

# Renters' Rights Act

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# The Renters' Rights Act 2025 – What it means for landlords and tenants

The Renters' Rights Act 2025 is now law and brings significant reform to England's private rented sector. The legislation removes Section 21 'no-fault' evictions, converts all assured tenancies into periodic agreements, and introduces updated rules covering rent increases, pets, discrimination and property standards.

This overview explains what has changed, when future changes will occur, and how you can prepare.

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# 1. Regaining possession of your property

The Act makes substantial changes to how landlords can recover possession of their properties.

## End of Section 21

Section 21 evictions have been abolished. Landlords are no longer able to end a tenancy without relying on a specific legal ground. Possession will only be possible where one of the statutory grounds applies.

## Move to periodic tenancies

Fixed-term assured shorthold tenancies have been phased out. All tenancies now become assured periodic tenancies. Tenants are able to remain in the property indefinitely unless they choose to leave, providing at least two months' notice.

## Revised grounds for possession

The Act sets out updated and expanded grounds for possession, along with revised notice periods.

For example:

### Occupation by landlord or close family member

The landlord or a close family member of the landlord wishes to move back into the property. Cannot be implemented for the initial 12 months of a new tenancy.

Notice period: **4 months**

### Sale of property

The landlord wishes to sell the property. Cannot be implemented for the initial 12 months of a new tenancy.

Notice period: **4 months**

Tenants who temporarily fall behind with rent receive greater protection. The mandatory rent arrears threshold has increased from two months to three months, and the notice period for this ground has been extended from two weeks to four weeks. Discretionary grounds for rent arrears, such as persistent late payment, are still available to landlords.

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## 2. Increasing rent under the new rules

Landlords are permitted to raise rents, but stricter rules now apply:

- Rent increases are limited to once per year and must reflect the open market rate – defined by the government as the amount the property would achieve if newly advertised to let.
- A valid Section 13 notice must be served, giving tenants at least two months' notice of the proposed increase.
- Tenants retain the right to challenge increases at the First-tier Tribunal (Property Chamber) if they believe the proposed rent exceeds market value. Unlike the previous system, the Tribunal will not be able to set a rent higher than the figure proposed by the landlord.
- Rent increases cannot be backdated. If challenged, the new rent will take effect from the date of the Tribunal's decision.

## 3. Ban on large rent payments in advance

Landlords and agents are no longer able to demand substantial upfront rent payments from prospective tenants in England.

The Act amends the Tenant Fees Act 2019 to prevent landlords or agents from requiring or accepting rent before a tenancy agreement has been entered into. After signing and prior to the tenancy start date, landlords may request no more than one month's rent.

In addition:

- An asking rent must be advertised.
  - Landlords and agents cannot invite or accept offers above the advertised amount.
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## 4. Ban on rental discrimination

The Act prohibits discrimination against applicants who receive benefits or have children, whether directly or indirectly.

Landlords can still choose who they let to and may carry out referencing and affordability checks. However, decisions must be based on financial suitability – not on whether a tenant has children or receives benefits.

## 5. Stronger rights for tenants with pets

Landlords must not unreasonably refuse a tenant's request to keep a pet. If consent is unfairly denied, tenants are able to challenge the decision.

## 6. Creation of a private rented sector Landlord Ombudsman

A mandatory Landlord Ombudsman scheme has been introduced for all private landlords in England with assured or regulated tenancies.

- Tenants are able to access the service free of charge.
- The Ombudsman provides independent, binding decisions.
- It has powers to require apologies, corrective action, information disclosure and/or compensation where appropriate.
- Landlords must comply with decisions by the Ombudsman.

Local authorities enforce compliance. Failure to join the scheme – or marketing a property without registration – may result in fines of up to £7,000 for initial breaches and up to £40,000 or criminal prosecution for repeated or ongoing breaches.

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# 7. Introduction of a private rented sector landlord database

During Phase 2 of implementation, a compulsory Private Rented Sector Database will be launched.

All landlords of assured and regulated tenancies will be required to register and pay an annual fee. Full details of the information required are yet to be confirmed.

Landlords who are not registered will be restricted from seeking possession orders (except under Ground 7A or Ground 14 for anti-social behaviour). Local authorities will also have enforcement powers, including fines of up to £7,000 for initial breaches and up to £40,000 or prosecution for repeated non-compliance.

## Key dates

### Phase 1 – 1 May 2026

Key changes now in force:

- All fixed-term tenancies convert to periodic agreements
- Section 21 abolished
- Amendments and extensions to Section 8 possession grounds
- New Section 13 rent increase rules
- Ban on rental bidding and large rent-in-advance requests
- New anti-discrimination rules covering families, benefit recipients and pet requests
- Local authorities given responsibility for enforcement

### Phase 2 – Late 2026

- Launch of the Landlord Ombudsman
- Introduction of the PRS landlord database

### Phase 3 – Between 2035 and 2037

- Extension of Awaab's Law to the private rented sector
  - Updated Decent Homes Standard to apply to all PRS properties
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## What happens next?

We are currently contacting our landlords and tenants to discuss how these reforms will affect them and how we can assist with the transition.

Further updates will be provided on our website and blog as more information becomes available regarding Phase 2 and its rollout.

If you have any questions, please get in touch and we will be delighted to assist.



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