

Renters' Rights Act: What it means for Landlords

As a private landlord, understanding what is changing under The Renters' Rights Act (RRA) is extremely important as many of the familiar systems and processes will look different and, following the Act receiving royal assent in October 2025, changes due under the first phase are due to commence on 1st May 2026.

For you, as a landlord, the RRA will bring significant changes to how you need to manage your tenancies and maintain your properties and you will be required to provide your current / existing tenants with information and guidance on the changes and what the changes will mean for them. The Act applies to landlords and tenants in England, but Scotland and Wales will continue to follow their own rental laws.

Here at Fundinground, we want to help you to understand and prepare for these changes to make it easier to adapt and stay compliant.

What are the key changes in the Act?

The Act is being implemented in stages, with the first parts commencing from 1st May 2026.

Phase One:

- **Abolition of Section 21:** One of the most significant changes in the RRA is the removal of Section 21, which previously allowed landlords to end tenancies without reason. Under the new rules, landlords will need a valid ground to regain possession of their property, and this applies to both new and existing tenancies. (Landlords with active Section 21 notices at that time will have a three-month window to begin possession proceedings).
 - Grounds (Section 8) will expand to nearly 40, covering reasons like selling the property, moving in, serious rent arrears, antisocial behaviour and tenancy breaches. Around half of these grounds will be mandatory, meaning courts must grant possession if proven; the rest are discretionary, and notice periods range from immediate to four months.
- **Abolition of Fixed-term ASTs:** All tenancies will become periodic, moving to rolling monthly Assured Periodic Tenancy contracts. This includes existing ones, which will be converted to periodic agreements.
- **Abolition of Minimum Tenancy Term:** Tenants can give two months' notice to leave at any time starting from the day they move in.

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- Changes to Rent increases and Reviews: Increases will be limited to once per year and must come with at least two months' notice, after serving a Section 13 notice. Rent review clauses will no longer be allowed in tenancy agreements, however, landlords can reduce rent at any time, as often as they choose. Tenants can challenge rent increases at a First-tier Tribunal, who may reduce rent if it's found to be above market rate and, if a tenant is facing undue hardship, they can delay the increase by up to two months.
- Abolition of Rent Bids: The Act ends the practice of tenants bidding over the advertised rent, with landlords unable to accept any offers higher than the advertised rent, or more than one month's rent in advance.
- Prevention of Discrimination: Children / Benefit Recipients: Landlords won't be able to refuse tenants solely because they have children or receive benefits. (Tenants may still be rejected based on affordability assessments).
- Consideration for Pets: Landlords must reasonably consider requests to keep pets and cannot unreasonably refuse. (Properties can still be advertised as "no pets", as the rule applied once a tenant is in place).

Phase Two - What can we expect?

- Landlord Database: Alongside this, a national landlord database will be introduced, where landlords register themselves and their properties to show they're meeting the required standards. Registration is mandatory; landlords will be legally obliged to register, and failure to do so may result in fines and could prevent them from obtaining possession orders in most cases. The current expected timeline for rollout is late 2026.
- Ombudsman: To help make things clear, consistent, and resolve disputes more effectively, a new Private Rented Sector Ombudsman will be set up to handle tenant complaints and offer fair, binding decisions. Not currently expected to be rolled out until 2028.
- Decent Homes: The Decent Homes Standard will require privately rented properties to be safe and well-maintained.
- Awaab's Law: Awaab's Law will mandate timely repairs for health hazards, including fixing damp and mould within set timeframes and addressing emergency risks within 24 hours.

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What happens if I don't comply?

If landlords fail to comply, there will be significant financial and legal consequences.

- Civil penalties of up to £7000 for first-time, minor breaches such as accepting rental bids, letting for a fixed period, failing to register with the Ombudsman or landlord database
- Fines of up to £40,000 for serious or repeat offences and unlimited fines and criminal prosecution in the most serious cases.
- Tenants can also claim up to two years' rent for certain breaches, including illegal evictions, unsafe housing conditions and non-compliance with tenancy rules.

Where can I get further information?

It can feel like there are a lot of changes to keep up with. The exact timings for many changes are yet to be released, but we're always on the lookout for new information. Be sure to check our website and social media regularly — we'll be posting helpful information to guide landlords through the changes.

If you'd like to know more about the Renters' Rights Act, there are some great resources available online.

- UK Government [Guide to the Renters' Rights Bill](#) – A detailed breakdown straight from the source
- [National Residential Landlords Association \(NRLA\)](#) – Offers practical advice and updates for landlords
- [The Independent Landlord](#) – Insightful articles and commentary from a landlord's perspective

These sites are a great starting point to stay informed and get ready for the changes ahead.