### **Deposit Protection**

#### Overview

Where deposit is paid a landlord must put the deposit in a government-backed tenancy deposit scheme (TDP) if it is an assured shorthold tenancy that started after 6 April 2007. In England and Wales the deposit can be registered with:

- Deposit Protection Service (Custodial and Insured)
- MyDeposits including deposits that were held by Capita
- Tenancy Deposit Scheme

As a landlord you can accept valuable items (eg a car or watch) as a deposit instead of money, but they won't be protected by a scheme.

There are separate TDP schemes in <u>Scotland</u> and <u>Northern Ireland</u>.

They make sure the deposit is paid back if you:

- the terms of your tenancy agreement are met
- there is no damage to the property
- the due rent and bills have been paid

The landlord or letting agent must put the deposit in a scheme within 30 days of receiving it.

## At the end of your tenancy

The landlord must return the deposit within 10 days of both landlord and tenant agreeing how much will be paid back.

If there is a dispute with the tenant, then the deposit will be protected in the TDP scheme until the issue is sorted out.

## Holding deposits

A landlord doesn't have to protect a holding deposit (money paid to 'hold' a property before an agreement is signed). When the tenancy is signed the holding deposit becomes a deposit, which must then be protected.

# Deposits made by a third party

A TDP scheme must be used even if the deposit is paid by someone else, eg a rent deposit scheme or the tenant's parents.

# Information landlords must give tenants

Once a landlord has received a deposit, they have 30 days to tell the tenant:

- the address of the rented property
- how much deposit was paid
- how the deposit is protected
- the name and contact details of the tenancy deposit protection (TDP) scheme and its dispute resolution service
- the landlords (or the letting agency's) name and contact details
- the name and contact details of any third party that's paid the deposit
- Grounds for keeping some or all of the deposit
- how to apply to get the deposit back
- what to do if you can't get hold of the landlord at the end of the tenancy
- what to do if there's a dispute over the deposit