



ANNUAL REVIEW 2018-19



"In January of 2019 our office burned down but our colleagues reacted magnificently. The next day we were up and running from colleagues' homes providing all our services to tenants, agents and landlords. Within two days we were in temporary offices and just seven months later we moved to our new home - in this period we continued to provide the excellent services we pride ourselves on.

So this annual report is a tribute to all of my team who have dedicated the last year to making life easier for tenants, agents and landlords."



Martin Partington, Chair of the TDS Board



Steve Harriott, Chief Executive Officer

TDS BOARD MEMBERS

Martin Partington
Chair of the TDS Board

Mark Allan
Commercial Director at BUPA

Luay Al-Khatib
Royal Institution of Chartered Surveyors (RICS)

Jodi Berg
Independent Director

David Cox
Chief Executive of ARLA Propertymark

Nick Hankey
Deputy Chief Executive of TDS

Steve Harriott
Chief Executive Officer of TDS

Mark Hayward
Chief Executive of NAEA Propertymark

Alan Ward
Chair of the Residential Landlords Association (RLA)

TDS EXECUTIVE TEAM

Steve Harriott
Chief Executive Officer

Nick Hankey
Deputy Chief Executive

Rebecca Johnston
Director of Business Development

François Josserand
Chief Technology Officer

Josanne Leon
Head of Human Resources

Alison MacDougall
Director of Dispute Operations



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AWARD-WINNING CUSTOMER SERVICE CONTINUES



CUSTOMER SERVICE EXCELLENCE AWARD

In May 2018, TDS had its Customer Service Excellence (CSE) accreditation re-confirmed and is the only Government-approved tenancy deposit protection (TDP) scheme to hold it. The standard is awarded for efficient, effective, excellent, equitable and empowering services.

“The CSE award demonstrates TDS’ commitment to providing excellent customer service.”

Louise Walton,
Head of Customer Experience



PASSING BSI INSPECTION WITH FLYING COLOURS

Following our annual inspection, the British Standards Institution (BSI) re-awarded TDS the Certificate of Registration confirming TDS operates an effective Customer Satisfaction Management system. This is the fourth consecutive year TDS has received the BSI ISO 10002 – the international standard for customer satisfaction.



HOW WE LISTEN TO FEEDBACK

The service we provide our customers is important to us and we work hard to ensure that the service provided by TDS is of a high standard. Online reviews are one of several ways we monitor our service.

SATISFACTION SURVEYS

Our customer satisfaction surveys allow us to engage with our customers and improve our services. Surveys carried out during the year resulted in positive recognition, with 80% stating our services were good or excellent, and agents and landlords commenting on our ‘excellent service’.

TDS INSURED	average answering time 00:00:27 volume 93,993	average answering time 00:56:00 volume 57,848
TDS CUSTODIAL	average answering time 00:00:18 volume 29,031	average answering time 01:33:00 volume 33,387
TDS NORTHERN IRELAND	average answering time 00:00:20 volume 9,722	average answering time 01:39:00 volume 8,723
SAFEDEPOSITS SCOTLAND	average answering time 00:00:07 volume 47,270	average answering time 00:27:00 volume 22,412

As the number of TDS customers has increased over the past year, our customer service teams have continued to respond quickly and comprehensively to customers by phone and email.

*Average figures based on TDS internal statistics 2018-19



INDEPENDENT COMPLAINTS REVIEWER

TDS has appointed Independent Complaints Reviewer, Margaret Doyle, to look at the way TDS investigates complaints and ensure the process is fair and transparent.

We think this appointment is key in showing that customer complaints are dealt with appropriately and that our customers have the opportunity to have their complaints reviewed by someone outside of TDS.



DROP IN VISITS AND IN-HOUSE TRAINING

We have been providing both existing customers and prospective new customers with in-house training and demonstrations of our database processes to ensure they are aware of all the tools available to them.

CALLS ANSWERED IN UNDER 28 SECONDS

EMAILS ANSWERED IN UNDER 2 HOURS

DISPUTES RESOLVED WITHIN 12 DAYS (FROM WHEN THE ADJUDICATOR RECEIVES ALL PAPERWORK)

*Average figures based on TDS internal statistics 2018-19

“TDS are excellent at what they do, they are head and shoulders above the other dispute services and are always fair and transparent.”



