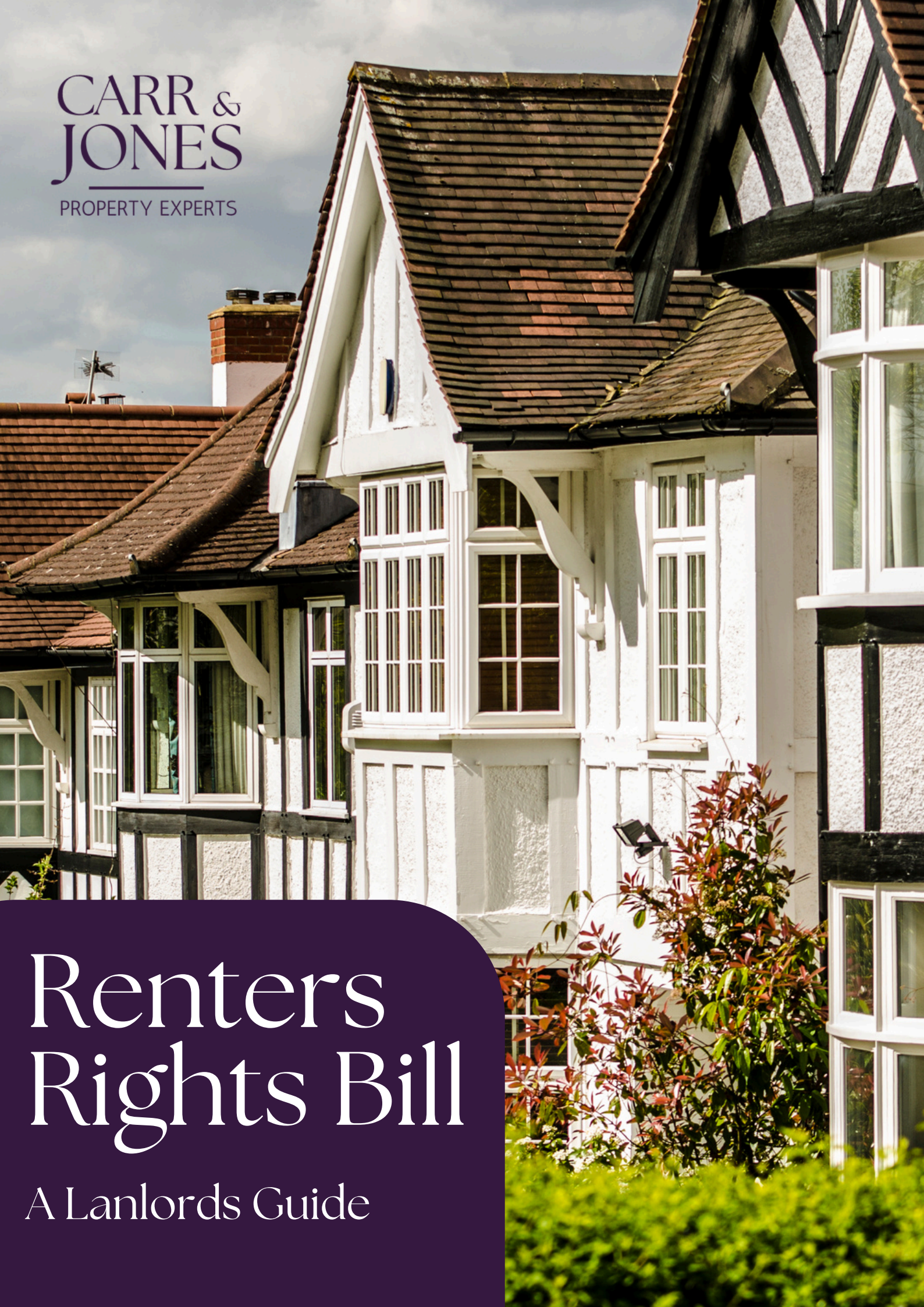


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PROPERTY EXPERTS



Renters Rights Bill

A Landlords Guide

Introduction

Introduced to Parliament on 11 September 2024, the Renters Rights Bill aims to reform the law surrounding rented homes in England. There are many parts of the legislation, with a few key factors such as:

- Abolishment of fixed-term assured tenancies and assured shorthold tenancies.
- Ending Section 21 'no fault' evictions.
- Withdrawal of landlords' right to ask for rent in advance.
- A requirement for all landlords to register with an approved ombudsman service.
- Introduction of new, and amendments to existing grounds for possession.

Although the legislation applies mainly in England, measures in relation to discrimination against those who receive benefits or have children will also extend to Wales and Scotland.

Tenancy reform

The Bill proposes amendments to the Housing Act 1988 meaning that all assured tenancies will be periodic and can no longer have fixed terms.

The length of the rent period of an assured tenancy will be limited, meaning that rent periods must be either monthly or no more than 28 days long. That is, if the rent is paid per calendar month, it will be a monthly periodic tenancy. However, for the few tenancies where the tenant pays weekly, it will be a rolling weekly tenancy.

