



Renting Homes (Wales) Act 2016

2016 anaw 1

PART 3

PROVISIONS APPLYING TO ALL OCCUPATION CONTRACTS

CHAPTER 4

DEPOSITS AND DEPOSIT SCHEMES

Deposit schemes

45 Requirement to use deposit scheme

- (1) If the contract-holder under an occupation contract pays a deposit (or another person pays a deposit on his or her behalf), the deposit must be dealt with in accordance with an authorised deposit scheme.
- (2) Before the end of the period of 30 days starting with the day on which the deposit is paid, the landlord must—
 - (a) comply with the initial requirements of an authorised deposit scheme, and
 - (b) give the contract-holder (and any person who has paid the deposit on his or her behalf) the required information.
- (3) The required information is such information as may be prescribed relating to—
 - (a) the authorised deposit scheme which applies,
 - (b) the landlord's compliance with the initial requirements of the scheme, and
 - (c) the operation of this Chapter, including the contract-holder's rights (and the rights of any person who has paid the deposit on his or her behalf) in relation to the deposit.
- (4) This section is a fundamental provision which is incorporated as a term of all occupation contracts; section 20 provides that this section—
 - (a) must be incorporated, and

- (b) must not be incorporated with modifications.

46 Deposit schemes: further provision

- (1) Schedule 5 contains further provision about deposit schemes.
- (2) Sections 177 and 198 make provision relating to periodic standard contracts and fixed term standard contracts with a landlord’s break clause, preventing a landlord from giving a notice requiring a contract-holder to give up possession if the landlord has not complied with certain requirements relating to the payment of security or to deposit schemes.

47 Deposit schemes: interpretation

- (1) In this Act—

“authorised deposit scheme” (“*cynllun blaendal awdurdodedig*”) means a deposit scheme in force in accordance with arrangements under paragraph 1 of Schedule 5 (and “deposit scheme” (“*cynllun blaendal*”) has the meaning given in sub-paragraph (2) of that paragraph);

“deposit” (“*blaendal*”) means money paid as security;

“initial requirements” (“*gofynion cychwynnol*”), in relation to an authorised deposit scheme, means the requirements of the scheme which must be complied with by the landlord when a deposit is paid;

“security” (“*sicrwydd*”) means security for the performance of the contract-holder’s obligations and the discharge of the contract-holder’s liabilities.

- (2) In this Act references to a deposit, in relation to a time after a deposit has been paid, are to a sum representing the deposit.