

### **3.13 Deputy S.Y. Mézec of the Minister for Housing regarding measures to prevent letting agents from charging extortionate fees to tenants: [1(134)]**

What measures, if any, is the Minister going to take to prevent letting agents from charging extortionate fees to tenants who either wish to end their tenancy early or to assign the remainder of their tenancy to another tenant?

#### **Deputy A.E. Pryke of Trinity (The Minister for Housing):**

I am pleased to confirm that I shall be reviewing the review of letting agency fees by the end of this month and this will consider options to clarify the types and levels of fees that letting agencies can charge.

#### **3.13.1 Deputy S.Y. Mézec:**

Supplementary. Will this review culminate in a States proposition to introduce legislation that potentially would regulate or even outlaw certain practices which many people might consider to be unacceptable?

#### **The Deputy of Trinity:**

Certainly. There are 4 different aspects, a good standard of accommodation is important and also clarity of what letting agencies can charge for and not charge for, and if it does result in legislation being brought forward then that is something that I will consider.

#### **3.13.2 Deputy M. Tadier:**

Can the Minister indicate how long this is likely to take because if it is a couple of years it may be something that another Member may need to lodge in the meantime?

#### **The Deputy of Trinity:**

Deputy Tadier perhaps does not know me that well. The review is going to go out, as I said, by the end of this month. The report should be ready by the end of May and if legislation does need to come it will definitely be within the States year.

#### **3.13.3 Deputy R. Labey:**

Can letting agencies or landlords do what Deputy Mézec is suggesting in his question legally? Are they allowed, within the law, to charge what they like?

#### **The Deputy of Trinity:**

As it stands at the moment, yes, they can. There are some regulations under the Consumer Law. If there are issues regarding noise then Environmental Health can check on the state of the place, whether it needs repairs or overcrowding or if the person has been hoarding or lack of repairs then Environmental Health can go in under their legislation. But at the moment, yes, that is why this review is important.

#### **3.13.4 Deputy S.Y. Mézec:**

The reason that I am asking this question is because I have encountered an incident where somebody is potentially being charged either around £300 to end a tenancy early or £900 to assign it to somebody else and when I lived in the U.K. I never had to pay a penny to do any of that when I was moving tenancies. The Minister has said that there will be a review, could she indicate before the Assembly now whether she thinks that sort of practice by charging such an extortionate amount is acceptable, and if she thinks it is unacceptable would she like to send a broader message out to those letting agents that this is a practice that she will seek to stop?

#### **The Deputy of Trinity:**

Yes, I know because Deputy Mézec did email me particularly about this incident and there are incidents that do reflect the reasonable costs of services provided and we need to deal with those. But to get the good evidence I need to get it into review to understand how big a problem or how small a problem this is, so that is why this review is important. As I said, it is an important issue because everyone is entitled to a good standard of living but also clarity that if you enter into a lease, that you know exactly what fees, if any, you could be charged. I would also like to mention too that there are good landlords and good letting agencies who do not go into this type of practice so that is why this review is important.