businesscompanion
trading standards law explained

Letting agents and property management

In the guide

Relevant businesses
Tenancy deposit schemes
Fees
Registration of letting agents
Persons who do not need to register as a letting agent
Trading Standards
In this update
Key legislation

In this guide, the words 'must' or 'must not' are used where there is a legal requirement to do (or not do) something. The word 'should' is used where there is established legal guidance or best practice that is likely to help you avoid breaking the law.

This guidance is for Scotland

Accommodation letting agents are regulated by the Scottish Government. They need to be registered and must abide by the code of practice.

Relevant businesses

Letting agency work is defined in the Housing (Scotland) Act 2016 as "things done by a person in the course of that person's business in response to relevant instructions" that are intended to:

- Arrange a lease or occupancy arrangement by which an unconnected person may use the landlord's house as a dwelling
- Manage (including rent, inspection, improvement, maintenance, repair or insurance) a house that is or will be a lease or occupancy arrangement by which an unconnected person may use the landlord's house as a dwelling

Tenancy deposit schemes

Landlords and letting agents that receive a tenancy deposit must transfer the deposit to an approved deposit scheme. The tenant must be provided with key information, including the name of the scheme and potential retention of the deposit.

More information on protecting tenancy deposits is available on the mygov.scot website, including information on exemptions.

Fees

Letting agents cannot charge fees to a tenant, but they can charge fees to a landlord. Letting agents can only charge tenants a deposit and rent; anything else is a letting-agent fee, which is illegal.

Fees that cannot be charged to tenants:

- Administration costs involved in checking references or setting a lease
- Service charges
- Non-refundable holding fees
- Fees for renewing a tenancy
- Assignation fees
- Charges to add a new person to the lease

Any other fee is also illegal.

For more information, contact lettingagentregulation@gov.scot.

Registration of letting agents

- All letting agents must be registered with the Scottish Government
- A letting agent must be a fit and proper person who is appropriately trained
- The statutory code of practice must be followed
- A tribunal is available to resolve complaints between landlords and tenants

More information on letting agent registration, including how to apply, is available on the mygov.scot website.

Persons who do not need to register as a letting agent

Please seek legal advice if you believe you do not need to register. Some exemptions from the need to register include:

- An estate that lets out its own private properties
- Someone who only manages their own private property
- Voluntary letting of a property for a family member
- Letting and/or managing holiday lets
- Preparation of a lease by a solicitor
- A registered social landlord (unless it also manages a property for a private landlord)
- A local council

Trading Standards

For more information on the work of Trading Standards services and the possible consequences of not abiding by the law, please see 'Trading Standards: powers, enforcement and penalties'.

In this update

No major changes.

Last reviewed / updated: June 2026

Key legislation

- Housing (Scotland) Act 2006
- Private Rented Housing (Scotland) Act 2011
- Tenancy Deposit Schemes (Scotland) Regulations 2011
- Housing (Scotland) Act 2014
- Letting Agent Code of Practice (Scotland) Regulations 2016
- Private Housing (Tenancies) (Scotland) Act 2016

Please note

This information is intended for guidance; only the courts can give an authoritative interpretation of the law.

The guide's 'Key legislation' links go to the legislation.gov.uk website. The site usually updates the legislation to include any amendments made to it. However, this is not always the case. Information on all changes made to legislation can be found by following the above links and clicking on the 'More Resources' tab.

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