

ADJUDICATION CASE STUDY

Utility bills



We offer an independent and impartial resolution service for landlords, agents and tenants who are unable to agree on how to distribute the deposit when the tenancy ends.

We look at a recent case and break it down. Our Head of Dispute Resolution, Suzy Hershman, helps you to understand our approach which in this case looks at utility bills.

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Deposit amount: £1,400

Amount in dispute: £220

What happened?

The tenant said:

- ✔ The electricity bills have been paid up to the end date of the tenancy and the bill presented by the landlord was sent before the final payment was made
- ✔ The water bill was not paid as the landlord didn't advise them how much was owing at the time of leaving, or ever provide a bill

The agent responded:

- ✔ The tenant has not provided proof that they paid the final electricity bill and if it has not been paid, the landlord might have to suffer this loss
- ✔ The landlord has paid the amount owing for the tenants water bill and wants to claim this back from the deposit. The tenant had already raised a dispute before the bill was received

What evidence was provided? Tenancy agreement, electricity bill, water bill, bank statement showing payment of water bill, emails between the agent and the tenant

What was decided and why?

- ✔ The tenancy agreement said that the tenant was responsible for paying all utilities including gas, electricity and water for the full term of the tenancy
- ✔ The electricity bill provided by the agent/landlord for £115 was for the period the tenant lived at the property. The bill was in the tenant's name and the contract was therefore considered to be between the tenant and the service provider. While the tenant had not shown proof of payments, there was no evidence to show that the landlord was being asked by the provider to pay any outstanding amount. As a result no award was made by the adjudicator for electricity
- ✔ The emails showed requests by the agent to the tenant to pay an approximate amount for the water while the bill was pending and advised any overpayment would be refunded
- ✔ The water bill for £105 was in the landlords name and was for the full period of the tenancy. The landlord's bank statement showed they had paid the £105 owing, four weeks after the tenant left the property
- ✔ The adjudicator awarded the £105 as the bill was addressed to the landlord, showing the amount outstanding and proof that payment had been made

Decision: Tenant £115, Landlord £105

How can you avoid this happening in future?

- ✔ Make sure the tenancy agreement is clear as to who is responsible for each of the utilities
- ✔ Common practice is for all bills to be in the tenant's name for the time they are living at the property and the landlord/agent should check this has been done shortly after the tenancy starts, unless they are included in the rent
- ✔ Make sure meter readings are included on the check-in and check-out inspection reports to avoid any dispute over how much had been used up to the end of the tenancy
- ✔ Always get a forwarding address for the tenant so that where bills, in the tenants name, remain unpaid and the service provider later tries to contact the landlord, they can be redirected to the tenant
- ✔ Even though the tenancy agreement may require the tenant to provide proof of payment of all bills to the landlord/agent at the end of a tenancy, the tenant does not have to do this where they are responsible for the bills. It is for the landlord to show, with evidence, that the tenant has not paid an amount, and that the service provider is now asking the landlord to pay

Note: All ADR services recongise that dispute cases vary, therefore the outcome will depend on the interpretation of the evidence presented.

Authorised by:



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