

Renters' Rights Bill: key points to share with landlords

APPLIES TO: ENGLAND
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What is happening?

The UK Government have introduced a Bill to the UK Parliament to change how private renting works in England.

What does this mean?

The most important thing to reiterate to your landlords is that the Renters' Rights Bill is not yet law. It must follow a lengthy process before it passes and becomes law.

What happens now?

The Bill is now subject to debate through Parliament.

Will the Bill change?

Yes, the Bill will change with amendments tabled as the Bill goes through Parliament.

When does the legislation come into force?

The changes are likely to be implemented and come into force as a law in late Spring 2025.

What are the key changes proposed for evictions?

Removal of Section 21 notices

Landlords can only serve notice on tenants when they have reason to do so. Landlords will continue to be able to use Section 8 notices.

New grounds

The UK Government wants to expand the grounds under Section 8, including if the landlord wants to sell or move back into the property if a property needs to be relet to new students and clear grounds for employment-related tenancies.

Protection from eviction

Tenants are only provided 12 months of protection from eviction if the landlord (or their family) is seeking to occupy or sell the property. In that case, tenants must receive 4 months' notice. The notice can be provided within the 12-month protection period for example, a landlord can issue a Section 8 notice at month 8 so that the tenant leaves as soon as their protection period finishes, at the end of month 12.

Increasing notice periods

Notice periods for most grounds for possession will be doubled from 2 to 4 months or 2 to 4 weeks. Furthermore, the amount of arrears a tenant must incur to qualify for the mandatory ground is increasing to at least 3 months. However, landlords can immediately begin eviction proceedings for anyone convicted of a crime including Anti-Social Behaviour (grounds 7a and 14).

NOTE: Landlords should be aware that the Bill is not law yet, therefore, landlords can continue to serve Section 21 notices on tenants.

The UK Government is also looking to produce further guidance for landlords, including the evidence they will need to provide the courts to prove the ground for eviction applies. This is aimed at creating greater certainty for landlords and more consistent court decisions.

Eviction grounds for student tenancies

The Bill currently only makes eviction Ground 4A available for student HMOs if the tenancy is signed less than six months before its start date. However, it is common practice for student agreements to be signed up to a year in advance, driven by students who want to ensure they have secured accommodation in line with the predictable pattern of the academic year.

If Ground 4A cannot be used, it could interfere with landlords regaining possession of their property ahead of each academic year, impacting future tenancies.

This Ground does not apply to one- and two-bedroom (non-HMO) properties rented to students.

How will tenancy agreements change?

End of fixed-term tenancies

The UK Government wants to end fixed-term tenancies and move to a system where all tenancy agreements will be periodic.

Periodic tenancies

These are tenancy agreements that roll on a month-by-month basis, with no end date. As a result, in the future tenancy agreements will only end when the landlord or tenant gives notice.

Two months' notice

Under the changes, tenants will be able to give two months' notice to leave the property at any time, including when the tenancy has just begun. They cannot, however, provide notice halfway between rent periods. The tenancy must end at the end of a rent period.

What is the impact of rent increases?

A single process for rent increases

Landlords can only increase the rent once a year, giving the tenant a two-month notice period. This must be completed through the statutory Section 13 process. Once a Section 13 form has been provided to the tenant, they will be required to pay the new rent during the next rent payment day.

Disputes of rent increases

Tenants can dispute the rent increase if they do not believe it reflects market rates. Tenants can apply to the First-tier Tribunal before the next rent payment and must inform landlords of their intention to do so.

What is the impact of limiting rent in advance?

The UK Government is looking to prevent tenants from paying rent upfront. People on fixed incomes like pensions, those with lower incomes, the self-employed, and overseas students may all have challenges passing referencing and affordability checks. Paying a larger proportion of rent at the start of a tenancy gives tenants an alternative way to evidence their ability to sustain a tenancy, giving landlords confidence in renting.

Changes put forward for the Renters' Rights Bill will still allow landlords the ability to request one month's rent in advance, alongside a security deposit of up to 5- or 6-weeks' rent. The UK Government thinks that referencing and affordability checks, and the ability to request guarantors, should be enough to give landlords confidence.

What is all the talk about renting with pets?

Right for the tenant to request a pet

Tenants will have the right to request a pet, and landlords will not be able to unreasonably refuse. Guidance on what is considered a "reasonable refusal" will be available before this part of the Bill comes into effect.

