The Advice Place Guide to:
Administration Fees

What are administration fees?
Letting agents and landlords often try to charge tenants and prospective tenants’ illegal ‘administration fees.’ These are payments for services and tasks that would normally be part of a letting agency or landlord running their business. These can include:

- Credit checks
- Reference checks
- Fees for carrying out or checking an inventory
- Fees to renew an existing tenancy
- Any non-refundable ‘holding fee’
- Copies of the lease
- Fees to transfer your lease over to a new tenant (called assignation)

Charging fees for these services is illegal. You should not have to pay anything during your tenancy except for rent and deposit.

Why am I still being charged these fees?
Many letting agents are continuing to charge fees to tenants and prospective tenants. This may be because they are interpreting the law incorrectly or they are deliberately trying to do something which is illegal.

What can I do if I am asked to pay administration fees?
If you are asked to pay administration fees you can challenge the practice of the letting agency or landlord. You could tell them that you have taken advice on the issue and you are aware that this practice is illegal.

As charging administration fees is a financial crime, you have the right to report it to the police as you would with any other crime. You can report any attempt to charge administration fees by contacting the Police Scotland on their non-emergency number of 101. The Director of Shelter Scotland has made a statement encouraging people to take this course of action; this is quite a new development in the campaign against administration fees. Remember as with any report to the police they may or may not choose to take this forward.

Many people choose not to challenge letting agencies or landlords over charging administration fees as they fear that they will not be able to rent the property if they do not pay everything they are asked to. Remember that you can challenge the practice of charging administration fees at any time in your tenancy and have up to five years after the end of your tenancy to claim your money back. There are also letting agencies that don’t charge fees so you can shop around to find a fair letting agency or landlord.

What about the additional fees and fines mentioned in my tenancy agreement?
If there are fees mentioned in your tenancy agreement that you are not sure about we can help you to establish whether these fees are legal or fair. Remember unfair tenancy terms are not binding.

How do I go about reclaiming fees?
If you have been charged agency fees in the last five years you are entitled to attempt to claim them back.

If you would like this in an alternative format such as large text, please ask a member of Advice Place staff.
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Shelter recommends following their step-by-step process to maximise your chances. Start by writing to your letting agent — many people have been successful at this stage. If your letting agent does not respond to letters, or sends you threatening letters in response, you may wish to take them to the small claims court. There is further advice about the small claims court on our website:
http://www.eusa.ed.ac.uk/adviceplace/accommodation/tenancyrights/smallclaims/

It is unlikely that your case will get to court as most sheriffs urge letting agents to settle out of court. Currently there have been no convictions of letting agencies or landlords charging administration fees, however the clarification of the legislation was quite recent.

If you have any questions about administration fees contact us in the Advice Place. We have a lot of experience of working with students who have been charged administration fees and we can support you through the process of reclaiming fees.

Useful contacts

Shelter Scotland
Call an adviser on 0808 800 4444
9am-5pm, Monday to Friday
scotland.shelter.org.uk/get_advice
www.reclaimyourfees.com/

In Court Advice Service
Call an adviser on 0131 202 5114
9am-5pm, Monday to Friday
inca@caed.org.uk
Office (next to Court 15), Edinburgh Sheriff Court, Chamber Street, Edinburgh
http://www.cas.org.uk/bureaux/citizens-advice-edinburgh-court-advice-service

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