

## **TENANTS**

### **The Tenant Fee Act 2019**

From 1st June 2019 letting agents in England will only be able to make permitted payments to tenants.

Permitted payments as defined under the legislation only include the following:

1. The rent.
2. Refundable tenancy deposit – capped at no more than five week's rent where the annual rent is less than £50,000 or 6 weeks' where the total rent is £50,000 or above.
3. Refundable holding deposit – capped at no more than one week's rent.
4. Payments to change the tenancy – where requested by the tenant capped at £50 (or reasonable costs if higher).
5. Payments associated with early termination of the tenancy – where requested by the tenant. This must not exceed the financial loss that a landlord may suffer, or reasonable costs that have been incurred by the landlord's agent resulting from an agreement for the tenant to leave early.
6. Payments for utilities, communication services, TV licence and Council Tax.
7. Default fee for late payment of rent and replacement of lost key/security devices, where required, under a tenancy agreement – default fees can only apply when this has been written into the tenancy agreement and covers late payment of rent, a lost key or security device. The amount of default fee is limited to 3% over the Bank of England base rate for each date that the payment is outstanding and applies to rent which is more than 14 days overdue.

### **When Renting a Property**

Once you have found the property you would like to rent through Stamfords, we will provide you with a Preliminary Holding Deposit Agreement form, which will explain the next stage of your application. The information will also include confirmation of rent agreed and the security deposit.

### **Holding Deposit**

A non-refundable preliminary holding deposit equivalent of one weeks rent is to be paid by the proposed tenant(s) on agreement of an offer. This fee does not constitute an acceptance of the applicant by the owner of the property or his/her agent, nor the granting of the tenancy. The payment of this sum is by way of confirmation that the applicant wishes to enter into negotiations with the owner, via his/her agents and is not refundable should the applicant withdraw.

*Stamfords are members of The Deposit Protection Scheme (DPS) and My Deposits.  
The redress scheme is The Property Ombudsman (TPO)  
Client Money Protection (CMP) Certified UKALA*