



Tenancy Deposit Scheme

Insured

Custodial



3

TENANCY DEPOSIT SCHEME STATISTICAL BRIEFING

UK Tenancy Deposit Statistics

[October 2016]

CONTENTS

Tenancy Deposit Schemes across the UK	03
England and Wales	04
Scotland	05
Northern Ireland	06
UK Summary at 31 March 2016	07

Author:
Steve Harriott, Chief Executive, Tenancy Deposit Scheme

INTRODUCTION

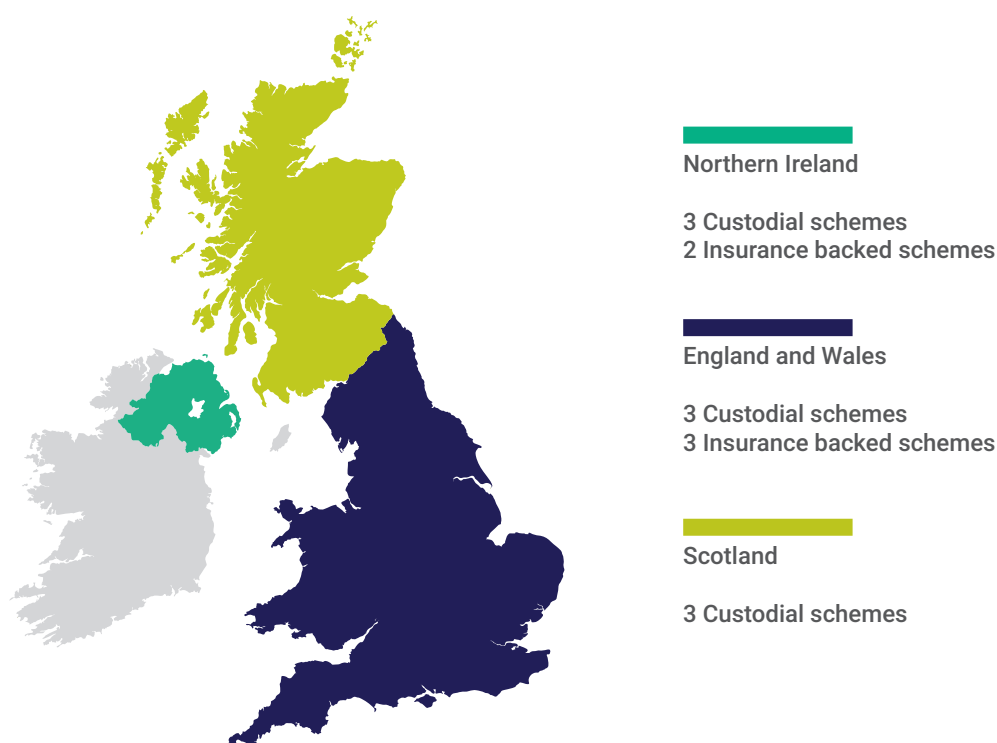
1. Tenancy Deposit Schemes across the UK

The tenancy deposit protection legislation was introduced in April 2007 in England and Wales as a result of the 2004 Housing Act. In 2012 the Scottish Government introduced a similar requirement to protect deposits and this was followed by Northern Ireland in April 2013.

There are two types of tenancy deposit protection schemes:

- A **custodial scheme** where the landlord/agent is required to transfer the tenancy deposit to a custodial tenancy deposit scheme. The scheme then holds the deposit during the tenancy and at the end of the tenancy it is repaid to the parties in accordance with their agreement. If there is no agreement then the scheme will offer a free dispute resolution service and it will decide on the basis of evidence provided who will get what from the deposit. The custodial scheme is free to use and the scheme funds its service from the interest it can retain on the tenancy deposits it holds.
- An **insurance backed scheme** where the landlord/agent retains the deposit during the tenancy in their own client account. The deposit must however be registered as protected with the scheme, which charges the landlord a small fee for doing this. At the end of the tenancy the deposit is repaid by the landlord/agent in accordance with what the parties have agreed. If there is no agreement one of the parties can raise a dispute with the tenancy deposit protection scheme. The scheme will then call in the deposit from the landlord/agent and decide, on the basis of evidence provided about the dispute, who should get what. The scheme has insurance in place to make payments to tenants in the event that the landlord does not pay over the deposit promptly when instructed to do so.

