**Essential advice and information for landlords on deposits and how to avoid financial penalties**

**How to protect a deposit**

If a landlord in Scotland takes a deposit from their tenant, they must:

* Transfer the deposit to a government approved tenancy deposit scheme;
* Provide the tenant(s) with particular key information.

The deposit must be transferred, and the key information provided to all tenants on the tenancy agreement, within 30 working days of the tenancy start date.

This is required under the Tenancy Deposit Schemes (Scotland) Regulations 2011.

**To comply with the Regulations and avoid financial sanctions, a landlord should**:

* **Register as a user with their chosen tenancy deposit scheme**You can register through the scheme’s website or by phoning their office
* **Add the tenancy details to your user account**  
  The scheme will need to know relevant details about the deposit (e.g. tenancy address, tenant’s name and contact details, deposit amount, etc.)
* **Transfer the deposit**The deposit can be transferred to the scheme by online banking, debit card or cheque
* **Provide the tenant with key information**After transferring the deposit, the Regulations also require that you provide the tenant with particular key information:
* Property address
* Your registration status with the local authority
* Total deposit paid and the date you received it from the tenant
* Date you paid the deposit to the tenancy deposit scheme
* Name and contact details of the tenancy deposit scheme
* Circumstances in which all or part of the deposit may be deducted at the end of the tenancy, with reference to the terms of the tenancy agreement (e.g. cleaning, rent arrears, etc.)

**What happens if I don't protect my tenant's deposit?**

If a landlord fails to comply with the Regulations, a tenant can apply to the Sheriff Court for financial penalties. If the Sheriff is satisfied that the landlord has failed to comply they can order the landlord to pay the tenant up to three times the amount of the deposit.

**How to repay a deposit**

When the tenancy comes to an end, you should log in to the scheme’s website or phone their office to confirm the tenant has moved out and how the deposit should be repaid (e.g. if the full amount should be repaid to the tenant, or if you want any paid to you). The scheme will contact the tenant to ask if they agree with the breakdown you have provided. If you and the tenant agree, the scheme will repay the deposit within 5 working days.

**There are three tenancy deposit scheme providers to choose from in Scotland:**

* [Letting Protection Service Scotland](http://www.lettingprotectionscotland.com/)
* [Safe Deposits Scotland](http://www.safedepositsscotland.com/)
* [my|deposits Scotland](http://www.mydepositsscotland.co.uk/)

**The schemes are free to use.**

You can find further information on the Regulations [on the Scottish Government website](http://www.legislation.gov.uk/ssi/2011/176/contents/made).