

**TOM PURSGLOVE MP**  
CORBY & EAST NORTHAMPTONSHIRE



HOUSE OF COMMONS

LONDON SW1A 0AA

13<sup>th</sup> July 2018

*New Constituent,*

**RE: TENANT FEES BILL (GENERATION RENT CAMPAIGN).**

Thank you for contacting me recently about the *Tenant Fees Bill*; your comments upon which I read with great interest.

Like Generation Rent, I believe this Bill, which will abolish letting agent fees for renters, cap tenancy deposits, and save tenants between £25 and £70 per year, is "welcome news for private renters". On the particular issue of default fees, while I can understand your concerns, please allow me to assure you that these concerns are unfounded.

Default fees are payments required from tenants in the event of a default by the tenant, for example, a late payment or a lost key. While the Bill protects the rights of landlords and agents to charge default fees, it is also clear that these fees must not exceed the loss suffered by the landlord as a result of the default.

Where a landlord or agent charges a default fee in excess of the loss suffered by that default, local authorities will be able to subject them to a fine of up to £5,000. Repeated breaches of this protection for renters will be considered as a criminal offence, with penalties including even higher fines and a ban from acting as a landlord or agent for at least one year.

That said, I do agree with the cross-party Select Committee, which provided pre-legislative scrutiny for the Bill, that clear guidance needs to be provided on what type of fee, and how much, constitutes a reasonable default fee. As such, I am delighted that the Government has committed to produce guidance regarding the legislation, including on what constitutes a reasonable default fee.

I am confident that the Bill will make renting fairer and more affordable for tenants by reducing the costs at the outset of a tenancy, as well as improving transparency and competition in the private rental market.

This is a matter that I have previously raised with Ministers, and I will continue to follow the progress of the Bill closely.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

*With best wishes,*

**TOM PURSGLOVE MP**  
**MEMBER OF PARLIAMENT**  
**CORBY & EAST NORTHAMPTONSHIRE**