Draft Order laid before Parliament under section 250(6) of the Housing Act 2004 (c. 34), for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2026 No.

HOUSING, ENGLAND

The Housing (Tenancy Deposit Schemes) Order 2026

Made - - - -	***
Coming into force - -	*1st March 2027*

The Secretary of State makes this Order in exercise of the powers conferred by paragraph 11 of Schedule 10 to the Housing Act 2004(**a**).

In accordance with section 250(6) of that Act, a draft of this Order has been laid before, and approved by a resolution of, both Houses of Parliament.

Citation, commencement and extent

1.—(1) This Order may be cited as the Housing (Tenancy Deposit Schemes) Order 2026 and comes into force on 1st March 2027.

(2) This Order extends to England and Wales.

Amendment of paragraph 3 of Schedule 10 to the Housing Act 2004 (tenancy deposit schemes: custodial schemes: general)

2.—(1) Paragraph 3 of Schedule 10 to the Housing Act 2004(**b**) is amended as follows.

(2) In sub-paragraph (4), for "sub-paragraph (5)" substitute "sub-paragraphs (4A) and (5)".

(3) After sub-paragraph (4) insert—

> "(4A) The relevant arrangements under section 212(1) may require the scheme administrator to pay to the Secretary of State such amount of that interest as is specified in, or determined under, those arrangements(**c**).".

(**a**) 2004 c. 34. Paragraph 11 of Schedule 10 was amended by S.I. 2022/1166 (W. 241).
(**b**) Paragraph 3 was amended by section 26(9)(b) of the Renters' Rights Act 2025 (c. 26) and by S.I. 2007/796 and 2022/1166 (W. 241).
(**c**) Section 212(1) was amended by section 26(2)(a) of the Renters' Rights Act 2025 and S.I. 2022/1166 (W. 241).

Signed by authority of the Secretary of State for Housing, Communities and Local Government

Ministry of Housing, Communities and Local Government

EXPLANATORY NOTE

(This note is not part of the Order)

The Housing Act 2004 (c. 34) ("the Act") provides for the establishment and maintenance of tenancy deposit schemes for the purpose of safeguarding tenancy deposits paid in connection with assured tenancies (see further Chapter 4 of Part 6 of, and Schedule 10 to, the Act). These include custodial schemes under which amounts equal to the tenancy deposits are held in a designated account by the scheme administrator. These provisions apply in relation to England only.

Paragraph 3 of Schedule 10 to the Act makes provision about the interest accrued on the amounts held in such a designated account. Currently, that interest may be retained by the scheme administrator, subject to any provision made in the arrangements establishing the particular tenancy deposit scheme to pay some of that interest to tenants and landlords.

This Order amends paragraph 3 of Schedule 10 to the Act so that arrangements establishing custodial schemes may also make provision for part of that interest to be paid to the Secretary of State.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.

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