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STATUTORY INSTRUMENTS

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**2007 No. 796**

**The Housing (Tenancy Deposit Schemes) Order 2007**

**Further provision about insurance schemes**

**5.** After paragraph 5 insert—

“Requirements where deposit is to cease to be retained under an insurance scheme

(1) This paragraph applies in relation to—

- (a) a notice of the kind mentioned in paragraph 5(1A)(b) or (3B), or
- (b) a notice from the scheme administrator stating that he proposes to terminate a landlord’s membership of the scheme under paragraph 5(4),

given in accordance with an insurance scheme.

(2) The scheme must make provision for the scheme administrator, in the case of a notice of the kind mentioned in paragraph 5(1A)(b) which has not been not withdrawn—

- (a) to determine the date on which the tenancy deposit is to cease to be retained under the scheme; and
- (b) to give a notice under sub-paragraph (4) to the landlord and to the tenant.

(3) The scheme must make provision for the scheme administrator, in the case of a notice of the kind mentioned in paragraph 5(3B), to take the following steps after the end of the period of 14 days beginning with the day on which that notice is received—

- (a) to determine whether the deposit should cease to be retained under the scheme and, if so, the date on which it is to cease to be so retained;
- (b) if the determination is that the deposit should continue to be retained under the scheme, to give a notice of the determination to the landlord;
- (c) if the determination is that the deposit should cease to be so retained, to give a notice under sub-paragraph (4) to the landlord and to the tenant.

(4) A notice under this sub-paragraph is a notice—

- (a) identifying the tenancy deposit in question;
- (b) informing the recipients of the notice of the determination made by the scheme administrator and stating the date when the deposit ceases to be retained under the scheme; and
- (c) giving a general explanation of the continuing effect of sections 213 to 215 of this Act in relation to the deposit (including in particular the effect of section 213 as modified by sub-paragraph (9)).

(5) The scheme must make provision for the scheme administrator, in the case of a notice of the kind mentioned in sub-paragraph (1)(b), to take the following steps after the end of the period of 14 days beginning with the day on which that notice is received—

- (a) to determine whether to terminate the landlord’s membership and, if so, the date on which his membership is to terminate;
- (b) if the determination is that the landlord should continue as a member, to give a notice of the determination to the landlord; and

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**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Housing (Tenancy Deposit Schemes) Order 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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- (c) if the determination is that the membership should be terminated, to give a notice under sub-paragraph (6) to the landlord and to the tenant under any tenancy in relation to which a deposit affected by the determination is retained under the scheme.
- (6) A notice under this sub-paragraph is a notice—
- (a) informing the recipients of the notice of the determination by the scheme administrator that the landlord’s membership of the scheme is to be terminated and stating the date on which his membership terminates;
  - (b) giving a general explanation of the effect of the termination on any tenancy deposits retained by the landlord under the scheme; and
  - (c) giving a general explanation of the continuing effect of sections 213 to 215 of this Act in relation to any tenancy deposits that cease to be retained under the scheme as a result of the termination of membership (including in particular the effect of section 213 as modified by sub-paragraph (9)).
- (7) The date determined under sub-paragraph (2)(a), (3)(a) or (5)(a) must not be within the period of three months beginning with the day on which the original notice mentioned in sub-paragraph (1) was received.
- (8) A notice under sub-paragraph (4) or (6) must be given at least two months before the date on which the deposit ceases to be retained under the scheme or the landlord’s membership terminates (as the case may be).
- (9) In the application of section 213 to a tenancy deposit which ceases to be retained under an insurance scheme (“the old scheme”) by virtue of a determination mentioned in this paragraph—
- (a) references to receiving the deposit include a reference to ceasing to retain it under the terms of the old scheme;
  - (b) subsection (3) has effect as if for the words “within the period of 14 days beginning with the date on which it is received” there were substituted “before the deposit ceases to be retained under the old scheme”; and
  - (c) subsection (6)(b) has effect as if the reference to the date on which the landlord receives the deposit were a reference to the date on which the deposit ceases to be retained under the old scheme.”

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**Commencement Information**

**II** Art. 5 in force at 6.4.2007, see [art. 1](#)

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**Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:**

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- art. 1A inserted by [S.I. 2022/907 Sch. 1 para. 24](#)