

## How This Guide helps

The following step by step guide provides you with basic information and advice on fees you can and cannot be charged as a tenant in a private let property. If you would like additional support, you can contact us using the details below. Please note that an adviser will not be able to predict the outcome of any complaint meetings.

## Contact Details



023 8059 2085



[advice@susu.org](mailto:advice@susu.org)



The Advice Centre - SUSU



[susu.org/support](https://susu.org/support)

## Wellbeing

It is important to recognise that it is normal and natural to feel some anxiety when you are following a formal process and that the University has support in place to help you with your wellbeing. You can contact the Universities Wellbeing Team on [studenthub@soton.ac.uk](mailto:studenthub@soton.ac.uk) or by calling **023 80 599 599**. They are available **24 hours a day, 7 days a week**.

## The Law

A piece of law called the 'Tenant Fees Act 2019', protects tenants from unreasonable and high fees charged by letting agents. Previously, letting agents could ask tenants to pay variety of fees, from an 'administration fee', to referencing fee, a check-out fee, an inventory fee or even some charges for sending letter reminders about late rent. Often you could have ended up paying a lot of money for services that were either not needed or were highly overpriced.

This practice has ended and letting agents' fees are now regulated by the Tenant Fees Act.

Will this law apply to my contract?

The law covers all Assured Shorthold Tenancy agreements signed on or after 1st June 2019.

## What kind of fees are banned?

You cannot be charged fees for (not an exhaustive list):

- References
- Immigration checks
- Administration charges
- Contract signing fee
- Charging for a guarantor form
- Credit checks
- Inventory checking charges
- Professional cleaning (set amount)
- Check-out visit charges

## What kind of fees are allowed?

Fees that are allowed to be charged include:

- Rent
- Security deposit
- 2 types of tenancy default charges
- For lost keys or late payment of the rent
- Holding deposits
- Changes to tenancy -
- Cost of leaving early or swapping tenants/re-assigning the tenancy
- Utilities, communication services, Council Tax, TV license (if the tenancy agreement requires tenant to pay for these)

## Is there a maximum fee amount to pay?

- Allowed fees are usually limited to a specific amount (capped), for example:
- Security deposit must not exceed the equivalent of 5 weeks' rent.
- Late rent payment charges can only be 3% above the Bank of England base rate in interest from the date the rent payment is missed.
- Holding deposits can only be a maximum of one week's rent and there are clear rules of having it refunded:
- A decision about what happens with the holding deposit will have to be made within 15 days from when you pay it.
- The landlord or agent will have to refund the holding deposit if the tenancy does not go ahead due to his action, (for example landlord backs out, or decides to rent to someone else).
- You won't get the holding deposit back in full if you drop out, don't provide necessary information to the landlord, fail the "right to rent" checks or provide false or misleading information.
- If your tenancy does proceed, you should receive your holding deposit back within 7 days of the agreement, unless it is converted into a security deposit (that must be protected in one of the deposit protection schemes) or is used towards your first rent payment.
- Changes to tenancy - The landlords/agents will only be able to charge you £50 for any tenant amendments/swaps on the contract. They would have to provide evidence in writing if the cost they incur is more than £50. If during the tenancy you decide to leave early (surrender), the landlord or agent will only be able to charge you for the loss they incurred, so for example the lost rent. They cannot charge new reference fees, new tenancy drafting for the replacement tenant etc.

## Can the landlord or agent charge for anything else?

- Yes. If you have breached your tenancy agreement and caused damage as a result (for example you have broken an item that belongs to the landlord), your landlord may be able to claim the cost of the repair by making deductions from your deposit or taking court action if necessary.
- The landlord/agent will have to provide evidence of any costs they have incurred before they ask you to pay for it. This cost will also have to be reasonable and adequate, for example the landlord/agent cannot ask you to pay £200 for replacing a smoke detector you broke.

## What can I do if the agent or landlord wants to charge me fees that are banned?

- Firstly, you can make a complaint in writing pointing out the legal ban on fees. The Advice Centre can help you with the complaint. If you have already been charged a banned fee you can write to the agent requesting a refund. You will find an example template letter in Annex B of the [UK Government Tenant Fees guide](#).
- If the agent does not resolve your complaint you can complain to your local Trading Standards department, who will be responsible for enforcing the fees ban.
- All letting agents are required to be members of one of the two redress schemes; The Property Ombudsman or The Property Redress Scheme, which can be used for escalating your complaint if you are unsatisfied with the agent's response.
- It is worth knowing that a landlord cannot evict you using the Section 21 eviction procedure until they have repaid any unlawfully charged fees or returned an unlawfully retained holding deposit.

## Helpful information:

[Southampton City Council: Consumer Advice and contacting Trading Standards](#)

[Shelter website: Complain about a letting agent](#)

[Shelter website: Letting agent and tenancy fees](#)

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### *Disclaimer:*

*While care has been taken to ensure that information contained in The Advice Centre publications is true and correct at the time of writing, changes in circumstances after the time of publication may impact on the accuracy of this information. The Advice Centre and SUSU cannot accept responsibility for any actions taken as a result of advice given in this publication.*

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*Providing free, independent, and confidential advice and information.*

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