



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case reference : **LON/00AM/HTC/2024/0015**

Property : **Flat 33, St Aubin's Court, De Beauvoir Estate, London N1 5TN**

Applicant : **Ms Alice Beckett**

Representative : **In person**

Respondent : **Hunters Estate & Letting Agents Stoke Newington**

Representative : **N/A**

Type of application : **Application for recovery of all or part of a prohibited payment – s.15 of the Tenant Fees Act 2019**

Tribunal member : **Judge Tagliavini**

Venue : **10 Alfred Place, London WC1E 7LR**

Date of decision : **3 December 2024**

DECISION

The tribunal's decision

1. The tribunal finds the sum of £250 was reasonably incurred by the respondent in assigning the applicant's tenancy at her request to another prospective tenant. Therefore, the application is refused.
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The application

2. This is an application by the applicant tenant pursuant to section 15 of the Tenant Fees Act 2019, seeking the return of the alleged prohibited payment of £250 paid to the respondent letting agent, in respect of the fees said to have been incurred by them, when replacing the applicant with another tenant on her giving notice of her intention to leave the property in order to live elsewhere.

The hearing

3. As neither party requested an oral hearing this application was determined on the documents provided by the parties.

The applicant's case

4. In the application form the applicant asserted:

Hunters Lettings Agents are charging their tenants unprohibited fees as per the Tenants Fee Act 2019. I moved out of the above named property on 12th April 2024, but in order to move out, I was charged £250 (£50 for referencing, £200 'reasonable Landlord costs'). This was due to me leaving a rolling AST contract (four tenants in total), with no formal rental period in place. Upon querying the additional £200, Hunters responded that this was required for the 'set-up fee' which would be charged to the landlord for setting up a new tenancy, which includes contract, accounting and deposit.

I asked Hunters for a full cost breakdown (it states in the Tenants Fee Act that I am well within my right to do so), they responded that there is "no breakdown and the receipt would be in the form of an invoice from Hunters to you". They failed to send me such invoice detailing each cost, particularly ones for third parties, which as I understand, they would have received

an invoice for. A former tenant moved out of the property on 13 December 2023, and Hunters required £300 'set up fee costs', reflecting the arbitrary (sic) nature of this issue and the way in which the agency operates. As the Tenants Fee Act states, "in any case, a landlord or agent should be able to demonstrate to you that any fee charged above £50 is reasonable and provide evidence of their costs. You should ask your landlord or agent to provide evidence in the form of receipts or invoices. Any costs that are not reasonable are a prohibited payment."

Hunters have failed to comply with the law in this situation and have not been able to demonstrate that the £200 fee is reasonable. Please note, we remarketed the room via SpareRoom, so this would not have been an additional cost incurred by the Landlord or Lettings Agent. The Landlord and Lettings Agent have not communicated to us an expectation of length of stay at the property, nor is this referenced in our contractual agreement. It is both unlawful and highly inappropriate that Hunters are charging tenants a fee to leave a property where there is no fixed term in place and they are violating the Tenants Fee Act. Even though Landlords/Agents can charge £50 per the Tenants Fee Act for referencing and changes to the contract, I would like to claim back the full £250 as this issue has made me sick with worry, unable to sleep and with a feeling of being trapped at the property unless I pay the fees.

5. The applicant subsequently paid the £250 required by the respondent and moved out of the property. The applicant accepted that £50 would be a reasonable charge but disputed that any greater sum was permitted under the provisions of the Tenant Fees Act 2019.

The respondent's case

6. The respondent asserted that it had incurred fees caused by the applicant seeking to assign her tenancy to the applicant nominated replacement tenant. The respondent asserted it was therefore not liable to return an or all of £250 paid by the applicant.
7. In a letter dated 23 October 2024 the respondent provided a detailed breakdown of the costs it had incurred, which included Time and Resources; Property management Updates and Accountant fees had been incurred for Processing paperwork and documentation; Legal Checks and Homelet.

The tribunal's reasons

8. Section 3 of the Tenant Fees Act 2019 states:

(1) For the purposes of this Act a payment is a prohibited payment unless it is a permitted payment by virtue of Schedule 1.

9. Schedule 1 paragraph 6 states:

(1) A payment is a permitted payment if it is a payment—

(a) to a landlord in consideration of the variation, assignment or novation of a tenancy at the tenant's request, or

(b) to a letting agent in consideration of arranging the variation, assignment or novation of a tenancy at the tenant's request.

(2) But if the amount of the payment exceeds the greater of—

(a) £50, or

(b) the reasonable costs of the person to whom the payment is to be made in respect of the variation, assignment or novation of the tenancy,

the amount of the excess is a prohibited payment.

10. The tribunal finds that the respondent has reasonably accounted for the fees it asserts it incurred, as a result of the applicant's wish to assign her tenancy to another prospective tenant. Therefore, the tribunal finds that any sum in excess of £50 is not a prohibited payment.

11. In conclusion, the tribunal refuses the application.

Name: Judge Tagliavini

Date: 3 December 2024

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the Tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the Regional Office which has been dealing with the case. The application should be made on Form RP PTA available at <https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber>

The application for permission to appeal must arrive at the Regional Office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).