

R3NTERS' RIGHTS BILL



All you need to know...

Most significant reform since 1988

The Renters' Rights Bill is the most significant reform the private rented sector has seen since the Housing Act 1988. It was introduced to Parliament in September last year with wide-ranging implications for landlords, tenants, and letting agents alike.

What's in this newsletter?

The Bill is expected to become effective within the next few months, and so we provide here some key highlights, relevant milestones over the coming months, together with implications of the main changes proposed by the new legislation.

Bill timeline (in red our **estimated dates** for the Bill to gain Royal Assent. Note these are **estimates** at this stage)

House of Commons

- 1st reading
- 2nd reading
- Committee stage
- Report stage
- 3rd reading

House of Lords

- 1st reading
- 2nd reading
- Committee stage** **Early April**
- Report stage **Mid-April**
- 3rd reading **End-April**

Final stages

- Review amendments **Early May**
- Royal Assent **May**

Commencement date to be set probably two months following Royal Assent – so effective from earliest **July 2025** latest **October 2025**

What will it do? Designed to deliver reforms for the private rented sector

Primary goal and ambition

To give tenants more security to stay in their homes and more freedom to leave standard properties.

- 1** **No more ASTs**
All tenancies to become periodic giving tenants 2 months notice to terminate from the outset
- 2** **Abolish s21 evictions**
"no fault" notices from Landlords to regain possession no longer permissible

- 3** **Restriction on rent increases**
Notice to increase rent can only be provided once a year and at market rate
- 4** **Ban rental bidding wars**
Offers above asking price can no longer (by law) be accepted by Landlords or Estate Agents
- 5** **Enhanced grounds for possession**
Allow additional grounds for Landlords to recover their property when reasonable

- 6** **Rental Sector Database**
Creation of Private Sector Database requiring Landlords to provide better information to tenants
- 7** **Landlord ombudsman**
To help resolve disputes between Landlords and Tenants in a fair and partial way
- 8** **Pets**
Tenants will have the right to request a pet, which landlords must consider and cannot unreasonably refuse.

Key changes explained What will these changes mean in practice, for prospective tenants?

What will happen to tenancies?

The Bill will convert all fixed-term assured shorthold tenancies (ASTs) to periodic tenancies overnight. **Any** ASTs signed now and still "live" when the Bill becomes effective **will convert** into periodic tenancies.

What might it mean for tenants?

This is positive for tenants but may lead to Landlords exiting the market, reducing supply, reducing choice, and increasing underlying rents as a result.

No more bidding wars

The Bill will end the practice of rental bidding by prohibiting landlords and agents from asking / accepting offers above the advertised rent. It will be **illegal to accept offers made above the asking rent**.

What might it mean for tenants?

Again, what might in the first instance seem like a positive move, this may put upward pressure on rents especially in Landlord's market where supply is low.

Limited rent increases

Section 13 notices will be **the only way to raise rent**, which can only be served once per year, be reasonable and in line with the market. Written agreements at the onset will not be valid (such as pre-agreed increase in line with RPI).

What might it mean for tenants?

Once again, what could appear as a positive development, may well end up putting upward pressure on rents at the start to mitigate risk of low future increases.