage	Total disputes
March 2008	0.05%	458
March 2009	0.52%	8,098
March 2010	1.08%	20,363
March 2011	0.82%	18,156
March 2012	0.85%	20,279
March 2013	0.92%	24,448
March 2014	0.88%	25,029
March 2015	0.89%	27,816
March 2016	0.82%	28,100
March 2017	0.83%	30,742
March 2018	0.85%	31,865

Source: MHCLG FOI Data 2018

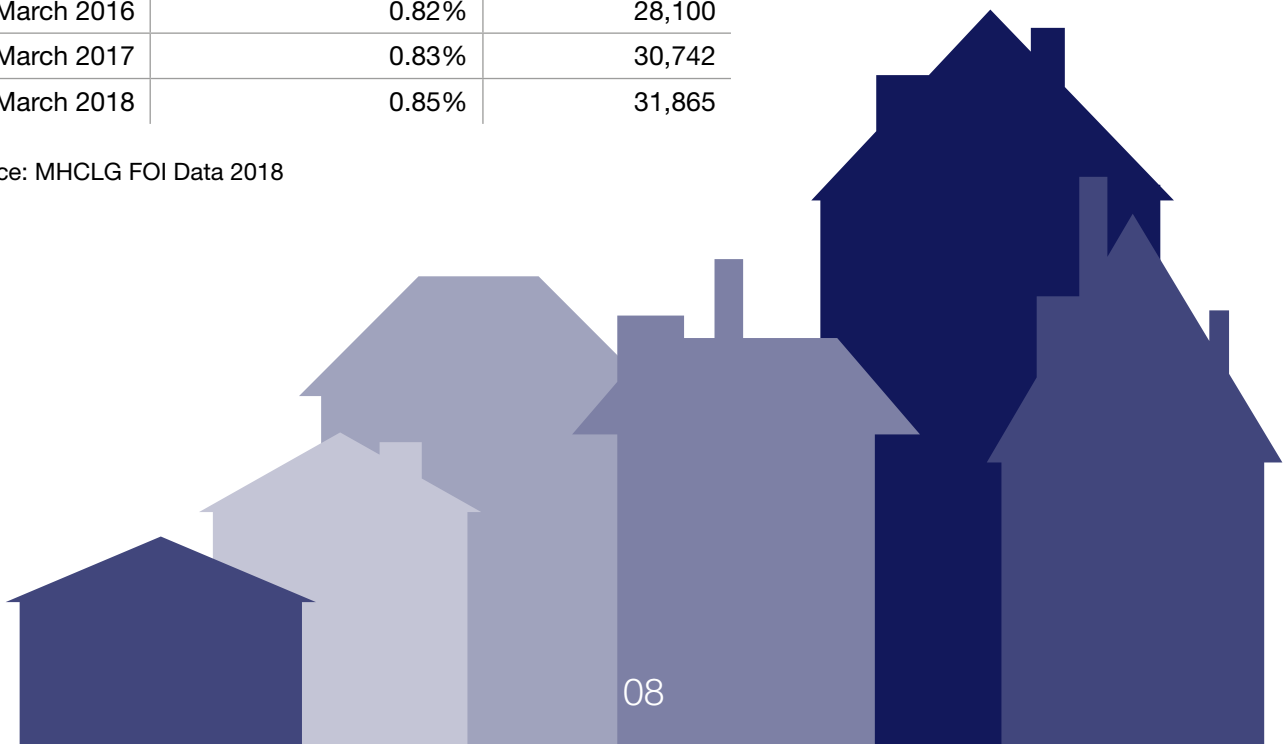




Figure 5 is an illustration of how adjudications have increased since 2008.

**Figure 5: Adjudications completed by year, for all tenancy deposit schemes in England & Wales (March 2008 to March 2018)**



Source: MHCLG FOI Data 2018

“ Customers using the TDS Custodial scheme are able to continue to **negotiate online** and this **helps maximise** the number of cases which can be **resolved without the need for formal dispute resolution.** ”

## Dispute rates per scheme

The table over the page (Table 6) compares the dispute rates in TDS' Insured and Custodial schemes against all TDP schemes average. TDS has operated a Custodial scheme since April 2016.

The dispute rate in the Insured scheme in 2018 was 1.13%. TDS allows agents and landlords to raise disputes as well as tenants and this results in a higher dispute rate than the average. By contrast, the dispute rate in our Custodial scheme is lower than average. Customers using the TDS Custodial scheme are able to continue to negotiate online and this helps maximise the number of cases which can be resolved without the need for formal dispute resolution.

