ESTATE AGENCY LAUNCH PROGRAMME · OPEN A SEPARATE CLIENT-MONEY ACCOUNT

Client money decision one-pager

Work out whether you'll hold client money, and the account rules if you do. Not legal advice, so confirm the account type with your bank and scheme.

01 Will you hold client money at all?

Client money is any money that belongs to someone else: a buyer's pre-contract deposit, rent, or a tenancy deposit.

Are you sales-only, lettings, or both?

Sales-only agents can often avoid holding client money; letting agents almost always hold it.

Will any money that isn't yours ever pass through your hands?

Rent, tenancy deposits, pre-contract deposits. If yes, you need a client account.

Where a deposit can go to the buyer's solicitor instead, will you route it there?

This is how many sales-only agents avoid holding client money.

02 If you hold it: the account rules

These come from the Estate Agents Act 1979. Confirm the exact account type with your bank first, as not all banks offer a designated client account.

Have you asked your bank for a designated client account, by name?

A normal business account will not do.

Does the account title include the word "client"?

PREFER THIS DONE FOR YOU?

Want a website that wins the instructions worth banking?

It's one of the things we build — hand it over and skip the DIY. · digitalroyalty.co.uk

Talk to us

Is it held at an authorised institution and kept clear of your overdraft?

Client money cannot be offset against your own borrowing.

Are sales client money and lettings client money kept in separate accounts?

03 Before you take a deposit

Have you registered for Client Money Protection?

Covered in Module 3, Get Compliant to Trade.

Who reconciles the client account, and how often?

Write it down now so nobody assumes someone else is doing it.

PREFER THIS DONE FOR YOU?

Want a website that wins the instructions worth banking?

It's one of the things we build — hand it over and skip the DIY. · digitalroyalty.co.uk

Talk to us