

Letting agents and landlords

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When you're renting privately, you'll either be dealing with letting agents, who work for a company that specialises in renting places, or with the landlord directly.

Sometimes it's hard to know who you're likely to deal with. A lot of letting agents are hired to find someone to live in a new home, but then once you move in they no longer have anything to do with it. Other ones will not only find you a home to live in, but will then also be the ones who take rent and organise repairs on your home.

In some cases, you may be renting your home from a landlord or letting agent, but there will still be a separate 'property management company' whose job is to keep the place clean and do any repairs. This is normally something you would get in a complex of small flats, or a small housing estate.

You can easily find letting agents online or in the high street; they tend to have websites and shop premises. Finding landlords directly tends to be more of a case of looking for local adverts, which could be in the paper or on websites such as Gumtree.

It is generally recommended that you use landlords that are registered with a body such as:

- o [ARLA](#) (Association of Residential Letting Agents)
- o [NLA](#) (National Landlords Association)
- o [RLA](#) (Residential Landlords Association)

As these all have formal complaints processes and often have additional insurances that protect your money in case you have any problems.

Important update

Advisers – Consider whether or not the client needs to know the following information. It can help them if they have a dispute with the landlord, but it may not be essential for them to know this when actually finding a new home, as the renter cannot be held liable if a landlord is not registered.

On November 23rd 2016, it becomes the law in Wales for all landlords to register as landlords, and if acting as the manager for the property (e.g. advertises and contracts directly with tenants, collects the rent, is the point of contact for reporting repair issues) for them to get a licence. Without this license, they are not able to operate legally in Wales.

From November 23rd 2016, letting agents will also have to be licensed to operate in Wales. In fact, from November 23rd 2016 it will be a legal requirement for both landlords and letting agents to be licensed if appropriate, and failure to register or have the correct license means the property cannot legally be rented out and clients will be eligible for rent repayment or rent stopping orders as a result of this. You can find out more information on [Rent Smart Wales](https://www.rentsmart.gov.wales/en/) at <https://www.rentsmart.gov.wales/en/>

Across England a number of local authorities are already requiring landlords and letting agents to be registered or licensed in a similar way to the legal requirements in Wales. However, making this a legal requirement in England - as it is in Wales - has not happened yet. Contact your local authority to see if this is applicable in your area and how to find out if the landlord or letting agent is listed.

Other costs

Unfortunately, landlords and letting agents are well-known to add extra charges and fees on top of their services. Although these aren't actually unfair themselves, under the **Consumer Rights Act 2015** it is illegal for landlords or letting agents not to provide clear information about all fees and charges relating to a property whether displaying in their premises or online. Neglecting to do so may mean that they are relying on clients to be unaware of what their rights are, and not to know what is or is not a legitimate charge.

The following is a list of some of the charges that landlords and letting agents may hide from their upfront costs, but will try to apply before you actually sign. Remember, if they don't actually display the charge – including VAT – and explain what it's for then it's not being made clear or fairly.

- o A letting agent must not charge you for registering with them, or to show you its list of properties available for rent.
- o Letting agents should not charge you for routine inspections done during your tenancy. These are often at three or six-month intervals.
- o Inventory fees – this charge is simply for checking in and/or checking out of the property at the start and finish of the tenancy.
- o Renewal fees – This is charged if you choose to renew your tenancy agreement (after the 12-month term, for example).
- o Early termination - Should you need to leave the tenancy early, you may be charged the agent's commission (pro-rata for the remaining time).
- o Late payment - If rent is late (or the payment fails), the letting agency may try to bill you.
- o A holding deposit – this is meant to 'reserve' a property before you sign a tenancy agreement
- o Administrative costs – when asked about this, many say this is to cover the costs of phone calls and postage. Alternatively, they may try to charge this for drawing up tenancy agreements and making an inventory of the

property.

- o Credit check costs – This charge is for carrying out credit checks.
- o Reference check costs – This is for getting your references.

They are **not** allowed to charge you for:

- o Registering with them
- o Showing you a list of potential rental properties
- o Regular inspections during your tenancy
- o Anything the landlord can also be charged for

Your rights when there are unfair charges

It's very difficult to know what to do in the face of these charges. All the charges listed above are common in the renting sector, but they have to be clearly displayed or else are considered to be unfair by the ASA (Advertising Standards Agency).

Your local council – specifically, the trading standards section – have the legal obligation to investigate and regulate the letting agent in these cases. They can even apply a fine of £5000 to them, and there is no charge to contact and use your local regulatory services.

However, this process can be very drawn-out and will not actually oblige the letting agent to provide the client with a property at the end of it.

Alternatively, you can complain to the Advertising Standards Authority [here](https://www.asa.org.uk/Consumers/How-to-complain.aspx) at <https://www.asa.org.uk/Consumers/How-to-complain.aspx> but unfortunately the same applies: it won't help you get your home and it takes a long time to resolve anyway.

The best approach is to simply know your rights, and make sure the letting agent knows that you are willing to complain to the official organisations if they don't treat you fairly.