HOW OUR PEOPLE ARE FUELLING OUR GROWTH

A GREAT PLACE TO WORK

Every year, the Sunday Times celebrates the best examples of workplace engagement in four categories, including the best not-for-profit company to work for. In February 2019, TDS reached 63rd place. Companies are judged on eight factors of workplace engagement: Giving Something Back, My Manager, Leadership, My Company, Personal Growth, My Team, Wellbeing and Fair Deal.

All colleagues at TDS are aware of the positive attitudes that we aim to develop across the whole company to maintain TDS' position as the leading tenancy deposit scheme in the UK. As a not-for-profit, we believe strongly in reinvesting in the company, our services to landlords, agents and tenants, our colleagues and the wider community.



MOST EFFECTIVE RECOVERY OF THE YEAR

In June 2019, TDS received nationwide recognition when awarded "Most Effective Recovery" at the CIR Business Continuity Awards in London. The awards celebrate achievements in 'business continuity, security and resilience'. Despite the entire headquarters in Hemel Hempstead being destroyed by fire on the afternoon of 9 January 2019, from which all colleagues were safely evacuated, TDS' robust continuity plan meant that for millions of tenants and thousands of letting agents and landlords, the service from the company was business as usual. By midday after the fire, TDS' own call answering time KPI had been met and bettered, at just 27 seconds, despite a government KPI of 60 seconds. Within 24 hours of the fire, TDS had returned to a higher level of customer service delivery than its competitors. All deposits remained protected, data was safe and the TDS websites remained fully functional throughout.

The image to the right shows the award received at the CIR Business Continuity Awards 2019.

MENTAL HEALTH AT WORK

We have conducted Mental Health at Work training for all of our colleagues at TDS based on the ACAS framework for positive mental health. TDS strives to create a working environment that encourages better mental health, and this year we offered appropriate support to any employee that experiences mental ill health through these training sessions.

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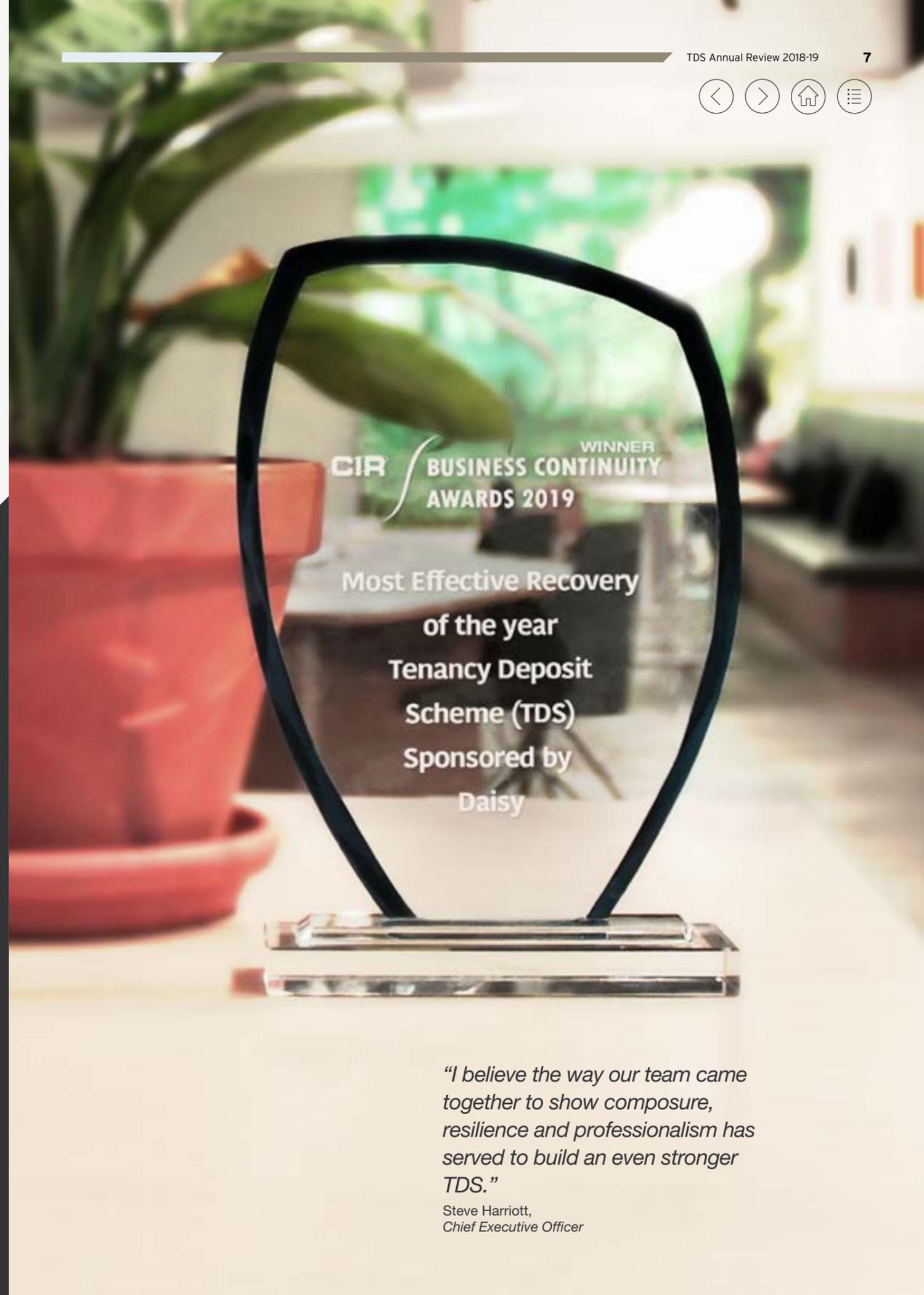
MENTAL HEALTH AT WORK TRAINING SESSIONS

