## UNDERSTANDING THE RENTERS' RIGHTS BILL

Key Changes Explained Theresa Wallace Chair - TLIC

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## Agenda



The Bill's passage through Parliament
 Proposed end of Fixed Term Tenancies
 What else the Bill covers
 What might come next
 Q&A







# When will we have to comply with the bill?



## The Bill's passage through Parliment



#### 1. CURRENTLY AT COMMITTEE STAGE IN THE HOUSE OF LORDS

Bill started in the House of Commons	Bill in the House of Lords	🎬 Final stages	
<ul> <li>Ist reading</li> <li>2nd reading</li> <li>Committee stage</li> <li>Report stage</li> <li>3rd reading</li> </ul>	<ul> <li>Ist reading</li> <li>2nd reading</li> <li>Committee stage</li> <li>Report stage</li> <li>3rd reading</li> </ul>	Consideration of amendments Royal Assent	3. WORKING TOWARDS A COMPLIANT DATE OF OCT 2025 - JAN 2026?
	2	. 'BEST GUESS' ON TIMINGS: Royal Assent July?	 



# The proposed end of Fixed Term Tenancies



## Abolishment of S21 and the start of openended tenancies – what this will mean for you



#### ALL ASTS BECOME 'ASSURED PERIODIC TENANCIES'

No more fixed terms

Superior lease restrictions for ASTs become ineffective

#### **RENTS**

Charged monthly or for each 28-day period AND Cannot take rent until TA entered into.

#### CAN RENT BE PAID IN ADVANCE?

Not before they move in

#### I M P L E M E N T A T I O N

Going for the 'Big Bang' approach





## For a tenant to serve notice





## What serving notice would look like





## Serving notice to move back in or sell your property



#### THE PROPOSED RULES

THERE WILL BE A 12-MONTH PROTECTED TENANCY PERIOD FOR THE TENANT.

A 4 month notice period applies.

THERE IS A RESTRICTION ON REMARKETING FOR LET

16 months (12 months from end of notice period)







# Existing and proposed new mandatory possession grounds

NAME OF GROUND

Redevelopment

Death of tenant

No right to rent

**Rent arrears** 

Occupation as supported accommodation

Compliance with enforcement action

Severe ASB/Criminal Behaviour

Dwelling-house occupied as supported accommodation



NO.	NAME OF GROUND	NO
1	Occupation by landlord or family	5E
1A	Sale of dwelling-house	5F
2	Sale by mortgagee	6
2ZB	Possession when superior lease ends (new proposed ground)	6B
2ZD	Possession by superior landlord	7
4A	Properties rented to students for occupation by new students	7A
5	Ministers of religion	7В
5C	End of employment by the landlord	8

# Existing and proposed new discretionary possession grounds



NO.	NAME OF GROUND	NO.	NAME OF GROUND
10	Any rent arrears	14	Anti-social behaviour
11	Persistent arrears	14ZA	Rioting
12	Breach of tenancy	15	Deterioration of furniture
13	Deterioration of property	17	False statement





## HMTCS



• Building a new digital end-to-end service

...

• Bailiffs?

- Online route for making and responding to possession claims
- Offering improved user experience through guided journeys

## THE LETTINGS INDUSTRY COUNCIL

# Other proposed changes



## **Rent Bidding**



#### **KEY POINTS**

- No offer above specified amounts
- Advertised price is the price
- Applicable to Assured Periodic Tenancies

## **Annual Rent Reviews**



1. RESEARCH LOCAL MARKET RENT

2. SERVE SECTION 13 NOTICE

A tenant can refer to a First Tier Tribunal – before increase commences HM Courts & Tribunals Service

For Disputes Preparation for First Tier Tribunal cases Expected timetables? Capacity?





#### **KEY POINTS**

- Can advertise property as 'no pets' and tenants with pets can be refused
- Cannot refuse unreasonably once tenant is living in property
- Reasonable to refuse if superior landlord (head lease) says no. Other than this, it'll be for the courts to consider
- Tenant Fee Act exception A tenant can be asked to pay for specific 'pet insurance'



## Discrimination

#### **KEY POINTS**

- Illegal for landlords to refuse renting to families with children or those in receipt of benefits.
- However, property will have to be suitable for those renting.





## Non-Compliance penalty proposals



#### STRENGTHENING LOCAL AUTHORITY ENFORCEMENT BY EXPANDING CIVIL PENALTIES

#### Introducing:

- Investigatory powers.
- The requirement for local authorities to report on enforcement activity.

First offence up to £7,000 Persistent offenders (2+ in 5yrs) up to £40,000

#### RENT REPAYMENT ORDERS TO BE EXTENDED TO SUPERIOR LANDLORDS

Increasing from 1 year to 2 years and ensuring repeat offenders repay the maximum amount.

## **Rent and Legal Protection Insurance**



#### HELPS AS A SAFEGUARD TO PROTECT RENTAL INCOME

For landlords with Assured Periodic Tenancies and Assured Shorthold Tenancies now

## **KEY POINTS**

- Policies are aimed at protecting against financial losses due to unpaid rent and covers legal expenses related to eviction.
- There are certain restrictions.



# There is more to follow...



## To follow : A new Landlord Ombudsman



### WHAT IS IT?

A Landlord Ombudsman that will provide quick, fair, impartial and binding resolution for tenants' complaints about their landlord. WHAT WILL YOU NEED TO DO?

You'll need to <mark>become</mark> a member before marketing your property WHAT TENANCIES WILL IT AFFECT?

Only Assured Periodic or Rent Act tenancies

## **To follow : A Private Rented Sector Database**



## WHAT IS IT?

A database to help landlords understand their legal obligations and demonstrate compliance (giving good landlords confidence in their position).

#### WHAT WILL YOU NEED TO DO?

You'll need to register yourself and your property before marketing WHAT TENANCIES WILL IT AFFECT?

Only <mark>Assured Periodic or Rent</mark> Act tenancies

## **Decent Homes Standard**



#### **Proposed extended scope**

Ministry of Housing, Communities & Local Government

Initiative already in place for social housing TO INCLUDE PRIVATE RENTED SECTOR

## Awaab's Law – addressing damp and mould



#### WHAT WILL YOU NEED TO DO?

The intention of Awaab's Law is to impose timescales for responding to repair issues in properties that are related to damp and mould.

#### ARE THERE TIME FRAMES?

You must investigate within 14 days.

You must act within 7 days if a medical professional decides there's a health risk. WHAT TENANCIES DOES IT AFFECT?

All private rented sector tenancies

## Thank you for listening



