

# TENANTS FEES

Since 2019, legislation has been in place in both England and Wales to ban most fees charged to tenants by landlords and letting agents. The rules are similar, but there are some key differences.

## Permitted Fees (Allowed)

Landlords and agents can still charge for the following, but the amounts are often capped:

- **Rent:** The agreed-upon rent for the property.
- **Holding deposit:** A payment to reserve a property while references and checks are completed. This is capped at **one week's rent** in both England and Wales. It must be returned or put towards the first rent payment or security deposit.
- **Tenancy deposit (security deposit):** This serves as a security against damage or unpaid rent.
  - **In England:** The deposit is capped at a maximum of **five weeks' rent** if the annual rent is less than £50,000. It is capped at **six weeks' rent** if the annual rent is £50,000 or more.
  - **In Wales:** There is no formal cap on the amount a landlord can charge, but it is typically one month's rent.
- **Default fees:** These are charges for a tenant breaching the tenancy agreement.
  - **Late rent:** Fees can be charged if rent is overdue, but only after it is late by a certain number of days (e.g., 14 days in England, 7 in Wales). The interest is capped at 3% above the Bank of England's base rate.
  - **Lost keys/security devices:** The tenant can be charged the reasonable cost of a replacement. The landlord must provide evidence of this cost, such as a receipt.
- **Payments for a tenancy variation:** A payment can be charged for changing the tenancy agreement at the tenant's request (e.g., adding a new tenant or a pet). In England, this is capped at **£50**, or the landlord can charge a higher amount if they can prove their reasonable costs were greater. In Wales, a fee cannot be charged for changing a tenancy agreement.
- **Early termination fees:** If a tenant requests to end a fixed-term tenancy early, they can be charged for the landlord's costs, such as the rent due until a new tenant moves in and the costs of re-letting the property.
- **Utilities and other services:** Tenants can be charged for utilities (gas, electricity, water), Council Tax, TV licenses, and communication services if this is stipulated in the tenancy agreement. Landlords can only charge the actual cost they pay for these services.