128

TOTAL NUMBER OF COLLEAGUES AT TDS

63RD

SUNDAY TIMES TOP 100 BEST NOT-FOR-PROFIT ORGANISATIONS TO WORK FOR 2019



"I believe the way our team came together to show composure, resilience and professionalism has served to build an even stronger TDS."

Steve Harriott,
Chief Executive Officer

EARLY DISPUTE RESOLUTION

ZERO DEPOSIT

TDS has teamed up with Zero Deposit to provide the alternative dispute resolution (ADR) service for claims against the Zero Deposit Guarantee.



DISPUTES AND DAMAGES

TDS delivers the [Disputes and Damages](#) course, in association with ARLA Propertymark, to provide letting agents and landlords with an in-depth understanding of tenancy deposit legislation, the adjudication process, how to produce an effective inventory report, assess fair wear and tear and more.

CaCHE PROJECT

TDS Charitable Foundation and the SafeDeposits Scotland Charitable Trust have jointly awarded funding of just under £300,000 to the UK Collaborative Centre for Housing Evidence (CaCHE) who will carry out projects on resolving disputes, tackling low standards and protecting tenancy deposits.

WHO RAISES DISPUTES?

In recent years, we have seen a steady increase in the proportion of disputes being raised by tenants in our Insured scheme. In the year to March 2019, this has risen to 67.4%, compared to 61.8% in the previous year.



*TDS Insured 2018-19

REASONS FOR DISPUTES (INSURED)



REASONS FOR DISPUTES (CUSTODIAL)



*% of cases where claims arise TDS 2018-19

EARLY RESOLUTIONS UP BY 30%

In May 2019, TDS reported that the number of disputes over tenancy deposits, which are resolved before going to adjudication, has risen dramatically. TDS, TDSNI and SafeDeposits Scotland have been promoting mediation and early intervention in disputes to help parties resolve their differences at an earlier stage by agreement. In England and Wales, over the last 12 months, the number of tenancy deposit disputes being resolved before going to adjudication increased by 31% compared to the previous period. In Scotland, the increase was 18% and in Northern Ireland 56%. We find that by facilitating a negotiation, we can help defuse situations and settle disagreements quickly and fairly.

