

ANNUAL
REPORT AND
ACCOUNTS



ENTER

WE'RE YOUR TDS

TDS is an industry owned company which provides tenancy deposit protection schemes across the UK.

We're the longest running tenancy deposit protection scheme in the UK and started work in 2003.

We're here to make deposit protection easy for agents, landlords and tenants.

TDS is owned by the key industry bodies working in the private rented sector:

the **Royal Institution of Chartered Surveyors (RICS)**, **Association of Residential Letting Agents (ARLA)**, **National Association of Estate Agents (NAEA)**, and is supported by the **Residential Landlord Association (RLA)**.

All of these organisations appoint Directors to the TDS Board.



Martin Partington CBE QC
[Independent Chair]

Luay Al-Khatib
RICS

Mark Hayward
ARLA/NAEA

Alan Ward
RLA



Jodi Berg OBE
Independent

Mark Allan
Independent

Steve Harriott
Chief Executive

Nick Hankey
Deputy Chief Executive



We work across the UK through:

Tenancy Deposit Scheme
(Insurance backed scheme in England and Wales)

TDS Custodial
(Custodial scheme for England and Wales)

TDS Northern Ireland
(Custodial and insurance backed scheme in Northern Ireland)

SafeDeposits Scotland
(Custodial scheme where TDS provides finance, IT and adjudication services)

KEY FACTS

Deposits protected at the 31 March 2016

1,186,047

Total value of deposits

£1,451,256,450.00

Average deposit value

£1,223.61

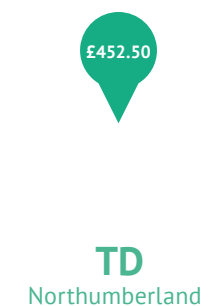
INCREASE IN AVERAGE DEPOSIT VALUES HELD BY TDS OVER THE LAST 6 YEARS



POSTCODE WITH HIGHEST DEPOSIT VALUE



POSTCODE WITH LOWEST DEPOSIT VALUE



PERFORMANCE

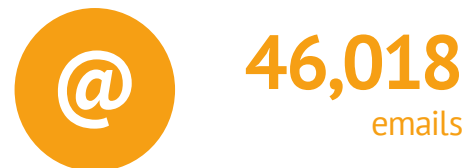
We know that deposit protection is only a small part of what you do; but if you don't get it right there can be severe consequences. You may need to return the deposit and face a penalty of up to three times the deposit. This could amount to a total of over £10,000 depending on the value of the deposit.

TDS is here to help you get it right.

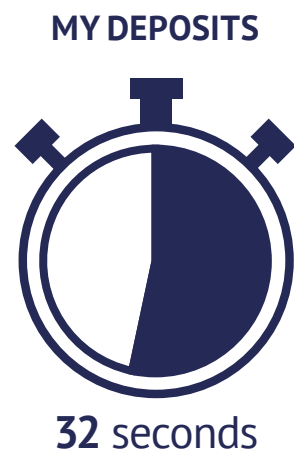
CUSTOMER CONTACT: A FRIENDLY VOICE

TDS has a dedicated Customer Services team answering your calls from 8 am to 6 pm Monday to Friday. You can call, email us or use our Live Chat facility.

IN 2015-16 WE DEALT WITH



WE ANSWER YOUR CALLS IN LESS TIME THAN THE OTHER SCHEMES



*DCLG statistics 2016

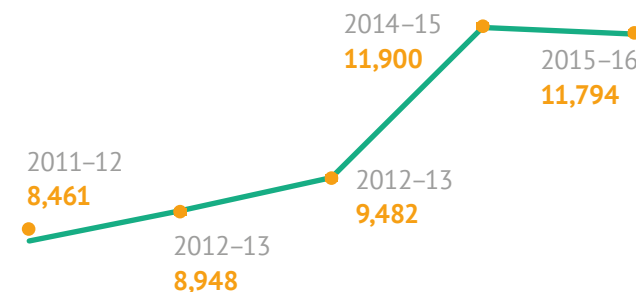
DISPUTES

TDS offers a free dispute resolution service which can be used where landlords and tenants cannot agree about how deposits should be allocated.

