
Fact Sheet 4 – What are the costs of renting privately?

The main initial costs required for privately renting are:

- Administration costs and credit check
- Rent in Advance
- A deposit

Administration Costs and Credit Checks

If you have found a property via a letting agent, they may charge an administration fee, which includes a credit check, preparing a tenancy agreement and other costs of setting up a tenancy. The fee will vary from agent to agent so it may be worth shopping around.

Rent in Advance

You will normally have to pay one month's rent in advance to the landlord so you are not in arrears at the beginning of your tenancy. Always ask the landlord or agent for a receipt to show the amount you have paid and check when the next payment is due. Further information about rent in advance can be found on the Shelter website www.England.shelter.org.uk.

If you are claiming benefits, you may be able to apply for rent in advance via a Discretionary Housing Payment. There is a one page form to complete and this needs to be returned to West Suffolk Lettings Partnership, West Suffolk House, Western Way, Bury St Edmunds, IP33 3JU.

If you save with the Eastern Savings and Loans Credit Union you may be able to apply for a loan of up to 3 times your savings if you have saved with them for 13 weeks. More information can be found at <http://www.eslco.co.uk> You can obtain an information pack from the Housing Options Team on request.

Deposits

The landlord of the property can ask you to pay a deposit before moving into the property to act as security in case you leave the property owing rent; or there is damage to the property or its contents. A deposit normally is normally 4-6 weeks rent; however, this may be negotiable between you and the landlord.

From 6 April 2012, all deposits taken by landlords for Assured Shorthold Tenancies in England and Wales must be protected by a tenancy deposit scheme within 30 days of signing the tenancy. You should always ask for details of which protection scheme your deposit is being held in.

There are three Government approved schemes:

Deposit Protection Service (The DPS) www.depositprotection.com 0844 4727 000

My Deposits www.mydeposits.co.uk 0844 980 0290

Tenancy Deposit Scheme (TDS) www.thedisputeservice.co.uk 0845 226 7837