DISPUTES IN 2018-19

TDS INSURED		total disputes	14006
		average number of days to resolve disputes	11.82
TDS CUSTODIAL		total disputes	338
		average number of days to resolve disputes	15.11
TOTAL		total disputes	14344
		average number of days to resolve disputes	11.90

*Average figures based on TDS internal statistics 2018-19

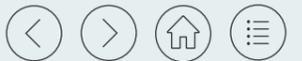


TDS ACADEMY

TDS' Adjudication Workshop continues to teach landlords and letting agents how to "think like an adjudicator" and identify the kind of evidence an adjudicator looks for in a tenancy deposit dispute.

NUMBER OF DISPUTES AND DAMAGES COURSES DELIVERED

11



GUIDANCE DOCUMENTS FOR RAISING STANDARDS



GUIDE TO TDS' DEPOSIT CAP SOLUTION

The guide to our Deposit Cap Solution outlines how customers of each scheme can reduce the deposit using our deposit management system.



INVENTORIES, CHECK-IN & CHECK-OUT REPORTS

We have produced a comprehensive guide to inventories, check-in and check-outs which considers 'best practice' from an adjudicator's viewpoint. Clear and easy to understand reports, with sufficient detail, are more likely to be understood by all parties increasing the likelihood of early resolution and agreement.

Our website provides a wide range of guidance documents providing agents, landlords and tenants relevant information and guidance to help them avoid disputes over the deposit at the end of a tenancy. Through the TDS Academy and Disputes and Damages courses, we remind our customers that these documents are available to them and we will continually add new documents to this library. Here we show some notable titles which our customers find useful.



DEDUCTIONS TEMPLATE

We have developed a template for the exclusive benefit of TDS customers to help letting agents and landlords set out proposed deductions from a tenants deposit in a structured, succinct and transparent way.



PRODUCT LIFESPAN GUIDE

Our Product Lifespan Guide, which sets out the varying factors that affect an adjudication decision, is a useful tool to manage the expectations of the disputants and provides guidance on the evidence to be provided.

CUSTODIAL GROWTH ON TARGET

A SHARP INCREASE IN CUSTODIAL

This year we have seen a sharp increase in interest and use of our custodial offering due to significant changes in the wider industry. The introduction of the Tenant Fees Ban and Deposit Cap has meant that more than ever, agents and landlords are looking to streamline their processes; saving time and money. Our streamlined one click solution for the Deposit Cap has been just another reason for agents to make the transition to TDS Custodial, contributing to our substantial growth throughout the year.

MONEY SHIELD

In August 2018, Money Shield was launched; a new Client Money Protection (CMP) service backed by The Dispute Service and PropertyMark in association with The Property Ombudsman (TPO), allowing agents to secure robust protection for their clients without membership of a professional body. Although the legislation did not come into force for another 8 months, letting agents were able to get ahead of the game and set themselves apart from competitors by joining Money Shield early, making them more desirable to both landlords and tenants.

DEPOSIT CAP SOLUTION FOR TDS CUSTODIAL

Our Deposit Cap Solution was designed to make the transition to the new legislative framework as straightforward and pain-free as possible for our letting agent and landlord customers. This is a new 'Edit deposit amount' function where a letting agent or landlord can increase or decrease the deposit amount if they need to repay a deposit above the cap after 1 June 2019. Where a new fixed term tenancy is created the landlord or agent can simply change the deposit amount down to the new five or six week level and TDS will sort out the repayments back to the lead tenant.



"The unique features of TDS Custodial have proven popular, with a large number of agents making the switch to our scheme from alternative deposit providers."

Rebecca Johston,
Director of Business Development



TDP TIMELINE

VALUE OF DEPOSITS PROTECTED

INSURED AND CUSTODIAL

£1,815.56M up by 6.5%



TDS WAS ESTABLISHED

2003

TDS was the first established voluntary, Insured-backed tenancy deposit protection scheme in England and Wales.

