

Failure to safeguard deposits lands Lettings boss with ban

Kelly Louise Forrester (40) was appointed director of Clear Lettings Limited when the company was incorporated in 2007.

Trading as a real estate agency based in Exeter, the company was better known as Clear Property, and operated a custodial deposit scheme. In accordance with the Housing Act 2004, Clear Lettings would safely hold onto tenants' deposits on behalf of their landlords.

But from at least June 2016 through to April 2019, the Exeter-based director caused Clear Lettings failure to comply with its statutory obligations to properly safeguard more than £68,000 worth of tenants' deposits.

For more than two years, Kelly Forrester caused the company to collect tenants' deposits connected to at least 54 properties but did not pay them into the Government-backed custodial deposit scheme. Instead, the £68,000 was spent on the general running of the company.

The misconduct was uncovered after Clear Lettings entered into liquidation proceedings in April 2019 and the Insolvency Service conducted investigations into the activities of Kelly Forrester while director of the real estate agency.

On 24 December 2019, the Secretary of State accepted a disqualification undertaking from Kelly Forrester after she did not dispute that she had caused Clear Lettings failure to ensure that deposits taken from tenants by the company totalling at least £68,356 were safeguarded, as required by the Housing Act 2004.

Effective from 14 January 2020, Kelly Forrester is banned for 6 years from acting as a director or directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company.

Dave Elliott, Chief Investigator for the Insolvency Service, said:

Kelly Forrester failed to safeguard the deposits she was entrusted to hold onto, resulting in losses to both landlords and tenants.

Her conduct fell short of what is required of a director of a limited liability company and her disqualification will act as a deterrent to others from similar conduct in the future.

Kelly Louise Forrester is of Exeter and her date of birth is June 1979

Company Clear Lettings Ltd (Company Reg no. 06275759)

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings. Persons subject to a disqualification order are bound by a [range of restrictions](#).

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