The governments across the UK do not provide the tenancy deposit schemes themselves. In all of the jurisdictions the respective governments have authorised three companies to provide these schemes and they compete with each other for landlords and agents to protect their deposits.



2. England and Wales

In England and Wales tenancy deposit protection was introduced in April 2007 but the requirement to protect deposits only applied to new deposits taken after that date.



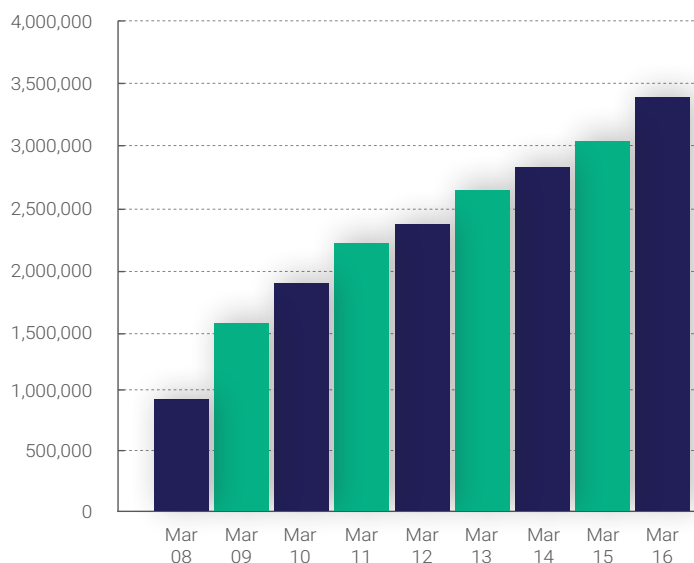
The Tenancy Deposit Scheme is the largest insurance backed scheme in England and Wales and protects the highest total value of deposits in the UK.

It has been operating a custodial scheme in England and Wales since April 2016.

Tenancy deposits protected at year end in England and Wales since March 2008

Source: DCLG statistics

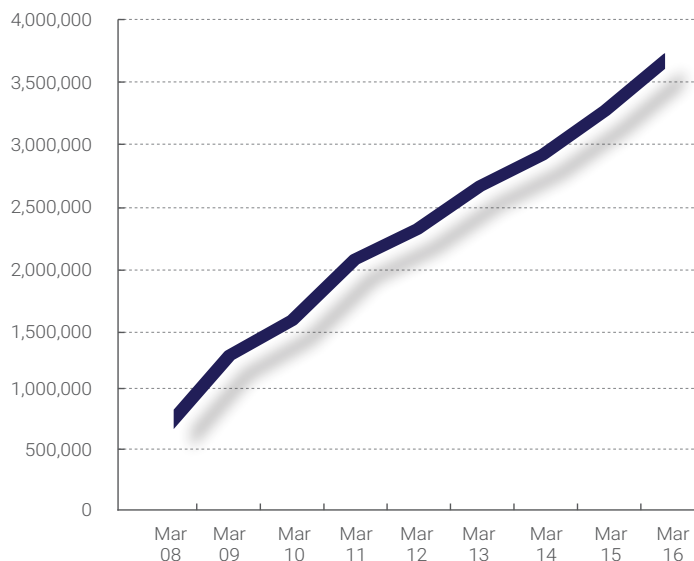
Year	Deposits Protected
March 2008	924,181
March 2009	1,553,130
March 2010	1,888,532
March 2011	2,220,543
March 2012	2,374,385
March 2013	2,659,301
March 2014	2,848,110
March 2015	3,066,130
March 2016	3,425,718



Value of deposits protected at year end

Source: DCLG statistics

Year	Deposits Protected
March 2008	£885,098,501
March 2009	£1,406,482,263
March 2010	£1,661,896,693
March 2011	£2,104,219,832
March 2012	£2,325,317,455
March 2013	£2,637,843,361
March 2014	£2,865,824,221
March 2015	£3,187,501,867
March 2016	£3,566,784,769