NUMBER OF DEPOSITS PROTECTED

INSURED AND CUSTODIAL

1,371,020 up by 4.03%



TENANCY DEPOSIT LEGISLATION

2007

The Housing Act 2004 legislation was introduced to ensure that tenancy deposits were protected in a Government-authorized scheme.

VALUE OF DEPOSITS PROTECTED

CUSTODIAL ONLY

£71.93M up by 85.14%



DEREGULATION ACT

2015

The Deregulation Act 2015 clarified the steps landlords and letting agents must take to ensure they fully comply with the tenancy deposit legislation.

NUMBER OF DEPOSITS PROTECTED

CUSTODIAL ONLY

70,632 up by 73.27%



TDS CUSTODIAL SCHEME

2016

TDS Custodial was launched in 2016, giving landlords and letting agents a free tenancy deposit protection option.

NUMBER OF INDUSTRY EVENTS ATTENDED

TDS ONLY

40



DEPOSIT CAP/ TENANT FEES BAN IN ENGLAND

2019

The Tenant Fees Ban limits the amount a tenant can be charged for a holding and security deposit, and defines what a tenant can be charged in addition to rent.

NEW HEADQUARTERS

2019

Following a fire that destroyed TDS' head office, seven months later the team moved into a new permanent office in Hemel Hempstead.

TDS WALES OFFICE

2019

TDS is opening a new office in Wales to offer Welsh-specific support and education to our customers as well as the wider market.

TOTAL VISITS TO DEPOSITCAP.COM

70,927



*ENGLAND AND WALES

TDS NORTHERN IRELAND



FOCUS ON CUSTOMER SERVICE

TDSNI has expanded its team to provide a more localised service. With the addition of two new operations team members, calls are answered in under 30 seconds and emails responded to within a couple of hours.

To accommodate this growth, we have relocated the Belfast workplace to a bigger office while remaining within the Belfast area allowing tenants and landlords to call into the office to deal with any queries. TDSNI remains focused on delivering a first-class service to customers in Northern Ireland and improving market share.

INCREASED TRAINING

We have stepped up our training activities, visiting over 200 agent customers throughout the country, during the year, to deliver bespoke tenancy deposit management and alternative dispute resolution (ADR) training. We have attended student events at all major campuses in Northern Ireland and sponsored several tenant bursaries as part of our support for the Annual Housing Rights Conference.

The regular publication of real-life case studies, the Adjudication Digest, provides agents, landlords and tenants with insights into how the adjudication process works and the importance of correct documentation.

“We’ve travelled over 4,000 miles to visit our customers across Northern Ireland.”

Alison MacDougall,
Managing Director at TDSNI



TDS Northern Ireland was presented with the Supplier of the Year Best in Sector award in the Deposit Schemes category at the ESTAS 2019 for the fourth time in a row. For the first time, all three organisations that make up The Dispute Service - TDS, TDSNI and SafeDeposits Scotland - were shortlisted for the category demonstrating the high level of customer service provided across the whole group.



DISPUTES IN 2018-19

TDSNI INSURED		total disputes 140
		average number of days to resolve disputes 6.5
TDSNI CUSTODIAL		total disputes 372
		average number of days to resolve disputes 4

*Average figures based on TDSNI internal statistics 2018-19

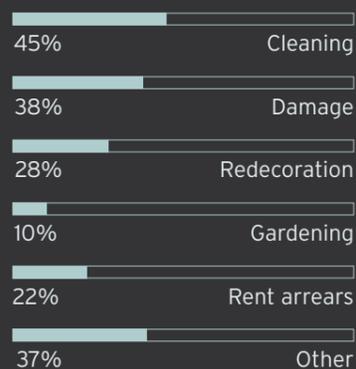
INDUSTRY EVENTS

We have attended industry events with ARLA Propertymark, the Chartered Institute of Housing (CIH) and also focus groups on improving the PRS.

We work closely with the Landlords Association of Northern Ireland (LANI) to deliver guidance and education workshops to landlords promoting tenancy deposit protection and have provided training via Regional Education Colleges. We have worked closely with tenant groups offering guidance to tenants within the student sector, focusing on the latest tenant fee issue in Northern Ireland.

