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Deposit protection schemes and landlords

1. Overview

You must place your tenants' deposit in a tenancy deposit protection (TDP) scheme if you rent out your home on an [assured shorthold tenancy \(/tenancy-agreements-a-guide-for-landlords/tenancy-types\)](#) that started after 6 April 2007.

If you receive a valuable item as a deposit instead of money (for example a car or watch), you do not have to put it in a TDP.

These government-backed schemes ensure your tenants will get their deposit back if they:

- meet the terms of your tenancy agreement
- do not damage the property
- pay the rent and bills

You (or your letting agent) must put your tenants' deposit in the scheme within 30 days of getting it.

Available schemes

You can use any of the following schemes if your property is in England or Wales:

- [Deposit Protection Service](#) (<http://www.depositprotection.com>)
- [MyDeposits](#) (<http://www.mydeposits.co.uk/>)

- [Tenancy Deposit Scheme](https://www.tenancydepositscheme.com/)
(<https://www.tenancydepositscheme.com/>)

There are separate TDP schemes in [Scotland](http://www.gov.scot/Topics/Built-Environment/Housing/privaterent/landlords/tenancy-deposit-schemes) (<http://www.gov.scot/Topics/Built-Environment/Housing/privaterent/landlords/tenancy-deposit-schemes>) and [Northern Ireland](https://www.nidirect.gov.uk/articles/tenancy-deposit-scheme-information-landlords) (<https://www.nidirect.gov.uk/articles/tenancy-deposit-scheme-information-landlords>).

All TDP schemes offer you 2 options:

- the scheme hold the deposit for free - known as a 'custodial' scheme
- you or the agent holds the deposit and you pay the scheme to insure it - known as an 'insured' scheme

At the end of the tenancy

The deposit must be returned to your tenants within 10 days of you both agreeing how much they'll get back.

If you're in a dispute with your tenants

The deposit is protected in the scheme until the issue is settled.

If you're in an 'insured' scheme, you or the agent must give the deposit to the TDP scheme. They will hold it until the issue is settled.

Holding deposits

If you've received a holding deposit from your future tenants (money to 'hold' a property before an agreement is signed), you do not have to protect it. Once they become tenants the holding deposit becomes a deposit, and you must protect it.

Deposits made by a third party

You must use a TDP scheme even if the deposit is paid by someone else, like a rent deposit scheme or a tenant's parents.

2. Information you must give to your tenants

Within 30 days of getting their deposit, you must tell your tenants:

- the address of the rented property
- how much deposit they've paid
- how the deposit is protected
- the name and contact details of the tenancy deposit protection (TDP) scheme and its dispute resolution service
- your (or your letting agency's) name and contact details
- the name and contact details of any third party who paid the deposit
- why you would keep some or all of the deposit - for example, because your tenants damaged the property and you need to fix it
- how to apply to get the deposit back at the end of the tenancy
- what to do if they cannot get hold of you at the end of the tenancy
- what to do if there's a dispute over the amount of deposit to be returned at the end of the tenancy

3. If you do not protect your tenants' deposit

Your tenants can apply to a county court if you do not use a tenancy deposit protection (TDP) scheme when you have to. They can do this at any time during the tenancy.

If the court finds you have not protected the deposit, it can order you to either:

- repay it to your tenants
- pay it into a custodial TDP scheme's bank account within 14 days

The court may also order you to repay your tenants up to 3 times their original deposit within 14 days of making the order.

At the end of the tenancy

The court may also decide that your tenants do not have to leave the property when the tenancy ends if you did not use a TDP scheme when you should have.

4. Disputes

Use your tenancy deposit protection (TDP) scheme's free dispute resolution service if you disagree with your tenants about how much deposit should be returned.

Contact your TDP scheme for more information on the dispute resolution service. The schemes are:

- [Deposit Protection Service](http://www.depositprotection.com)
(<http://www.depositprotection.com>)
- [MyDeposits](http://www.mydeposits.co.uk/) (<http://www.mydeposits.co.uk/>)
- [Tenancy Deposit Scheme](https://www.tenancydepositscheme.com/)
(<https://www.tenancydepositscheme.com/>)

Help and advice

You can get more help and advice from:

- your local [Citizens Advice Bureau](http://www.citizensadvice.org.uk/index/getadvice.htm#txt_search)
(http://www.citizensadvice.org.uk/index/getadvice.htm#txt_search)
- a [solicitor](http://www.lawsociety.org.uk/choosingandusing/findasolicitor.law)
(<http://www.lawsociety.org.uk/choosingandusing/findasolicitor.law>)

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