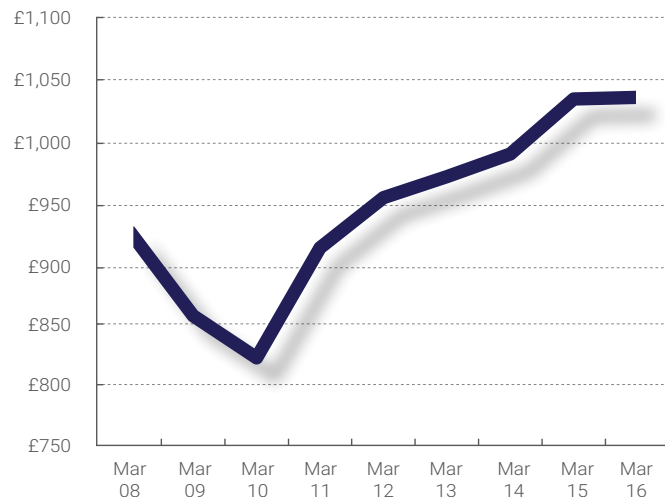


Average deposit values

The table below shows the average value of deposits protected over time. This has fluctuated from a low of £880 in March 2010 to £1,041 in March 2016. It should be noted that these figures hide significant variations between regions in England and Wales.

Average deposit values at year end

Year	Deposits Protected
March 2008	£958
March 2009	£906
March 2010	£880
March 2011	£948
March 2012	£979
March 2013	£992
March 2014	£1,006
March 2015	£1,040
March 2016	£1,041



3. Scotland

Tenancy deposit protection became a mandatory requirement in July 2012 and after a short transitional period all deposits must now be protected in one of the three custodial tenancy deposit schemes. There is no option to use an insurance backed scheme in Scotland.

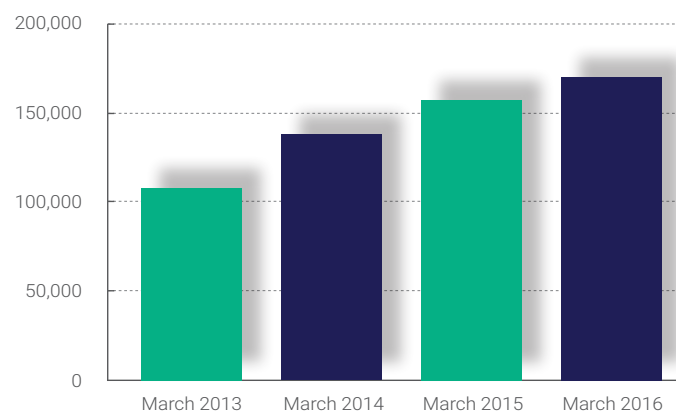


SafeDeposits Scotland is the only not for profit scheme based in Scotland and TDS provides finance, IT and dispute resolution services to SafeDeposits. It is the largest tenancy deposit scheme operating in Scotland with almost 60% of the market.

Tenancy deposits protected at year end in Scotland since July 2012

Source: Scottish Government statistics

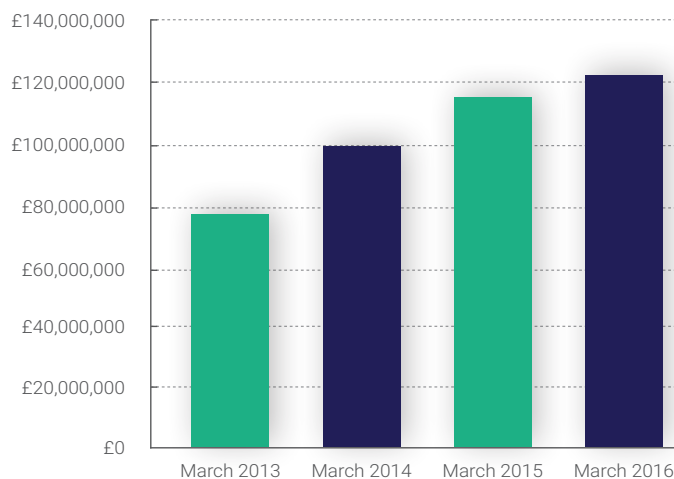
Year	Deposits Protected
March 2013	116,736
March 2014	149,062
March 2015	170,005
March 2016	184,007