TDSNI has worked with the Department for Communities (DFC) and Northern Ireland Housing Executive (NIHE) research department to conduct a landlord and tenant questionnaire, providing insight into views on the PRS and what can be done to improve the sector.

REASONS FOR DISPUTES



*% of cases where claims arise 2018-19



SAFEDEPOSITS SCOTLAND



WHO RAISES DISPUTES?

As an entirely custodial scheme, the raising of any dispute is carried out by the tenant. Whether in response to a landlord or agent's proposal, or to the landlord or agent's counter-proposal to their own repayment request, the decision to proceed to dispute is one taken by the tenant.

DISPUTE RATES

The dispute rate for the scheme has remained steady in line with deposits held, and currently sits at 2.6%. This shows that the parties are talking to each other in an effort to avoid dispute and the introduction of early stage mediation will help to maintain this balance.

STAFF TRAINING

To obtain a clear understanding of the industry and gain a deeper insight into the challenges facing letting agents, eight members of the SafeDeposits Scotland team successfully completed the ARLA Propertymark Residential Letting Agent and Property Management course with a further five currently studying.

ADR

SafeDeposits Scotland has sought to minimise the requirement for adjudication where possible, with additional resources focused on early stage mediation. Of cases contacted to carry out this mediation, 53% have been resolved. This translates to 22% of all new cases being resolved at this stage.

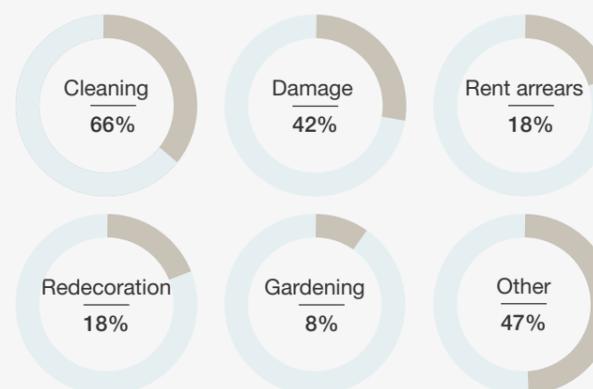
REUNITING UNCLAIMED DEPOSITS

Proactive efforts to reunite tenants with unclaimed deposits saw over £890,000 returned to their rightful owners. Through dedicated colleagues, former tenants located across the world were tracked down and contacted to get their bank details for the return of their deposits.

EDUCATING THE PRS

The team continues to travel the length and breadth of Scotland to educate, inform, train and listen to landlords, letting agents and tenants. The inaugural Scottish Tenancy Deposit Academy sessions, in partnership with Landlord Accreditation Scotland (LAS), were a great sell-out success when rolled out in late 2018 and plans are underway for a further round towards the end of 2019. Adjudication workshops have continued to garner a high level of interest and attendance around the country.

REASONS FOR DISPUTES



*% of cases where claims arise 2018-19

DISPUTES IN 2018-19

SAFEDEPOSITS SCOTLAND CUSTODIAL		total disputes 2596
		average number of days to resolve disputes 8.29

