



Rolfe East

The Renters' Rights Bill,
what it means for you

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The **Renters' Rights Bill** is set to bring significant changes to the private rental sector, impacting all Assured Shorthold Tenancies (ASTs), both new and existing. As specialist property consultants, Rolfe East is closely monitoring these developments to ensure our clients remain fully informed and prepared. Below, we outline the key changes landlords need to be aware of as the Bill progresses through Parliament.

1. Fixed terms will end

Tenancies will have no end date, meaning they will roll on monthly:

- During the first 12 months of the tenancy, you will not be allowed to move back home or attempt to sell the property; your tenant will have a 12-month protected period (as long as they don't breach any of the tenancy terms).
- Our data shows that, on average, tenants stay in their rented property for at least two years.
- We also know it's more common for a tenant to serve notice rather than the landlord.
- We don't expect tenants to change their existing renting pattern; tenants will continue to move for various reasons.

How notice must be served:

- Your tenant must give two months' notice to leave in line with the rent payment date.
- You must serve notice using a Section 8 notice using the relevant Ground.

Any pre-agreed option to renew or break clause will be invalid

Existing tenancies: when the legislation comes into effect, any pre-agreed 'option to renew' or 'break clause' within an existing tenancy agreement will no longer apply.

New tenancies: as Assured Shorthold Tenancies will become Assured Periodic Tenancies rolling from month to month, it will no longer be able to include either an option to renew or break clause to an agreement.

Section 21 notices are being abolished, meaning you no longer have a 'no fault' option to regain possession of your property:

- New Section 8 Grounds have been introduced to enable you to serve notice under different circumstances.
- The following are a few of the Section 8 Grounds, and expected to be the most commonly used:
 - G1 (amended) - occupation by landlord or family and 1A (new) sale of property
 - G8,10, 11 Rent arrears
 - G12 Any breach other than Rent Arrears
 - G14 Anti Social Behaviour

These all have different notice periods.

- It's never been more important, than now, to carefully consider who you choose as a future tenant. Are they likely to match your property needs. Understanding the tenant's requirements for length of tenancy can be helpful when making your decision.

Selling or moving back to your property

We'll be on hand to support you through the process:

- You must serve a Section 8 notice using either Ground 1 (you, or a family member, want to live in the property) or 1A (you want to sell the property). For these two Grounds you have to give a minimum of four months' notice and the notice can't end within the first 12 months of the tenancy.
- You must meet the conditions of the grounds and, if challenged in the future, be able to prove you, or a family member, have moved back in or you've marketed it for sale and sold it.
- It is important to keep in mind that once you have served a Ground 1 or 1A notice, if you don't move in or you can't sell, you cannot relet the property for 12 months following the expiry of the notice.

Once the Bill is introduced, this would mean:

- If you served notice using the selling ground on 1 December 2025, the notice will expire on 31 March 2026. You will be able to seek possession after this date. You wouldn't be able to re-market the property to let until a further 12 months has passed. This means you would need to wait until 1 April 2027 to relet your property.
- There will be rules around when viewings can take place at the property, these are yet to be confirmed.

2. Rent increases

Any pre-agreed future rent increases will not be valid. However, you will be able to propose an annual rent increase:

- The uplift must be in line with market rates and comparable evidence available.
- We will manage the process, a Section 13 notice must be served in a timely manner giving a minimum of two months' notice of the increase.
- If your tenant accepts the proposal they will start paying from the next rent due date following the expiry of the Section 13 notice.
- If your tenant wishes to challenge the increase they can do so via the First Tier Tribunal, we'll speak to you both to try and agree a resolution.

3. Advance payments

Tenants will no longer be allowed to make advance rent payments and this includes any shortfall payments:

- If rent is currently paid more than one month in advance, i.e. quarterly, six-monthly, or annually, tenants must switch to monthly payments once their pre-paid period ends after the Bill takes effect.
- If the tenant is unable to prove affordability to pay monthly they will still have the option of a private guarantor.
- We are exploring a rent guarantor product where the tenant doesn't have the option of a private guarantor.