Pet insurance

The Tenant Fees Act 2019 will be amended to allow landlords to require tenants to get pet insurance that covers damage to the property. Tenants will need to take out pet insurance or the landlord will obtain it and charges the cost back to the tenant.

Will all landlords need to join a redress scheme and register with the UK Government?

Private Rented Sector Landlords Ombudsman

The UK Government wants all private landlords who rent out property in England to join a government-approved Ombudsman scheme to allow former or current tenants to make complaints against a landlord. The Ombudsman scheme is designed to be quicker than the court system and prevent cases from escalating. The Ombudsman will also have guides for landlords on how to resolve issues and handle complaints quickly and effectively.

Portal of Landlords

The UK Government wants to introduce a Private Rented Sector Database to which landlords will be legally required to register themselves and all their properties including the name, address and contact details of the landlord and managing agent, details of any enforcement action taken against the landlord or agent, and details of any previous eviction notices that have been served to a tenant.

The Database will provide landlords access to guidance and enable them to demonstrate compliance with the new regulations.

This Registration will be compulsory, and fees landlords pay will cover the costs. These fees will also directly fund the creation and work of the private rented sector Ombudsman.

Will landlords be required to make changes to their property?

Decent Homes Standard

When enacted, private tenancies in England will be required to meet the Decent Homes Standard, which currently applies to the social sector. The specific standards are likely to be consulted on, so they work for the private rented sector.

Periods to address hazards

Awaab's Law will be extended to the private rented sector, meaning landlords will have set periods to respond to address hazards in rented homes, such as dampness and mould.

NOTE: Landlords should know that Awaab's Law does not currently apply to the private rented sector. Specifics around the types of hazards that apply and the timescales that landlords will be subject to will be set out in future regulations.

Rent repayment orders

Extension of offences that apply

The Bill extends the number of offences where a tenant can apply for a rent repayment order. These include knowingly or recklessly misusing a possession ground, a breach of a restriction on letting or marketing a property, a continued breach of the Bill's requirements after a financial penalty has been issued, a continued breach of landlord's Ombudsman requirements after a financial penalty has been issued, continued failure to register with or providing false information to the PRS Database.

Repeat offences

Landlords who have previously faced a penalty for breaching the Bill will be required to pay the maximum rent repayment order amount if they commit the same offence again.

Maximum penalty

the maximum penalty for rent repayment orders will increase from 12 to 24 months.

NOTE: Rent repayment orders can only be obtained through the First-tier tribunal and only when the Tribunal is satisfied beyond a reasonable doubt that the landlord is guilty of committing one of the listed offences.

If the offence occurred 24 months before the rent repayment order, tenants cannot apply for a rent repayment order.

What can landlords do?

Propertymark is lobbying the UK Government to amend these proposals to ensure they work for landlords and are implemented fairly and proportionately.

We have concerns about the removal of the fixed term and the impact on the student sector in particular, the need for the court system to be reformed before Section 21 is removed and the need for more mandatory grounds including breach of contract, persistent late payment of rent, regularly meeting the threshold for serious rent arrears, acquiring a tenancy by using false identification, damage over the amount of the deposit and a tenant refusing access to the property.

Contact a member of the House of Lords

Landlords can support PropertyMark's campaign by writing to Lords, Ladies, and Bishops and telling them what we need them to say at the Second Reading debate in the House of Lords on 4 February 2024.

Option 1 – contact a Peer from our selected list.

- [Click here to find a Lord or Baroness to write to from our selected list](#) of those with a spokesperson role or an interest in housing.
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- All are important to write to, but Lib Dems and Crossbenchers (unaligned peers) can have the biggest effect on the debate outcome or a vote.
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- Remember that Labour members need to know your views too, and many Conservatives understand the need to ensure the legislation is fit for purpose.
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- It is really, worth writing to lots of peers if you can – to make maximum impact.

Option 2 – contact a member of the House of Lords

- [Click here to contact a Member of the House of Lords](#). You may find a peer with that you have something in common, a place, or an interest.
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- The House of Lords has 803 sitting members, and its role is to scrutinise legislation and hold the UK Government to account.
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- Remember, Peers are people and realise they do not know everything. Your letter or email can help inform them, or at least give them a different, personal, or business perspective on your work.

NB: Lords without email addresses can be reached through contactholmemb@parliament.uk Or you can print out your letter and post it to your chosen peer at the House of Lords, London, SW1A 0PW.

Please let the Policy and Campaigns Team know after you have sent your email and received a response. Email policy@propertymark.co.uk