

A Guide to Tenancy Holding Deposits

The Tenant Fees Act 2019 [the Act] came into force on 1 June 2019. The Act has limited what fees can be charged by Agencies and Landlords in respect of Assured Shorthold Tenancies.

Agencies and Landlords can no longer charge a tenant [You] any upfront fees to cover administration or referencing.

The Act does allow Agencies and Landlords to require a holding deposit to be paid when You make a request to rent a property.

If You wish to rent a property through Blue Bubble Lettings Limited [We/Us], we will ask You to pay a holding deposit equal to one weeks rent.

One weeks rent is calculated using the following formula:

$$\frac{\text{Agreed Monthly Rent Amount} \times 12}{52}$$

This deposit must be paid into Our Client Reserve Account, which is fully protected under the CM Protect client money protection scheme.

By paying a holding deposit, You are agreeing to take all reasonable steps to enter an Assured Shorthold Tenancy [AST] within 15 days from the day you paid the deposit.

We can agree to a longer period if it is appropriate. This must be agreed in writing; email is acceptable.

A holding deposit is fully refundable unless You:

- provide incomplete, incorrect or misleading information or
- fail Your referencing checks due to providing incomplete, incorrect or misleading information or
- You are in fact prohibited from renting in the United Kingdom due to Your immigration status or for any other reason under the Immigration Act 2014 and We did not know this before You paid the deposit or
- You withdraw the offer to rent the property for your own reasons once referencing checks have been commenced by Us.

If We are going to retain all or some of Your holding deposit, We will let You know in writing, by email, how much We are retaining and why.

Full repayment of Your deposit will be made by bank transfer to a UK bank account nominated by you within seven days of the AST commencing unless You ask Us to credit Your holding deposit towards either the full tenancy deposit or Your first rent payment.

Such a request must be made in writing; email is acceptable.

If for whatever reason We withdraw from the proposed AST or the agreement period expires before the AST is entered into then We will repay Your holding deposit in full within seven days from the date We withdrew or the end of the agreement period, whichever is sooner.

If You have any questions, then please contact us on 023 80 000 123.

Further information with regards to holding deposits and their treatment by lettings agents can be found online on our website in the “helpful information for tenants” section or from the UK Government website at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/791280/TFA_Guidance_for_Tenants.pdf

The full text of the Tenant Fees Act 2019 can be found at:

<http://www.legislation.gov.uk/ukpga/2019/4/schedule/2/enacted>