

Security Deposits

A security deposit is a sum of money that is paid by a prospective tenant to a landlord or agent usually before a tenancy begins.

A landlord cannot ask a tenant to pay more than the equivalent of one month's rent as a deposit to secure a tenancy.

Where possible, deposits should not be paid in cash. It is important that a receipt is issued when a deposit is paid. The deposit is held by the landlord or agent and is returned to the tenant at the end of the tenancy.

A landlord may keep a portion of the deposit in certain circumstances:

- If there are rent arrears, or outstanding rent, the landlord may retain a portion of the deposit to cover this
- Deductions may be made if there has been damage above normal wear and tear to the property, which could include:
 - ✗ A broken window
 - ✗ Leaving litter or personal items in the property
 - ✗ Items broken or missing from the inventory
 - ✗ Outstanding utility bills
- If a tenant provides insufficient notice of their intention to end the tenancy, or if they end a fixed term tenancy before the end of the agreed term

The following checklist may be useful when returning or seeking the return of a security deposit:

- Has the correct notice been provided in writing?
- Has the rent been paid in full?
- Have meter readings of the utilities been taken, and has final payment been arranged?
- Have all personal belongings been removed from the property?
- Has the property been returned in a similar condition to which it was provided, apart from normal wear and tear?
- Has all rubbish been removed?
- Have you taken photographs at the start and the end of the tenancy?
- Has the signed-off inventory been checked to ensure all items are present and not damaged?