

## Tenants: The new deposit protection law explained

### Questions

### Answers

What is Tenancy Deposit Protection?

The new legislation is designed to safeguard the tenant's deposit and aims to end the practise of landlords and agents unfairly withholding deposits.

How does it work?

Once the landlord or letting agent has taken the deposit they must hand it over to a government-approved Tenancy Deposit Scheme to hold for the duration of the tenancy. The landlord/agent must then provide key information about the deposit protection to the tenant, within certain timeframes.

What is a Tenancy Deposit Scheme?

There are three government-approved Tenancy Deposit Schemes. Each scheme will hold the deposit in a secure bank account throughout the tenancy until both the landlord/agent and the tenant have agreed its return.

What happens at the end of the tenancy agreement?

Each scheme has different deposit release processes, however one thing is common - both landlord/agent and tenant must authorise the deposit return before it is released. Once confirmed, the scheme will return the deposit within five working days in accordance with the amounts stated.

What happens if both parties do not agree over any proposed deductions to the deposit?

The landlord/agent can propose to make necessary deductions if they feel the terms of the tenancy agreement have been broken. If the tenant does not agree and negotiation fails, each scheme offers a dispute resolution service.

What is dispute resolution?

A free, impartial evidence based dispute resolution service is available to resolve disputes. It's cheaper and quicker than the sheriff.

What does the tenant need to do?

Very little. It is the landlord or agent's responsibility to lodge the deposit for protection. There are penalties for those landlords who do not comply.