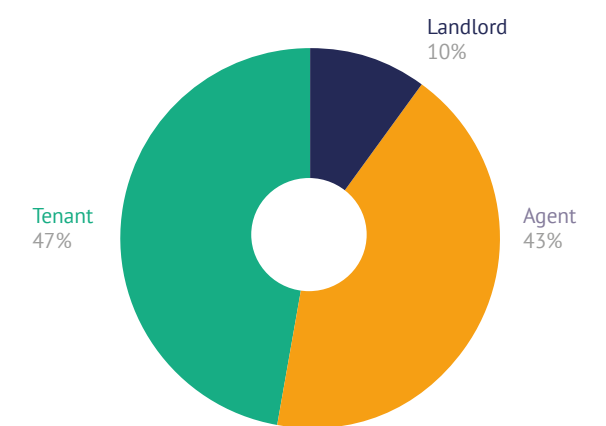
DISPUTES ADJUDICATED



In 2015-16 we dealt with
11,794
disputes

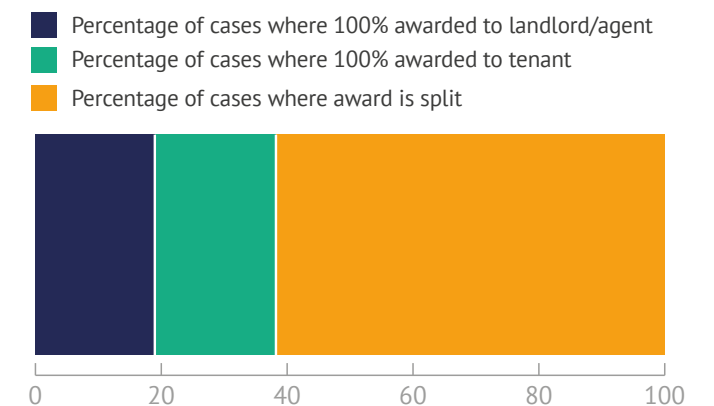


WHO RAISES DISPUTES (2015-16)



WHO GETS WHAT FROM DISPUTES

This table shows that in almost 40% of cases either the tenant or the landlord gets back 100% of the disputed deposit. This means that the evidence was overwhelmingly in favour of the party that got the award. If it was obvious to the adjudicator then it really ought to have been obvious to the landlord or tenant. Agents have a key role to play in understanding how TDS adjudicates disputes and advising landlords if they do not have a strong case to submit to TDS.



BIGGEST DISPUTE OF THE YEAR

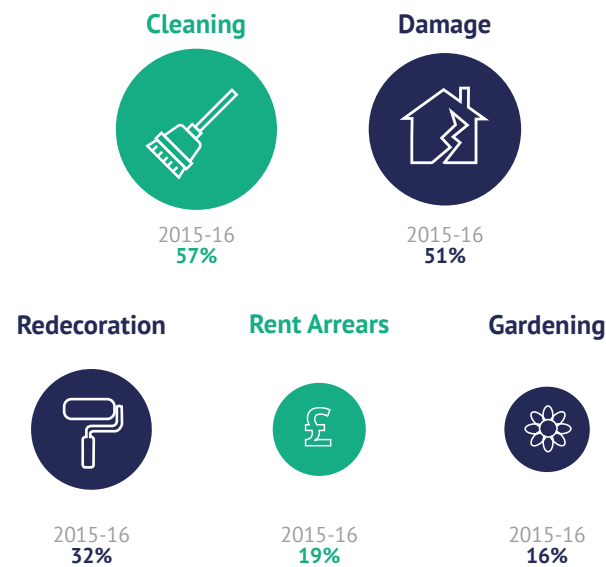
£18,250



LOWEST DISPUTE OF THE YEAR
£10 FOR A BROKEN WINE GLASS!

DISPUTE REASONS (2015-16)

A tenancy deposit dispute is rarely about one issue; usually the landlord is seeking to make deductions across a number of areas. Our evidence however is that cleaning disputes dominate the dispute league table, featuring in over 57% of disputes, followed closely by damage. Issues to do with decoration, gardening and rent arrears all feature in the disputes we consider.

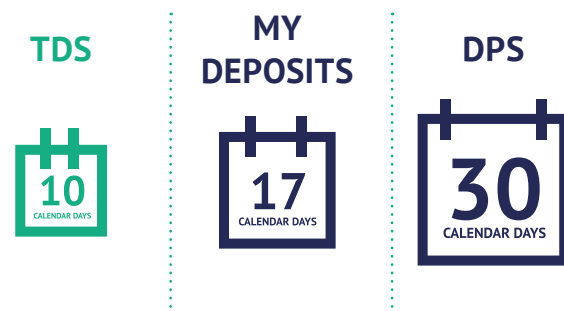


IT ALL TAKES TIME!

Submitting a dispute to TDS means that it will inevitably take time to resolve the matter as we need to collect the evidence and pass the file to our adjudicators to review and decide the case.

TIME TAKEN TO RESOLVE DISPUTES 2015-16

(From when case file passed to adjudicator) [DCLG figures]



DISPUTE TIMELINE

WORKING DAY 1

Agent submits dispute and sends disputed deposit to TDS

WORKING DAY 2

Agent uploads their dispute evidence to TDS Evidence Portal

WORKING DAY 13

Tenant views evidence and submits their own response

WORKING DAY 14

TDS Caseworker reviews case file

WORKING DAY 15

Case file passed to Adjudicator

UP TO WORKING DAY 35

Adjudicator reviews case and writes up responses (Govt KPI 20 days)

UP TO WORKING DAY 37

Decision issued and payment released



Cases may take longer if there are queries to resolve

WHO'S WHO



STEVE HARRIOTT, CHIEF EXECUTIVE

Steve Harriott MA(Oxon), PGCE, MSc, FCIH is the Chief Executive of The Dispute Service Ltd. He has been Chief Executive since September 2010 following a period of management consultancy.

He has worked as chief executive of three housing associations as well as chairing a housing association and a regeneration charity.

