

Tenancy Deposit Scheme Date Announced in Jersey

News - 18/09/2015

From 2 November 2015, any landlord taking a rent deposit in connection with a residential tenancy agreement will be obliged to enter into an agreement with the States appointed scheme administrator – Mydeposits - and to place the deposit monies with them within 30 days of the date of the lease. Any landlord failing to comply with this risks a fine of up to £2000. The scheme is not retrospective although a landlord may choose to pay a deposit into the scheme if he wishes.

The scheme aims to remove the risk of tenants' deposits being withheld unfairly by landlords or managing agents when a tenancy comes to an end and will assist landlords and tenants in the management of deposits.

The cost of the scheme has been publicised at £21 per deposit and this will be deducted from the deposit when it is released. No interest on the deposit monies will be paid to the tenant.

At the end of the tenancy, if the landlord and tenant agree as to the amount of deposit to be repaid, the scheme administrator will be notified and must release the amount promptly albeit this may mean a week or two. In the event of dispute, the scheme administrator will hold onto the deposit until the dispute has been resolved. This will follow either the parties coming to an agreement between themselves, the decision of an adjudicator (the scheme includes access to a free and independent alternative means of dispute resolution (ADR) service) or by order of the Petty Debts Court.

A government-backed tenancy deposit scheme has operated in England and Wales since 2007. However, unlike the UK where there are several national scheme providers offering either insurance or custody-based schemes, Jersey will have a single custodial tenancy deposit scheme with Mydeposits. The Jersey Landlords Association has expressed concerns about the cost of the scheme and the potential delay in releasing monies to a tenant moving to a new rental property or leaving Jersey.

About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

Disclaimer

This client briefing has been prepared for clients and professional associates of Ogier. The information and expressions of opinion which it contains are not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific advice concerning individual situations.

Regulatory information can be found under [Legal Notice](#)

Meet the Author



[Katharine Marshall](#)

Partner

[Jersey](#)

E: katharine.marshall@ogier.com

T: [+44 1534 514304](tel:+441534514304)

Related Services

[Property law](#)

[Local Legal Services](#)

[Legal](#)