Further changes allow tenants to end a tenancy by giving two months' notice in writing, with the end date of the tenancy needing to align with the end of a rent period.

Amendments to the Housing Act 1988 mean long leases (of between seven and 21 years) cannot be assured tenancies.

This will allow leases over seven years to have fixed terms, primarily affecting shared ownership products and leasehold agreements with ground rents that meet the legal threshold of an assured tenancy (£250 per annum outside of London and £1,000 per annum for those inside London).

Landlords will be unable to use the Section 8 grounds to obtain possession of long leases which are assured tenancies by virtue of the fact that they are not at low rent, including where a shared owner has built up arrears of rent.

NB: Landlords will be unable to specify a particular form of written communication. Although a shorter notice period is allowed, both parties must agree in writing, either in the tenancy agreement or in a separate document. Tenants may withdraw a notice to quit under an assured tenancy if the landlord agrees to allow flexibility for both the landlord and tenant.

Timetable

From the date of the legislation commencing, all new assured tenancies must be periodic from the start, and all existing assured tenancies will become periodic, including those in a fixed term.

NB: Landlords will no longer be able to serve new Section 21 or old-style Section 8 notices to evict their tenants.

Changes to grounds for possession

Application of these measures will apply through a Legislative Consent Motion by the Scottish and Welsh Governments.

The legislation amends the grounds for possession in Schedule 2 of the Housing Act 1988, including notice periods and the courts making orders for possession.

NB: After the mandatory notice period, a tenant must either vacate the property, or the landlord may start court proceedings to regain possession.

The Bill will abolish Section 21 evictions, meaning landlords will need to use a Section 8 ground for possession under specific circumstances. To regain possession, landlords will serve notice in the prescribed form, giving at least the required notice period to the tenant.

NB: As in the current system, landlords will need to go to court if a tenant does not leave and provide evidence that the ground applies. For example, a landlord might show they have instructed an estate agent to prove they are selling a property.

The landlord won't be able to obtain an order for possession unless they have:

- Either paid the deposit into an authorised tenancy deposit scheme or have returned the deposit

AND

- Registered their property on the Private Rented Sector Database.

NB: These restrictions will not apply to antisocial behaviour grounds.

GROUNDS FOR POSSESSION

THE BILL INTRODUCES NEW GROUNDS FOR POSSESSION FOR THE PRIVATE LANDLORD AND AMENDS THE KEY RENT ARREARS GROUND. IT ALSO EXTENDS THE NOTICE PERIOD FOR MANY KEY GROUNDS.

MANDATORY GROUNDS FOR POSSESSION

Ground	Summary	Notice Period
1 Occupation by landlord or family (widened)	The landlord or their close family member wishes to move into the property. Cannot be used for the first 12 months of a new tenancy.	4 months
1A Sale of property-house (new ground)	The landlord wishes to sell the property. Cannot be used for the first 12 months of a new tenancy	4 months
1B Sale of property-house under rent-to-buy (new ground)	The landlord is a private registered provider of social housing, and the tenancy is under a rent-to-buy agreement.	4 months
2 Sale by mortgagee (amended)	The property is subject to a mortgage and the lender exercises a power of sale requiring vacant possession.	4 months
2ZA Possession when superior lease ends (new ground)	The landlord's lease is under a superior tenancy that is ending. Can only be used by private registered providers of social housing, agricultural landlords, a person who held the dwelling for the purposes of making it supported accommodation or a company majority owned by a local authority.	4 months
2ZB Possession when superior lease ends (new ground)	The landlord's lease is under a superior tenancy that is coming to an end or has ended. Can only be used if the superior lease was for a fixed term of over 21 years.	4 months
2ZC Possession by superior landlord (new ground)	After a superior tenancy ends, the superior landlord becomes the tenant's direct landlord and seeks to take possession. Can only be used where the intermediate landlord prior to reversion was a private registered provider of social housing, agricultural landlord, a person who held the dwelling for the purposes of making it supported accommodation or a company majority owned by a local authority.	4 months

MANDATORY GROUNDS FOR POSSESSION

- CONTINUED

Ground	Summary	Notice Period
2ZD Possession by superior landlord (new ground)	After a superior tenancy ends, the superior landlord becomes the tenant's direct landlord and seeks to take possession. Can only be used where the superior lease was for a fixed period of over 21 years and has expired, or within a 12 month period of the fixed term expiry date, if the fixed term has been ended early. Or if the superior tenancy comes to an end after the expiry of the fixed term as a result of a valid notice.	4 months
4 Student accommodation (amended)	In the 12 months prior to the start of the tenancy, the property was let to students. Can only be used by specified educational establishments.	2 weeks
4A Properties rented to students for occupation by new students (new ground)	A property is let to full-time students and is required for a new group of students in line with the academic year.	4 months
5 Ministers of religion (amended)	The property is held for use by a minister of religion to perform the duties of their office and is required for occupation by a minister of religion.	2 months
5A Occupation by agricultural worker (new ground)	The landlord requires possession to house someone who will be employed by them as an agricultural worker.	2 months
5B Occupation by person who meets employment requirements (new ground)	A private registered provider of social housing holds the property for use by tenants meeting requirements connected with their employment and it is required for that purpose (and the current tenant does not fulfil those requirements).	2 months

