



News Release

Date:	06.08.19
Subject:	Four out of ten deposits are higher than the government's new cap, The DPS reveals

Bristol, [date] – The Deposit Protection Service (The DPS) has revealed that more than four out of ten of the tenancy deposits it manages are currently higher than the new tenancy deposit cap.

Since 1 June 2019, most new assured shorthold tenancy deposits in England are capped at five weeks' rent where the total annual rent is less than £50,000, or at six weeks when the yearly rent is £50,000 or more.

Although landlords are not compelled to apply the cap to tenancies that began before the deadline, they must adjust the deposit that exceeds the cap whenever an existing tenancy is renewed on a fixed-term basis.

The DPS has said that 42.81% of the deposits it currently protects stand above the cap.

Matt Trevett, Managing Director at The DPS, said: "Our figures show that the tenancy deposit cap will eventually affect a significant proportion of properties around the country.

"Landlords and letting agents should be ready to make the change whenever a relevant tenancy ends in order to fully comply with the law.

"Protecting a deposit with The DPS ensures both landlords and renters can have peace of mind during the course of a tenancy – and access to a free, impartial Dispute Resolution Service if they don't agree when it ends."

Since the 1 June 2019, the proportion of deposits protected by The DPS that exceeded the cap decreased by 1.46% from 44.27%, which The DPS says reflects the start of new tenancies with compliant deposits and landlords choosing to adjust proactively larger deposits for existing tenancies.

The DPS said that if landlords want to reduce existing deposits now rather than wait until tenancies end, they can do so using its Deposit Cap Calculator, available at

http://www.depositprotection.com/media/1564/deposit_cap-calculator_2019.xlsx.

ENDS

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Notes

1. For high resolution images of spokespeople, visit <http://cpu.vg/spokespeople>.
2. The Tenancy deposit cap also applies to: student accommodation tenancies and licences to occupy housing in the private rented sector in England. Social housing and long leases are excluded.
- 3.

About The DPS

The Deposit Protection Service's custodial tenancy deposit protection scheme is accredited by the Government. It is provided free of charge, and funded entirely by the interest earned from deposits held in the scheme. The DPS was approved by the UK government to run an insured TDP scheme in September 2012 in addition to the approval it has already been granted by the UK government in respect of the custodial scheme. The DPS is run by [Computershare Investor Services PLC](#). Online self-service allows landlords to register and make deposit payments, transfers and repayments 24 hours a day. Help and advice is available through a dedicated call centre during office hours. An impartial Dispute Resolution Service helps to resolve any disputes quickly and without the need for court action.

For more information, visit www.depositprotection.com.

About Computershare Limited (CPU)

Computershare (ASX: CPU) is a global market leader in transfer agency and share registration, employee equity plans, mortgage servicing, proxy solicitation and stakeholder communications. We also specialise in corporate trust, bankruptcy, class action and a range of other diversified financial and governance services.

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