

**This factsheet looks at paying security deposits on privately rented properties, deposit protection schemes and what to do if there is a dispute over the return of the deposit.**

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## **What is a security deposit for?**

Most private landlords ask new contract-holders to pay a security deposit in case the contract-holder causes damage to the property or doesn't pay the rent. It is usually the equivalent of one month's rent.

The security deposit will usually be returned to you at the end of the contract. Your landlord can make reasonable deductions from the deposit for:

- Damage to the property
- Unpaid rent
- Missing items
- Cleaning.

Landlords can only claim for any financial loss they have actually suffered, not for 'normal wear and tear' whilst you have been living at the property. If you are in doubt that the landlord has a valid reason for keeping part of your security deposit, ask to be shown receipts or estimates for items that have been deducted.

It is always a good idea to get an inventory at the start of the contract so that you and the landlord or agent can agree on the contents of the property and the condition

that it is in. This can help to avoid disputes later on.

## **Deposit protection schemes**

If you are a standard contract-holder, (most private renters are), your landlord or letting agent must:

- protect your security deposit in a government-approved scheme (usually called a 'tenancy deposit protection scheme') within 30 days of you paying it, and
- give you information about the scheme.

## **What is the information my landlord or agent must give me?**

Your landlord or agent must provide you with the following information:

- The landlord or agent's contact details
- Which deposit scheme they are using and the contact details for the scheme

- Information about the purpose of a security deposit
- How you can apply to get your money back at the end of the contract
- What you can do if there is a dispute about the security deposit.

### **What if my landlord/agent doesn't protect my security deposit or provide the required information?**

If your landlord or agent hasn't protected your security deposit, or provided you with the required information within 30 days, you can apply to the county court for an order that the deposit is paid back to you or that it is protected within one of the schemes. The court can also order that the landlord or agent pays you between 1 and 3 times the amount of the deposit as compensation.

### **My landlord has given me notice to leave but hasn't protected my security deposit**

Usually landlords of standard contract-holders can evict a tenant by giving a 6 months written 'no fault' notice and getting a court order.

If your landlord or agent has not protected your security deposit and/or provided the required information to you in 30 days then they cannot evict you using the 'no fault' procedure, unless they have already

returned your deposit. Get advice if you have received a notice and your deposit is not protected or you have not received the required information.

### **Getting your security deposit back**

At the end of the contract you should write to your landlord or agent to ask for your deposit back. If you both agree on how much you should get back, your security deposit should be returned within 10 days of the agreement.

If there is a dispute over the return of the security deposit the scheme that it is protected with will help you to try and resolve the dispute through their Alternative Dispute Resolution (ADR) service. Both you and the landlord must agree in order to use the ADR. If you don't both agree to use the ADR service then the dispute will usually have to go to court. Bear in mind the ADR is free to use but the court isn't.

### **Going to court**

Before going to court, you should write to your landlord first to warn them that this is what you are going to do. This is called a 'Letter before action' and the court will expect that one has been sent before you go to court.

## Further advice

Get help from us at

<https://sheltercymru.org.uk/get-help/>

Call us on **08000 495 495**

Visit: <https://sheltercymru.org.uk/housing-advice/paying-for-housing/security-deposits/>

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For urgent advice call: 08000 495 495