

Protecting your tenancy deposit

In this factsheet we look at tenancy deposit protection rules for assured shorthold tenancies.

Most private landlords ask tenants to pay a deposit before they move in. If you are an assured shorthold tenant and you paid your tenancy deposit:

- on or after 6 April 2007, or
- before 6 April 2007 but your tenancy was renewed after that date

your landlord* must protect it with a government approved tenancy deposit protection scheme.

Types of deposit protection schemes

There are two types of scheme - your landlord can choose which one to use:

- a custodial scheme, where the landlord pays the deposit into the scheme which keeps it until the end of your tenancy
- an insurance scheme, where the landlord keeps the deposit but pays insurance premiums to the scheme. This means that the deposit is insured if there is any dispute.

What the landlord must do

Within 30 days of paying your deposit, your landlord must protect your deposit in a scheme **and** give you information the law requires, which includes:

- landlord's contact details
- the contact details for the scheme used
- information about the purpose of the deposit
- how you can get the deposit back
- how to deal with disputes about the return of the deposit.

Your landlord may have to give you this information each time your tenancy is renewed - check with the scheme used.

Keeping an inventory

Your landlord should draw up an inventory before you pay your deposit – that is, a list of any furniture and fittings provided, their condition and the condition of the property. If your landlord hasn't done this, do it yourself and ask the landlord to sign it. Also keep a record of the rent payments you make. This could prevent disputes about the return of your deposit when you leave.

Landlord's sanctions

If your landlord has not protected your deposit, or given you the required information, s/he:

- can be ordered by the county court to pay you between one and three times the amount of the deposit in compensation. You can apply to the court before or after the tenancy has ended, and
- cannot use a 'section 21' notice to end your tenancy, unless your deposit has already been returned to you. Landlords of assured shorthold tenants can normally evict them by giving a minimum of two months' notice (a 'section 21' notice) and then getting a court order without having to show a reason. In tenancies for a fixed period, the notice cannot take effect before the fixed term has ended.

Return of the deposit

Your landlord is entitled to keep all or part of your deposit only if s/he can show that s/he has lost out financially because of your actions, for example if you owe rent. Ask your landlord for a breakdown of the specific costs that s/he wants to take out of your deposit. Your landlord cannot keep your deposit to cover normal wear and tear. You should get your deposit back within ten days of agreeing with your landlord the amount (if any) that can be deducted.

If you don't agree that your landlord should have kept any of your deposit, the scheme offers a free alternative dispute resolution (ADR) service. If you and your landlord agree to use the ADR service, you have to accept its decision. If you or your landlord do not agree to use the ADR service then you will have to go to the county court to resolve the matter.

Further advice

You can get further advice from Shelter's free** housing advice helpline (0808 800 4444), a local Shelter advice service or Citizens Advice bureau, or by visiting shelter.org.uk/advice

* Throughout the factsheet this means the landlord or an agent acting on her/his behalf.

** Calls are free from UK landlines and main mobile networks.



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