- The Government is still undecided on what they will do for students.

4. Tenants and pets

Any agreed existing 'no pets' clauses will become invalid:

- You will still be able to advertise your property as 'no pets,' however, once a tenancy has started, you will only be able to refuse a tenant's pet request under certain conditions.
- These include head lease restrictions, severe allergies, or a tenants refusal to pay for pet insurance.
- Once the Bill is law we suggest including in any marketing if the head lease prohibits pets or if you have a severe allergy.

Additional legislation you need to know about

Local council enforcement powers will be strengthened

- New investigatory powers will be introduced to make it easier for councils to identify and fine landlords when they contravene the new rules.

Reduce a family's risk of discrimination

To create more positive renting experiences ensuring no family suffers discrimination when looking for a place to live, it will be illegal for landlords to refuse tenants:

- Receiving benefits.
- With children, however the property will have to be suitable for children for example, a one-bedroom flat will not be suitable for a parent with three children.
- Existing mortgage or head lease restrictions on letting to those who receive benefits or with children will be void and are of no effect.



THE BELOW WILL NOT BE LIVE WHEN THE BILL IS FIRST INTRODUCED BUT WILL BE PHASED IN AT A LATER STAGE

Introduction of an obligatory landlord redress scheme

All landlords, including those who use a letting agent or a managing agent who is a member of a redress scheme, must join the ombudsman scheme before their property can be marketed.

- Providing fair, impartial, and binding resolution to both you and your tenants.
- Supporting more cost effective and quicker dispute resolution.
- Reducing the reliance on using the courts.

Apply Awaab's Law to The Private Rented Sector

- Implement a crack down on addressing damp and mould within a specific time period under new legislation in memory of **Awaab Ishak**.
- Set clear legal timeframes within which landlords must investigate and fix serious problems to ensure rented homes are safe.

Apply the Decent Homes Standards (DHS) to the Private Rented Sector (PRS)

- Privately rented homes will need to meet these standards to ensure renters will have safe, secure and hazard free homes.

Creating A Digital Private Rented Sector (PRS) Database

Introduce a PRS database to ensure tenants, landlords and local authorities have access to critical information. You must register yourself and all properties on this public database from the time the property is advertised until any letting finishes.

- You will be better able to understand your responsibilities and demonstrate compliance.
- Tenants will be able to access information to make informed choices.

- Local councils to have access to better data to target enforcement where needed.
- It will be an offence for an agent to market, or let a property not on the database and not providing the required information.

Change To Acceptable EPC Ratings

- You will have to ensure any let properties reach a C energy efficient rating. Currently we believe the Government will want this by 2030.
- Background: EPC ratings – When landlords sell or rent they must have a valid Energy Performance Certificate (EPC) or a valid exemption. An EPC has both information about a property's energy use and typical energy costs and recommendations about how to reduce energy use and save money. Properties are rated from band A, the most efficient, to band G the least efficient. Assured Shorthold Tenancies must currently have an EPC of at least band E to be let out. The Government are working on plans to raise this to a band C. Taking steps to make property's more energy efficient now will pay dividends. Certificates are valid for 10 years.

Enforcement and investigatory powers

The Government have increased the non-compliance fees and extended the scope of the local councils investigatory powers and enforcement processes.

Initial or minor non-compliance will incur a civil penalty of up to £7,000 and serious, persistent or repeat non-compliance a civil penalty of up to £40,000, with the alternative of a criminal prosecution.



How to stay informed and prepared...

Navigating these changes can be complex, but at **Rolfe East**, we are here to help. We will continue to provide updates as the Bill progresses, ensuring our clients have the latest information and expert guidance.

For tailored advice on how these reforms may impact your property portfolio, or for assistance with your rental strategy, **please contact our team today.**



Ready to discuss the Renters' Rights Bill in more detail? Contact your local branch today...

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