

# Scrapped Tenancy Fees will Liquidate Landlords and Letting Agents

Submitted by: Kin Communications2

Friday, 14 June 2019

---

- On the 1st June 2019, tenancy fees were scrapped in the UK.
- 42% landlords predict landlords and letting agents will be forced out of business.
- 77% tenants believe The Tenant Fees Act will have a minimal impact on landlords and letting agents.

New research has uncovered that 42% of UK landlords are concerned about their financial future and assets in the property rental market, after the recent tenancy fee scrap, while 77% of UK tenants believe the regulation change will have minimal impact on landlord and letting agents' finances and property. The newly implemented Tenant Fees Act was proposed by the Government to make renting fairer, and protect tenants from ambiguous and costly bills.

The new research, conducted by rental expert Just Landlords, revealed UK landlords were pessimistic over the Tenant Fees Act, with 62% believing the ban will cost them more money, whilst 27% were uncertain over the potential benefits. Landlords also admitted the scrap may have consequences for current and prospective tenants, with 18% believing the ban will reduce the standard of rented accommodation, and 12% claiming tenants will have a diminished quality of service.

Tenants were also found to be unaware of the potential methods landlords may use to compensate a loss of earnings, with only 24% predicting landlords will counteract lost profit by raising the cost of other services, despite 44% of landlords admitting that it could be a possibility. 24% of landlords also predict a new administration fee being introduced to counteract lost revenue.

The Tenant Fees Act could also exclude prospective tenants' access to a rental property, with 21% of landlords predicting more stringent credit checks on tenants, while tenants could also experience longer searches for rental accommodation and expect to be tied to properties longer, due to new lengthy tenancy agreements.

Rose Jinks, Spokesperson for rental expert Just Landlords, commented on the research findings: "We have long been concerned that the Tenant Fees Act will backfire on the Government's original intentions of saving tenants money; if landlords simply raise rent prices to recoup higher costs, then tenants will not be better off.

"However, the fee ban should save tenants a lot of upfront money when it comes to moving into a new rental property, which can be a barrier to moving flexibly within the private rental sector. We hope that the ban does benefit tenants, but our research indicates otherwise."

-ENDS-

Notes to Editors

For any additional comment to accompany this release please contact Amy at [amy@kincomms.com](mailto:amy@kincomms.com) or call 02039587085

The research was comprised of 1,011 UK adults involved in the private rental sector and was conducted

between 3rd May 2019 and 8th May 2019.

For information please see <https://www.justlandlords.co.uk/news/> --

Just Landlords are one of the UK's leading independent providers of landlord insurance and having been providing expert advice and services since the 1990s.