*Average figures based on SDS internal statistics 2018-19



TDS TRENDS

AWARD-WINNING RECOVERIES AFTER FIRE



1

NUMBER OF HOURS WORKED BY TDS COLLEAGUES



164,450

PERCENTAGE OF DEPOSITS ENDING IN DISPUTE



1%

TOTAL NUMBER OF NEWSLETTERS SENT TO CUSTOMERS



1.5M

SOCIAL MEDIA FOLLOWERS



1,439 followers



1,519 followers



8,882 followers

HIGHEST DISPUTE VALUE



LOWEST DISPUTE VALUE



TOTAL DEPOSITS PROTECTED



1,371,020

*TDS Insured and Custodial

NUMBER OF AGENTS VISITED

165

TOTAL NUMBER OF CUSTOMER ENQUIRIES



91,235



123,024

TOTAL NUMBER OF DISPUTES



14,006

Insured

Custodial

338

NUMBER OF ADJUDICATION COMPLAINTS



2.51%

TOTAL NUMBER OF TDS ACADEMY SESSIONS



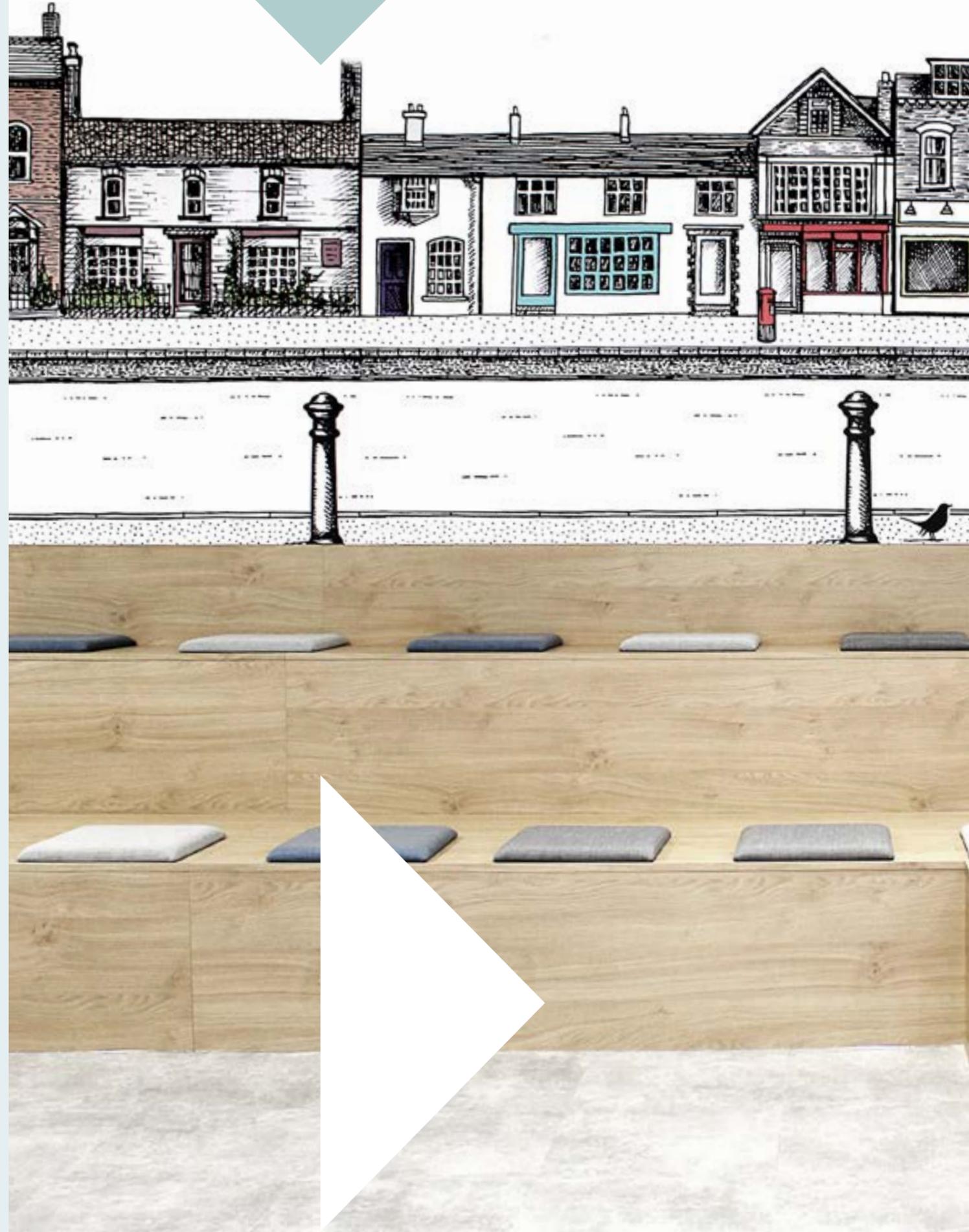
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WEBSITE USERS



24.26%

*based on TDS E/W Internal Statistics March 2018-19





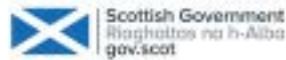
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