

TDS Fees Ban Matrix

England

Tenant Fees Act 2019

Wales

Renting Homes (Fees etc.) (Wales) Act 2019

HOLDING DEPOSIT

✓ Capped at a maximum of one week's rent and can be held for a period of 15 calendar days (called the Deadline for Agreement). Landlords and agents are required to enter the agreement before the Deadline for Agreement (an alternative date can be agreed in writing by all parties). Where a tenancy is entered into, a holding deposit must be returned within 7 calendar days. It is forfeited by the tenant if;

- the tenant pulls out;
- the tenant fails Right to Rent checks;
- the tenant provides a false or misleading statement; or
- if the tenant fails to enter into the agreement before the Deadline for Agreement.

✓ Capped at a maximum of one week's rent and can be held for a period of 15 calendar days (this is the Deadline for Agreement). Landlords and agents are required to enter the agreement (signed and dated by both parties) before the Deadline for Agreement (which can be extended by mutual written consent). Where a tenancy is entered into, a holding deposit must be returned within 7 calendar days. It is forfeited by the tenant if;

- the tenant pulls out;
- the tenant provides a false or misleading statement; or
- if the tenant fails to enter into the agreement within the 15-day deadline.

Coming into force on 28th February 2020

Before a holding deposit is paid to a landlord or letting agent, the following information must be provided in writing to the tenant, either in person, by post or electronic means:

- Amount of holding deposit
- Identify the dwelling in respect of which the deposit is paid
- Name, address, telephone number and any e-mail address of the landlord (and if instructed, the letting agent)
- Nature and duration of the contract
- Proposed occupation date
- Amount of rent or other consideration
- Rental period
- Any proposed additional contract terms or proposed modifications or exclusions to fundamental or supplementary terms
- Amount of any security deposit
- Whether a guarantor is required and, if so, any relevant conditions
- Reference checks the landlord (or letting agent) will undertake
- Information the landlord or letting agent requires from the prospective contract-holder

SECURITY DEPOSIT

✓ The refundable tenancy deposit is capped at no more than the equivalent of five weeks' rent where the annual rent is less than £50,000, or six weeks' rent where the annual rent is £50,000 or more.

✗ Currently no limit placed on the amount of a deposit which can be taken but should a limit be introduced, any amount above that limit will be regarded as a prohibited payment.

PET DEPOSIT

✗ The total deposit taken cannot exceed five or six weeks' rent. This means that if you have taken the maximum security deposit, the agent or landlord cannot take any further monies towards a pet deposit.

✓ Agents and landlords in Wales can take a higher security deposit if the tenant has a pet.

INTEREST ON RENT

✓ Interest can be charged on overdue rent at a maximum of 3% above the Bank of England base rate for each day it falls due until the day it gets paid. However, the interest charge cannot be levied until the tenant is at least 14 days late with payment.

✗ Currently no cap on the interest which can be charged for outstanding rent.

CHARGES FOR LATE PAYMENT OF RENT

✗ Prohibited under the Act for new or renewed tenancies.

✓ Charge currently not restricted, but Welsh Ministers may make regulations to prescribe a list of payments in default which would be Permitted Payments under the Act, as well as a limit on what is permitted

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DEPOSIT DEDUCTIONS FOR DILAPIDATIONS

Agents and landlords can still make deposit deductions for breach of tenancy obligations. Evidence must be provided to show an obligation has been breached, that a loss has been suffered, and that the deposit can be used against that loss.



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DEPOSIT DEDUCTIONS FOR RENT ARREARS

No change - this can still be claimed.



No change - this can still be claimed.

CHECK-IN/CHECK-OUT FEE

Prohibited under the Act.



Prohibited under the Act.

EARLY TERMINATION COSTS

Agents and landlords can charge an early termination fee which does not exceed the financial loss that the landlord has suffered in permitting the tenant to leave early, or the reasonable costs that have been incurred by the agent in arranging for the tenant to leave early. This amount is capped until a new tenant is found.



Where a tenant wants to leave a tenancy early, the landlord or agent is entitled to charge the tenant an early termination fee such as the landlords' costs to re-let the property and any outstanding rent until a new tenant moves in.

AMENDMENTS TO THE TENANCY AGREEMENT

Charges can be levied for any variation, assignment or novation of the tenancy (such as a change of sharer or request to have a pet) but this charge is capped at a maximum of £50.00 (inc.VAT), unless the landlord can show that greater costs were incurred.



A fee cannot be charged for any amendment made to the tenancy agreement

LOST KEYS

Permitted under the Act but restricted to the reasonable cost of replacement (evidence must be provided through invoices or receipts).



Detailed under the guidance as a possible payment in default.

OTHER FEES

Admin fees, negotiation fees, invoice charges, Saturday move-in fees and reference fees are prohibited under the Act.



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*This document is intended as a guide to aid compliance with the Tenant Fees Act 2019 and the Renting Homes (Fees etc.) (Wales) Act 2019. We recommend you seek independent legal advice if you require further clarification. TDS will continue to update all guidance on the fees ban in line with new regulations.