



Tenant Fees Act

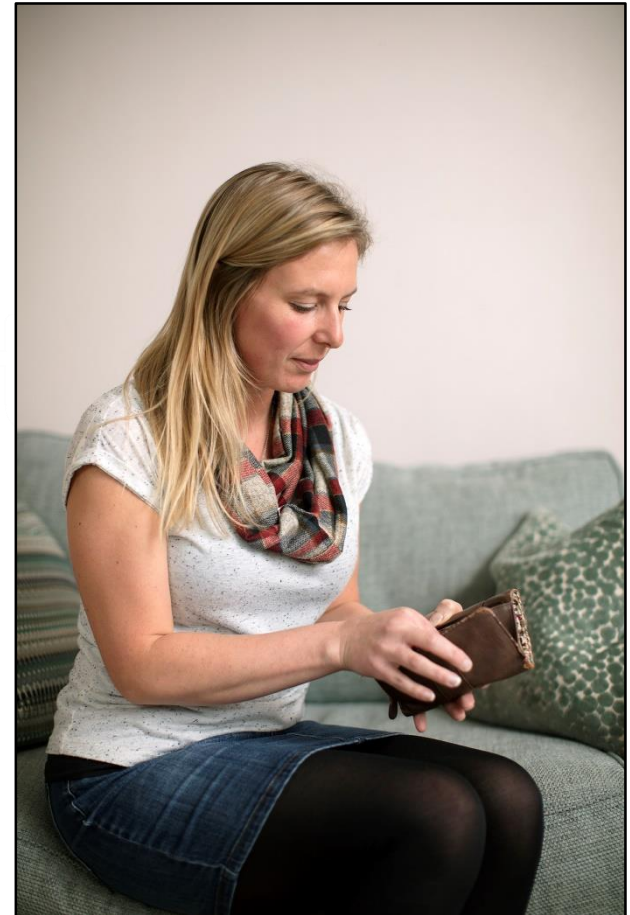
David Cox, Chief Executive

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TENANT FEES ACT

- **Total Ban:**
 - » **No “Prohibited Payment”**
 - » **For arranging the grant, renewal or continuance of a tenancy**
 - » **Includes landlords and 3rd parties**
 - » **No higher rent in month one**
 - » **References for former tenants**
- **“Permitted Payments”:**
 - » **Rent + utilities**
 - » **Tenancy Deposit**
 - » **Holding Deposit**
 - » **Tenant Default Fees**



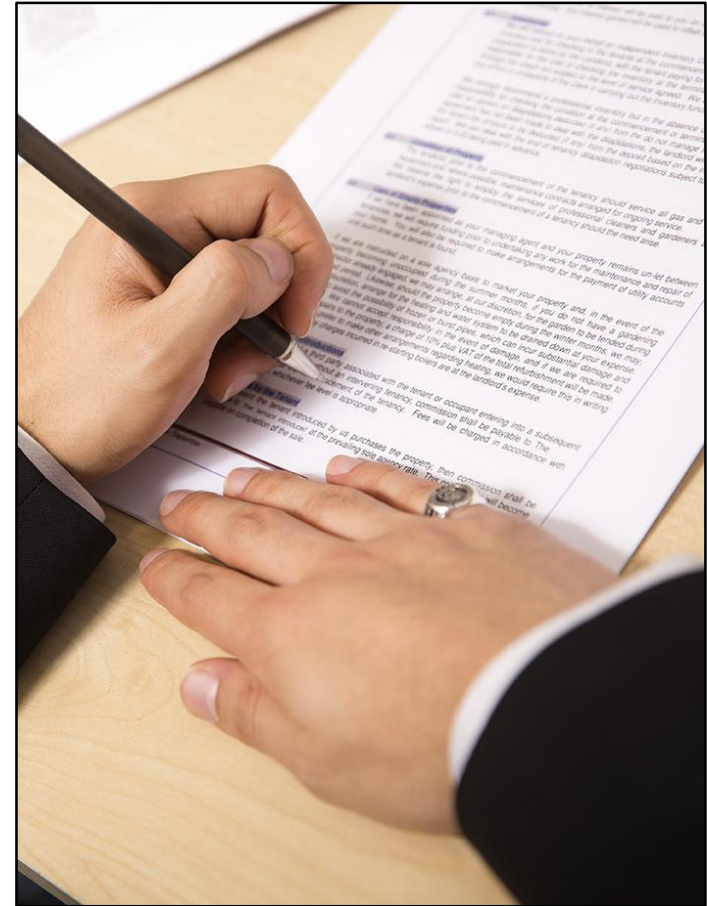
HOLDING DEPOSITS



- **Capped at one weeks' rent:**
 - » Agents can only take one
 - » Held for up to 15 days
- **Must be returned:**
 - » If landlord or agent pulls out
 - » To the successful tenant
 - » Can go towards rent or deposit
- **Can be kept if tenant:**
 - » Pulls out
 - » Fails Right to Rent check
 - » False or misleading statements
 - » Drags their feet
 - » Reason for keeping must be in writing

OTHER KEY PROVISIONS

- **Tenant Default Fees:**
 - » Rent arrears and lost keys only
 - » Must be in AST
 - » And on Fee Schedules
- **ASTs and licenses only:**
 - » Non-Housing Act tenancies
 - » Company Lets
- **Transitional Provisions:**
 - » Only new agreements
 - » SPTs but not renewals
 - » For one year after introduction
 - » SoS power to amend



ENFORCEMENT



- **Trading Standards to enforce:**
 - » Or District Councils
- **Penalties:**
 - » Return “Prohibited Payments”
 - » £5,000 first offence
 - » £30,000 further offences in 5 years
 - » No Section 21 until fees repaid
- **Lead Enforcement Authority:**
 - » To cover Fees, Redress and CMP
 - » Issues guidance
 - » Prosecute themselves
 - » Force others to prosecute

NON-FEES CLAUSES

- **Tenancy Deposits:**
 - » Deposits capped at five weeks
- **Client Money Protection:**
 - » Display name of CMP Provider
- **Fee transparency rules:**
 - » Extended to cover portals



PRACTICAL ISSUES



- **Green Deal:**
 - » Permitted Payment
- **Surrender of tenancy:**
 - » Permitted Payment
- **Change of Sharer:**
 - » Capped at £50 or reasonable costs if higher
- **Deposit Replacement Insurance Schemes:**
 - » Allowed as long as optional

FOR MORE INFORMATION

ARLA PropertyMark

Arbon House

6 Tournament Court

Edgehill Drive

Warwick

CV34 6LG

Email: davidcox@arla.co.uk