

## PRESS RELEASE

6<sup>th</sup> March 2020

### Shelter NI welcomes the Joint Ministerial Communique on illegal letting agency fees.

The Director of Shelter NI, Tony McQuillan, said 'We fully endorse this joint communique which provides a powerful and compelling message for those agents who have continued to charge fees to prospective tenants for services carried out on behalf of a landlord to cease this unlawful practice.'

Shelter NI along with the Students Union, has been and is supporting student tenants who have been charged fees illegally, to seek refunds through legal action. Shelter NI has also been advising individual agents directly, ensuring that they are fully informed of the legislation and of the recent ruling of the Court, but with limited success.

In addition, Tony McQuillan said 'Shelter NI calls upon agents who have been making unlawful charges, to accept it is their responsibility to make every effort to repay those unlawful charges. Shelter NI will continue to encourage and support individual students and tenants to request a return of any illegal charges and where necessary, encourage the use of the Courts to obtain their refunds.'

#### Context and Background

Prior to the 1986 legislation, it was found that the only cases where agent fees and expenses were charged to tenants were uncontrolled student lettings and agricultural Con-acre lettings where the rent was only paid on harvest and the agent wouldn't wait till then for the fee.

Shelter NI was involved in advocating for this legislation which was enacted in 1986. This was achieved through a joint exercise between Shelter NI; the NI Region of NUS/USI; and SHAC Housing Association, with the Students Union in the lead role.

At that time, 1983-86, Northern Ireland had an Assembly which could petition Westminster to legislate. The Hansard reports show that this was the first [and due to the Assembly's demise; only] piece of legislation they drew up.

Through a similar joint exercise with Shelter NI and the Students Union in 2017, with the Students Union again taking the lead and with the support of expert legal advice and Housing Rights, the case of Paul Loughran v Piney Rentals Limited and F5 Property Limited was brought before the Court.

Student letting charges which gave rise to the determination to advocate for the legislation, continue to impact on students. However, these illegal fees have been charged to a wide range of applicants for accommodation in the private rented sector.

**Notes to editors:**

**Case reference 16/084351 Paul Loughran V Piney Rentals Ltd & F5 Property Ltd**

- Court judgement and press summary available on NI Courts website
- Expert legal advice and representation was provided by Mark Hayward and Monya Anyadike-Danes QC, Bar Library Pro Bono Committee and Chris McGrath and Carmel Ferguson Housing Rights solicitors. Support from Public Interest Litigation Service (PILS).
- The Tenant Fees Act bans most letting fees and caps tenancy deposits paid by tenants in the private rented sector in England. The Act came into force on 1<sup>st</sup> September 2019
- In Scotland, letting agent fees were banned in 1984 and officially clarified in the Private Rented Housing Act of 2011.
- Letting fees were banned in the Republic of Ireland after the passing of Section 90 of the Property Services (Regulation) Act 2011.

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