

# Tenant Fees Act 2019

## **2019 CHAPTER 4**

Prohibitions etc applying to landlords and letting agents

### 2 Prohibitions applying to letting agents

- (1) A letting agent must not require a relevant person to make a prohibited payment to the letting agent in connection with a tenancy of housing in England.
- (2) A letting agent must not require a relevant person to make a prohibited payment to a third party in connection with a tenancy of housing in England.
- (3) A letting agent must not require a relevant person to enter into a contract with the agent or a third party in connection with a tenancy of housing in England if the contract is—
  - (a) a contract for the provision of a service, or
  - (b) a contract of insurance.
- (4) A letting agent must not require a relevant person to make a loan to any person in connection with a tenancy of housing in England.
- (5) For the purposes of this section, a letting agent requires a relevant person to make a payment, enter into a contract or make a loan in connection with a tenancy of housing in England if and only if the letting agent—
  - (a) requires the person to do any of those things in consideration of arranging the grant, renewal, continuance, variation, assignment, novation or termination of such a tenancy,
  - (b) requires the person to do any of those things pursuant to a provision of an agreement with the person relating to such a tenancy which requires or purports to require the person to do any of those things in the event of an act or default of a relevant person,
  - (c) requires the person to do any of those things pursuant to a provision of an agreement with the person relating to such a tenancy which requires or purports to require the person to do any of those things if the tenancy is varied, assigned, novated or terminated,
  - (d) requires the person to do any of those things—

- (i) as a result of an act or default of a relevant person relating to such a tenancy or housing let under it, and
- (ii) otherwise than pursuant to, or for the breach of, an agreement entered into before the act or default, or
- (e) requires the person to do any of those things in consideration of providing a reference in relation to that person in connection with the person's occupation of housing in England.
- (6) For the purposes of this section, a letting agent does not require a relevant person to make a payment, enter into a contract or make a loan if the letting agent gives the person the option of doing any of those things as an alternative to complying with another requirement imposed by the letting agent or the landlord.
- (7) Subsection (6) does not apply if—
  - (a) the other requirement is prohibited by this section or section 1 (ignoring subsection (6) or section 1(7)), or
  - (b) it would be unreasonable to expect a relevant person to comply with the other requirement.
- (8) This section does not apply to a requirement imposed by a letting agent on a relevant person if—
  - (a) the requirement is imposed by the letting agent in consideration of providing a service to a tenant,
  - (b) as part of that service the agent finds housing for the tenant to rent and the tenant rents that housing, and
  - (c) the agent does not act on behalf of the landlord of that housing, whether in relation to that housing or any other housing.

#### **Commencement Information**

II S. 2 in force at 1.6.2019 by S.I. 2019/857, reg. 3(b)

#### Changes to legislation:

There are currently no known outstanding effects for the Tenant Fees Act 2019, Section 2.