He is currently a Director at SafeDeposits Scotland, a Director of TDS Northern Ireland and a Director at TDS Charitable Foundation.

He chairs the Waterways Ombudsman Committee and is Vice Chair of Chatham Maritime Trust.



NICK HANKEY ACA, ACMA DEPUTY CHIEF EXECUTIVE (RESOURCES)

Nick is a qualified accountant who joined TDS in September 2011. He has held a number of senior finance director posts in the private sector.



MICHAEL MORGAN DIRECTOR OF DISPUTE RESOLUTION

Michael is the Independent Case Examiner. Having trained as a solicitor Mike worked in Trading Standards and at Qualitas, the Furniture Ombudsman.



ALISON MACDOUGALL DIRECTOR OF CASEWORK OPERATION

Alison has been involved in dispute resolution for over 12 years, including senior positions at the Police Complaints Authority and the Office of the Independent Adjudicator for Higher Education. Alison joined TDS in 2007 as an adjudicator and is now responsible for the operational management of the dispute resolution team.



BEN BEADLE DIRECTOR OF CUSTOMER RELATIONS

Ben joined the TDS adjudication team as a Casework Manager following a prior career in lettings and property management. In 2011 he became the Scheme's first Head of Member Relations with a brief to further develop work with member firms. He now heads up our customer service directorate comprising complaints, compliance, our customer contact centre and business development.



JOSANNE LEON HEAD OF HUMAN RESOURCES

Josanne has extensive experience within Human Resources predominately within the IT industry as well a number of years working in the Lettings industry. She has been with TDS since 2010 and manages our Human Resources function.



REBECCA JOHNSTON DIRECTOR OF POLICY, PERFORMANCE AND PROJECTS

Rebecca was Director of Operations at SafeDeposits Scotland until she joined TDS in November 2015. She has a background in Law and over 12 years' experience in the private rented sector.

ACCOUNTS

PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2016

	2015-16	2014-15	2013-14	2012-13
Turnover	6,178,047	5,743,782	5,607,509	5,639,020
Cost of sales	-1,656,282	-1,328,849	-1,523,219	-1,428,088
Gross profit	4,522,125	4,414,933	4,084,290	4,210,932
Administrative expenses	-4,239,456	4,005,943	4,117,590	4,028,715
Operating surplus / (loss)	282,669	408,990	(33,300)	182,217
Interest receivable and similar income	154,854	135,552	147,446	142,308
Surplus on ordinary activities before taxation	437,523	544,542	114,146	324,525
Tax on surplus on ordinary activities	56,680	103,481	5,335	77,669
Surplus for the financial year	380,843	441,061	108,811	246,856

NORTHERN IRELAND

TDS Northern Ireland provides both an insurance backed and custodial tenancy deposit scheme in Northern Ireland.

Established in 2013 it is owned by The Dispute Service and has quickly grown to be the largest tenancy deposit scheme in Northern Ireland with an almost 80% market share.

Martin Partington CBE QC
[Independent Chair]

Mark Hayward

Steve Harriott

THE BOARD
OF TDS
NORTHERN
IRELAND

Nick Hankey

Ben Beadle



The only Northern Ireland based tenancy deposit scheme

KEY STAFF

Ben Beadle: Managing Director
Wendy Ilesley: Accounts Manager
Alison MacDougall: Director of Casework Operations
Eamonn Hunt: Operations Manager
Sean Timoney: Membership Executive

ARTHUR HOUSE
BELFAST

TDS Northern Ireland operates from its base in Belfast.

TDS NI DEPOSIT HOLDINGS AT 31 MARCH 2016



LEGISLATION

All new deposits taken since 1 April 2013 now need to be protected in Northern Ireland.



DEPOSITS PROTECTED BY TDS NI



DISPUTE REASONS TDS NI (2015-16)

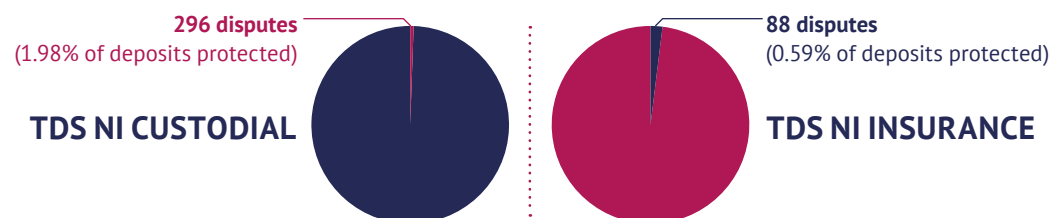


tenancydepositscheme.com

AVERAGE DEPOSIT VALUES IN NORTHERN IRELAND MARCH 2016



DISPUTES DEALT WITH BY TDS NI IN 2015-16



384 total disputes

1.22% of total deposits protected



As part of our ongoing outreach to customers in Northern Ireland, TDS attend a number of events to educate landlords, tenants and agents about best practice tenancy management and complying with the law.

We were delighted to sponsor the Housing Rights Service Conference in 2015, where our Managing Director Ben Beadle spoke alongside the then Minister for Social Development Mervyn Storey MLA.