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1. Introduction

- 1.1 Tenancy deposit p Assured Shorthold making deductions
- 1.2 TDP schemes guar the tenancy, so lo tenancy agreement
- 1.3 Landlords must pro have let the proper on or after 6 April 20
- 1.4 Landlords must also was entered into be date.
- 1.5 It is advisable for L the AST started bef before that date. Th the restriction on se circumstances.
- 1.6 If a tenancy is not a for the deposit. How practice.

es ensure that deposits paid by and that Landlords act properly in

et their deposits back at the end of llied with their obligations in the he property.

osits using a TDP scheme if they hold Tenancy (AST) which started gislation came into force).

its using a TDP scheme if an AST came a periodic tenancy after that

sits in a TDP scheme even where s converted into a periodic tenancy s decided in December 2014 that ection 3.2 below) applies in these

es not have to use a TDP scheme wish to do so as a matter of good

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2. Capped Security Deposit

Under the Tenant Fees Act renewed tenancies in Engl under £50,000 or six weeks

The weekly rent is worked

Security deposits for tena affected but note landlords exceeds the cap for a fixed

Security deposits for tena Homes (Fees etc.) (Wale introduce caps in the future

2019, security deposits for new or ve weeks' rent if the yearly rent is £50,000 or more.

divided by 52.

re the 01 June 2019 will not be a tenant the excess deposit which or after 01 June 2019.

currently capped but the Renting Welsh government the power to

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3. TDP schemes

- 3.1 There are three off schemes. They are
 - 3.1.1 Deposit Pro Landlord pay

e Landlord must use one of these

a "custodial" scheme where the \$ which holds the money in a bank

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account. Where the person who

the DPS releases the deposit to the

a) Any Landlord based outside the UK must register with the scheme.

A Landlord based outside the UK, unless he employs a UK-registered agent to manage the tenancy.

b) There is no charge for the scheme. It is financed entirely from the deposits held in the scheme.

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c) For further information visit <http://www.depositprotection.com/>

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3.1.2 MyDeposits is a scheme where the Landlord retains the deposit but provides insurance against the risk of the Landlord not paying the Tenant the amount of the deposit if the Landlord doesn't pay the Tenant the amount of the deposit at the end of the tenancy, the insurer will pay the amount back from the Landlord.

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b) For further information visit <http://www.mydeposits.co.uk/>

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3.1.3 Tenancy Deposit Scheme (TDS) is another insurance scheme.

Another insurance scheme.

a) TDS is a scheme where the Landlord retains the deposit but provides insurance against the risk of the Landlord not paying the Tenant the amount of the deposit at the end of the tenancy, the insurer will pay the amount back from the Landlord. It is a government-backed scheme and approved bodies include the Association of Residential Letting Agents (ARLA), the Royal Institution of Chartered Surveyors (RICS), the National Association of Estate Agents (NAEA) and the National Association of Approved Agents (NAALS).

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b) For further information visit <http://www.thedisputeservice.co.uk/>

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4. What happens if the Landlord does not return the deposit?

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4.1 If Landlords do not return the deposit to the Tenant at the end of the tenancy, the Tenant can take legal action and claim up to one and three times the amount of their deposit.

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4.2 Landlords who have not registered with the TDP legislation may be liable to pay up to one and three times the amount of the deposit in certain circumstances.

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5. What if there is a dispute about the deposit?

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5.1 All three schemes provide a dispute resolution service where the Tenant can refer the dispute to the scheme.

All three schemes provide a dispute resolution service where the Tenant can refer the dispute to the scheme. It is also open to the Tenant to refer the dispute to court.

5.2 Landlords should tell the Tenant how much of their deposit will be kept back at this stage. If the dispute is resolved, the amount kept back will be returned to the Tenant.

