



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case reference : **LON/00AT/HTC/2020/0023**

Property : **191, Bulstrode Avenue, Hounslow,
TW3 3AF**

Applicant : **Melicia Singh and Kamaljit Singh**

Respondent : **Knight Young Estates Limited**

Type of application : **For recovery of all or part of a tenancy
deposit: Tenant Fees Act 2019**

Tribunal member : **Mrs Helen Bowers**

Venue : **10 Alfred Place, London WC1E 7LR**

Date of decision : **29 April 2021**

ORDER

Order

The Tribunal makes the following Order, pursuant to section 15 of the Tenant Fees Act 2019 (“the Act”):

- (1) On or before **11 May 2021**, the Respondent shall re-pay the amount of **£416.00** paid in respect of the tenancy deposit for 191, Bulstrode Avenue, Hounslow, TW3 3AF and
- (2) In accordance with section 15(11) of the Tenant Fees Act 2019, such Order is enforceable by order of the county court as if the amount payable under the Order were payable under an order of that court.

Background and reasons

1. In an application dated 27 November 2020, Ms M Singh, applied to the Tribunal for an order that Knight Young Estates Limited, the Respondent, repay the sum of £416, paid as part of a tenancy deposit under the Tenant Fees Act 2019. In addition, it is noted that there was reference to a sum of £600 that was charged as a holding deposit wand as not returned or used as towards the security deposit or the first month's rent.
2. Directions were issued on 26 January 2021 that set out the steps the parties were required to take to prepare this case. The Directions indicated that the case would be determined on the basis of the papers submitted, unless either party required a hearing. Neither party requested an oral hearing and this decision was made on the papers. At Direction 1, Mr Kamaljit was invited to be joined as a Second Applicant. By an email dated 1 February 2021, Mr Singh emailed the Tribunal to state that he wished to be joined as an Applicant. By Rule 10 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, Mr Singh is joined as an Applicant in this case.
3. The Tribunal has considered the application form and supporting documents and correspondence from the parties.
4. Knight Young Estates Limited received the relevant tenancy deposit and as such is considered to be the Respondent in this case.

The Facts

5. On 28 May 2019 the Applicants moved into 191, Bulstrode Avenue, Hounslow, TW3 3AF (the subject property). They paid a deposit of £2,492.00 being the equivalent of six weeks rent. The original tenancy was for a period of one year and was renewed on 28 May 2020 for a further term of one year. The second Assured Shorthold Tenancy detailed the rent to be £1,800 per month and the deposit as £2,492.00. The Applicants were sent a 'new deposit certificate' for the sum of £2,076 for a period of protection which ends three months form the date the property is vacated. The Tribunal has also been provided with a copy of a disclaimer, whereby it is acknowledged that the deposit of £2,492.00 is in excess of the five weeks deposit as permitted under the Tenant Fees Act 2019. The Tribunal were also provided with correspondence emails between the parties. Included with the papers is a document, entitled Holding Deposit/Rent & Deposit Receipt from the Respondent dated 14 May 2019. This sets out amounts due as Six Weeks Deposit - £2,492, One Calendar month rent in advance £1,800 and Tenancy Agreement £600 – with the sub total being £4,892.00 and showing a deduction of £600 as the Holding Deposit and showing a balance to be paid of £4,292.00.

6. In correspondence from Ms Singh on 21 January 2021 and 15 April 2021, she stated that there had been a slight error in the Directions and that the sum due to be refunded should be £416.00 and not the £415.08 as stated in the Directions. Also, in the January 2021 correspondence it was indicated that the Respondent had offered to settle this case and refund £415.08. Ms Singh did not want to accept this sum as it was lower than the £416 and as she was seeking compensation for the stress this issue had caused her.
7. In an email from the respondent dated 9 February 2021, it is stated that the Respondent is in agreement and that it should refund the sum of £415.08 to the Applicants.

The Law

8. Section 2(1) of the Tenant Fees Act 2019 (the Act), provides that: “A letting agent must not require a relevant person to make a prohibited payment to the letting agent in connection with a tenancy of housing in England”.
9. By section 3(1): “For the purposes of this Act a payment is a prohibited payment unless it is a permitted payment by virtue of Schedule 1.”
10. Tenancy deposits are dealt with in paragraph 2 of Schedule 1 to the Act and are a permitted payment but subject to provisions in sub-paragraphs (3). By sub-paragraph (3) a tenancy deposit in excess of five weeks’ rent (for a tenancy with an annual rent of less than £50,000) is a prohibited payment.
11. Under paragraph 4, the definition of ‘five weeks’ rent’ is defined as being five times one week’s rent and that ‘one week’s rent’ is set out as being “the amount of the annual rent payable in respect of the tenancy immediately after its grant, renewal or continuance divided by 52”.
12. Section 15 of the Act makes provision for the recovery of amounts paid and sets out the appeal provisions.

Findings and Determination

13. The Tribunal finds that the tenancy deposit in excess of the five weeks’ rent is a prohibited payment and therefore should be refunded to the Applicants. This principle is acknowledged by the Respondent.
14. In applying the provisions of paragraph 4 to Schedule 1 of the Act, the ‘one week’s rent’ is calculated by taking the monthly rent of £1,800.00 over twelve months and dividing by 52. That comes out at £415.38. The ‘five weeks’ rent’ which is a permitted payment, is £2,076.90. The difference between the sum currently held of £2,492.00 and £2,076.90 is £415.10. This excess amount is a prohibited payment. However, in reality the deposit held by the

Respondent and stated on the deposit certificate is £2,076.00, so the actual difference which should be refunded to the Applicants is £416.00 (£2,492.00 - £2,076.00).

- 15.** The Tribunal notes from the Holding Deposit/Rent & Deposit Receipt that the original holding deposit of £600 was allocated against the sums due of Six Weeks Deposit - £2,492, One Calendar month rent in advance £1,800 and Tenancy Agreement £600. These payments being made prior to the commencement of the Act and therefore the Tribunal has no jurisdiction on that issue.
- 16.** Finally, Ms Singh makes submissions seeking compensation for the stress that this issue has caused. The Tribunal has no jurisdiction under the Act to consider such an issue and therefore makes no finding on this matter.
- 17.** Accordingly, by its Order made under section 15(9) of the Act, the Tribunal requires the Respondent to repay the amount of **£416.00** on or before **11 May 2021**.
- 18.** By section 15(11) of the Act, this Order is enforceable by order of the county court as if the amount payable under the Order were payable under an order of that court.

Name: Helen Bowers

Date: 29 April 2021

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case

number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).