Value of deposits protected at year end

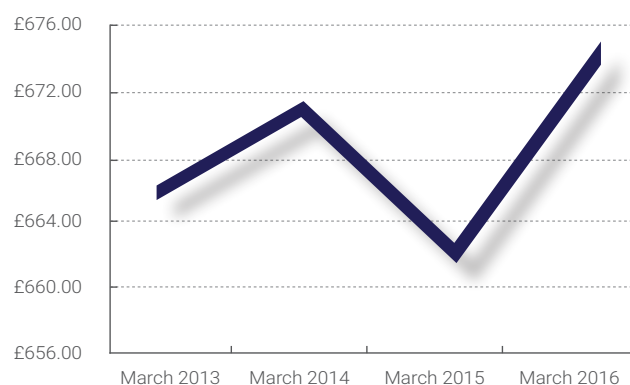
Source: Scottish Government statistics

Year	Deposits Protected
March 2013	£77,773,059
March 2014	£99,988,374
March 2015	£112,768,955
March 2016	£124,060,133



Average deposit values at year end

Year	Deposits Protected
March 2013	£666.23
March 2014	£670.78
March 2015	£663.33
March 2016	£674.21



The average value of deposits in Scotland at March 2016 is significantly below those in England and Wales (£1,041)

4. Northern Ireland

In Northern Ireland the tenancy deposit protection legislation came into force in April 2013. However unlike in Scotland the requirement to protect deposits only applies to new deposits taken after that date.

In Northern Ireland there are three schemes operating; two of these offer both a custodial and insurance backed option. The third scheme only offers a custodial option.

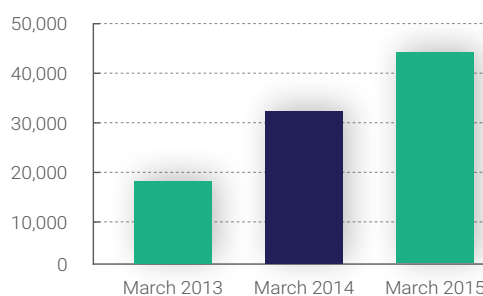


TDS Northern Ireland is the largest scheme by far in Northern Ireland with over 77% of the market and offers both custodial and insurance backed deposit protection.

Tenancy deposits protected at year end in Northern Ireland since April 2013

Source: Department for Communities statistics

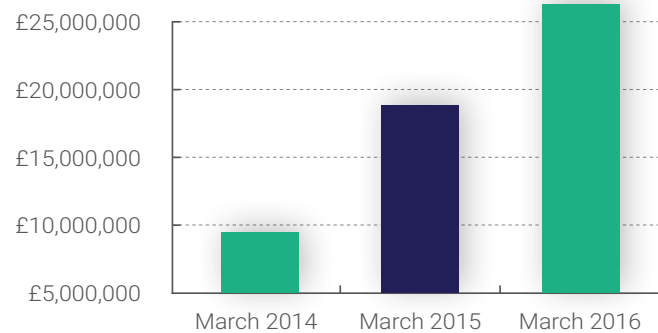
Year	Deposits Protected
March 2014	18,084
March 2015	32,722
March 2016	43,211



Value of deposits protected at year end

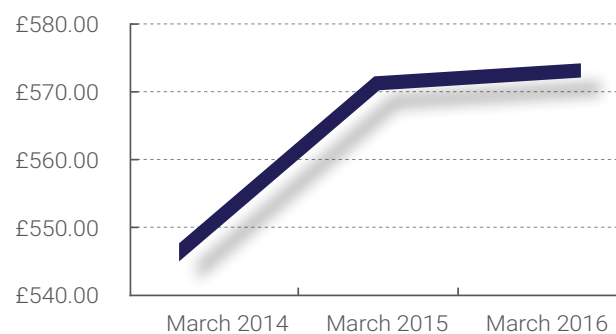
Source: Department for Communities statistics

Year	Deposits Protected
March 2014	£9,901,267
March 2015	£18,757,501
March 2016	£25,236,904



Average deposit values

Year	Deposits Protected
March 2014	£547.52
March 2015	£573.24
March 2016	£575.14



5. UK summary at 31 March 2016

Comparative UK statistics at March 2016

	Deposits protected	Value of deposits protected	Average deposit value
England and Wales	3,425,718	£3,566,784,769	£1,041
Scotland	184,007	£124,060,133	£674
Northern Ireland	43,211	£25,236,904	£584
UK Total	3,652,936	£3,716,081,806	£1,017



The Tenancy Deposit Scheme
PO Box 1255
Hemel Hempstead HP1 9GN
T: 0300 037 1000
W: www.tenancydepositscheme.com