**Table 6: Dispute rates per scheme (TDS Insured and TDS Custodial) from March 2013 to March 2018**

Year	TDS Insured	TDS Custodial*	All TDP schemes average
31st Mar 2013	1.31%	n/a	0.92%
31st Mar 2014	0.87%	n/a	0.88%
31st Mar 2015	1.05%	n/a	0.89%
31st Mar 2016	0.99%	n/a	0.82%
31st Mar 2017	1.11%	0.10%	0.83%
31 March 2018	1.13%	0.49%	0.85%

Source: MHCLG FOI Data 2018

\* No data for TDS Custodial between 2013 and 2016 as scheme was launched in 2016

## How long do adjudications take?

The table below (Table 7) outlines the average number of days taken by all of the TDP schemes, over the last 6 months of 2017-18, to resolve tenancy deposit disputes (from when the adjudicator received all the relevant papers).

**Table 7: Average number of days taken to resolve disputes in all TDP schemes (from when adjudicator receives papers)**

Month	Custodial schemes			Insurance schemes		
	Deposit Protection Service	MyDeposits	Tenancy Deposit Scheme	Deposit Protection Service	MyDeposits	Tenancy Deposit Scheme
October 2017	25	22	10.4	26	22	9.95
November 2017	30	16	7.9	28	19	15.23
December 2017	28	20	10.7	25	19	16.84
January 2018	28	25	17.43	27	23	18.81
February 2018	22	25	11.66	28	25	17.7
March 2018	21	27	3.55	26	26	14.79

Source: TDP Data Sharing report April 2018

## Reasons for tenancy deposit disputes

The table below (Table 8) shows the issues arising in TDS' dispute cases since 2012. Cleaning remains the most common area of dispute in the cases we deal with, appearing in over half our cases in each year. Damage claims have also become more prominent.

**Table 8: Reasons for tenancy deposit disputes in TDS (2012 to 2018)**

Dispute	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Cleaning	56%	53%	58%	57%	56%	54%
Damage	43%	46%	51%	51%	51%	49%
Decoration	30%	29%	31%	32%	28%	31%
Gardening	13%	14%	17%	16%	16%	16%
Rent arrears	17%	16%	19%	19%	20%	20%

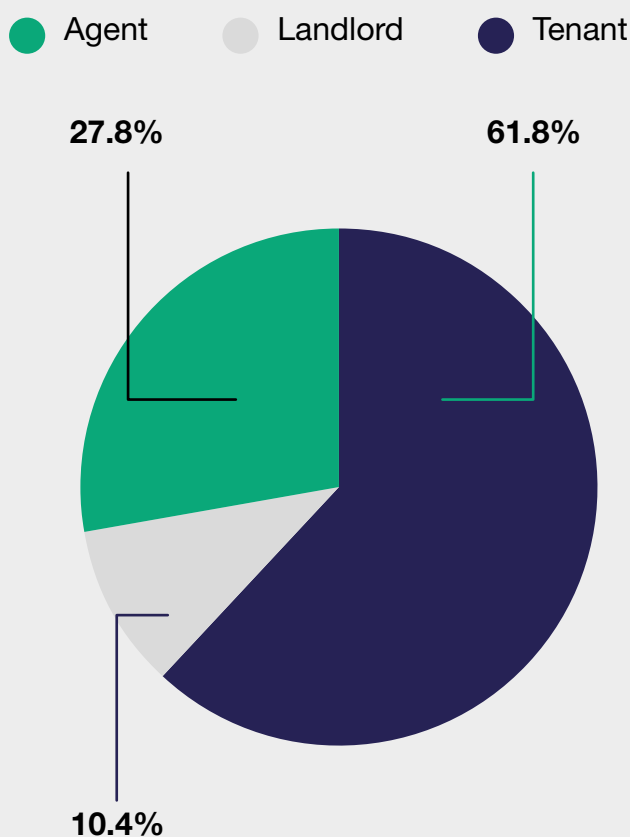
Source: TDS disputes data 2012-18

## Who raises tenancy deposit disputes with TDS?

TDS is the only TDP scheme which allows agents, landlords and tenants to raise disputes in its principal membership category in the Insured scheme. Disputes in the Custodial scheme arise because the parties are unable to reach agreement during the repayment process and are not specifically raised by one party.

In recent years, we have seen a steady increase in the proportion of disputes being raised by tenants. In the year to March 2018, this had risen to 61.8% compared to 59.8% in the previous year.

**Figure 6: Who raises disputes with TDS? (2017-18)**



Source: TDS Disputes Data 2012 to 2018



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tenancydeposits

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