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5.3 The custodial scheme service or the courts Tenant. Under the Landlord must pay the dispute resolution any amount due to

5.4 Please look at the i their dispute resolut

5.4.1 <http://www.d>

5.4.2 <http://www.m>

5.4.3 <http://www.th>

6. Holding deposits

TDP schemes do not cov deposit before they have landlords/agents to enter tenant so that clear inform deposit is to be repaid or re

Under the Tenant Fees Act 2019 (England) and the Renting Homes (Fees etc.) (Wales) Regulations 2019, holding deposits must be capped at one week's rent at the time the tenancy being entered into. The cap will be applied to the first instalment of rent. Under the Tenant Fees Act 2019 (England) and the Renting Homes (Fees etc.) (Wales) Regulations 2019, a holding deposit is to be applied to the security deposit, however,

If the Landlord and Tenant agree to a tenancy agreement within 15 days of receipt of the holding deposit ('the Deadline for Agreement') (unless an extension is agreed), the Landlord must repay the holding deposit to the tenant within 7 days of the

Landlords are not required to pay a holding deposit if someone becomes a Tenant before a security deposit is applied to the security deposit.

A holding deposit can be used to pay the security deposit where a prospective tenant has provided false information. Under the Renting Homes (Fees etc.) (Wales) Regulations 2019, a landlord or letting agent must have been provided by the tenant with the prescribed information and the holding deposit was paid. The prescribed information and future regulations. The Wales Regulations 2019 prescribed information in the

deposit until its dispute resolution service. The deposit should be returned to the tenant. Schemes (MyDeposits or TDS) the Landlord must pay the deposit into the scheme while the dispute. The scheme will then pay

visits for detailed information about

tenants sometimes pay a holding deposit before they have entered into a tenancy agreement. It is best practice for landlords/agents to enter into a tenancy agreement with the prospective tenant so that clear information is provided to the prospective tenant about when the

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7. What happens if the Landlord (or Letting Agent) does not comply with the Tenant Fees Act 2019?

7.1 A landlord or letting agent who doesn't comply with the deposit requirements under the Tenant Fees Act 2019 in respect of new or renewed tenancies from the 1st September 2019 is liable for a fine in the sum of £5,000 for a first offence. For a second offence, this will be £10,000. A landlord or letting agent could be liable for an unlimited fine. The enforcement authorities may impose a financial penalty of up to £30,000.

7.2 Landlords or Letting Agents who do not comply with section 21 (Form 6A) will also be precluded from serving a notice to end a tenancy in certain instances.

8. What happens if the Landlord (or Letting Agent) does not comply with the Renting Homes (Fees etc.) Act 2019?

8.1 A landlord or letting agent who doesn't comply with the deposit requirements under the Renting Homes (Fees etc.) (Wales) Act 2019 in respect of new or renewed assured shorthold tenancies (ASTs) from the 01 September 2019 is liable for a primary conviction to a fine. The enforcement authorities may impose a civil penalty of £1,000 for certain offences as a secondary conviction to a fine. The enforcement authorities may impose a financial penalty of up to £30,000.

8.2 Landlords or letting agents who will not be able to evict a tenant using the section 21 (Form 6A) if they do not return an unlawfully retained holding deposit.

8.3 A local housing authority will take a reasonable practical step to refer a licensing authority as soon as they are aware of an offence. The licensing authority will take a decision as to whether a person is a fit and proper person to hold a licence under the Housing Wales Act 2014.

9. Protecting deposits from students

Landlords must protect student deposits using a TDP scheme if the students have an Assured Shorthold Tenancy (AST) and the deposits were received on or after 1st September 2019.

10. Protecting deposits made by third parties

10.1 If a Tenant's deposit is made by someone other than the Tenant, e.g. a relative or friend, the Landlord must ensure the deposit is protected under a TDP scheme.

10.2 The Landlord should ask the third party how they are related and how they will be involved in the process. For example, the deposit provider needs to know if the third party wants the deposit returned to them.

11. Prescribed information

The TDP legislation requires landlords to provide their Tenants with certain information when taking a deposit. Our Prescribed Information document provides more details.

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Information template can be
contained in literature pro
literature should be attach
Tenant.

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of the required information will be
heme so copies of the relevant
information notice and given to the

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