MANDATORY GROUNDS FOR POSSESSION

- CONTINUED

Ground	Summary	Notice Period
5C End of employment by the landlord (amended, previously ground 16 (expanded))	The property was let as a result of the tenant's employment by the landlord and the employment has come to an end OR the tenancy was not meant to last the duration of the employment and the property is required by a new employee.	2 months
5D End of employment requirements (new ground)	A private registered provider of social housing, included an employment requirement in the tenancy agreement that the tenant no longer fulfils (e.g., key worker).	2 months
5E Occupation as supported accommodation (new ground)	The property is held for use as supported accommodation and the current tenant did not enter the tenancy for the purpose of receiving care, support or supervision.	4 weeks
5F Property-house occupied as supported accommodation (new ground)	The property has been used as temporary accommodation for a homeless household, under s193 of the Housing Act 1996, and a local housing authority has notified the landlord that the tenancy is no longer required for that purpose. The landlord can only use this ground if within 12 months of the date of the notice from the local housing authority.	4 weeks
5H Occupation as 'stepping stone accommodation' (new ground)	A registered provider of social housing or a charity lets to a tenant meeting eligibility criteria (e.g., under a certain age) at "affordable rent", to help them access the private rented sector and/or transition to living independently, and the tenant no longer meets the eligibility criteria, or a limited period has come to an end.	2 months
6 Redevelopment (amended)	The landlord wishes to demolish or substantially redevelop the property which cannot be done with the tenant in situ. Various time limits and/or notice requirements exist for this ground depending on the circumstances. The landlord and tenancy must be of the kind listed in the table.	4 months

MANDATORY GROUNDS FOR POSSESSION

- CONTINUED

Ground	Summary	Notice Period
6A Compliance with enforcement action (new ground)	The landlord is subject to enforcement action and needs to regain possession to become compliant.	4 months
7 Death of tenant (amended)	The tenancy was passed on by will or intestacy. Possession proceedings must begin no later than 12 months after death or, if the court directs, after the date on which the landlord became aware of the death.	2 months
7A Severe ASB / criminal damage	The tenant has been convicted of a type of offence listed in the ground, has breached a relevant order put in place to prevent anti-social behaviour or there is a closure order in place prohibiting access for a continuous period of more than 48 hours	Landlords can begin proceedings immediately
7B No right to rent	At least one of the tenants has no right to rent under immigration law as a result of their immigration status and the Secretary of State has given notice to the landlord of this	2 weeks
8 Rent arrears (amended)	The tenant has at least three months' (or 13 weeks' if rent is paid weekly or fortnightly) rent arrears both at the time notice is served and at the time of the possession hearing	4 weeks (increased from 2 months and up from 2 weeks)

DISCRETIONARY GROUNDS FOR POSSESSION

Ground	Summary	Notice Period
9 Suitable alternative accommodation	Suitable alternative accommodation is available for the tenant.	2 months
10 Any rent arrears	The tenant is in any amount of arrears.	4 weeks
11 Persistent arrears	The tenant has persistently delayed paying their rent.	4 week
12 Breach of tenancy	The tenant is guilty of breaching one of the terms of their tenancy agreement (other than the paying of rent).	2 weeks
13 Deterioration of property	The tenant has caused the condition of the property to deteriorate.	2 weeks
14 Anti-social behaviour (amended)	The tenant or anyone living in or visiting the property has been guilty of behaviour causing, or likely to cause, nuisance or annoyance to the landlord, a person employed in connection with housing management functions, or anyone living in, visiting or in the locality of the property. Or the tenant or a person living or visiting the property has been convicted of using the premises for illegal/immoral purposes or has been convicted of an indictable offence in the locality.	Landlords can begin proceedings immediately
14A Domestic Abuse	A social landlord wishes to evict the perpetrator of domestic violence if the partner has fled and is unlikely to return.	2 weeks
14ZA Rioting	The tenant or another adult living at the property has been convicted of an indictable offence which took place at a riot in the UK.	2 weeks
15 Deterioration of furniture	The tenant has caused the condition of the furniture to deteriorate.	2 weeks
17 False statement	The tenancy was granted due to a false statement made knowingly or recklessly by the tenant or someone acting on their instigation.	2 weeks
18 Supported accommodation (new ground)	The tenancy is for supported accommodation and the tenant is refusing to engage with the support	4 weeks

NEW GROUND FOR POSSESSION OF PROPERTIES OCCUPIED BY STUDENTS

Ground 4A allows landlords to recover possession of Houses in Multiple Occupations (HMOs) let to full-time students.

Landlords must serve four months' notice, which can only expire from 1 June to 30 September each year, in order to re-let the property to full-time students again.

If the property is let on a joint tenancy, each tenant must be a full-time student when the tenancy is created.

If there are individual tenancies between the landlord and each tenant within an HMO, only tenants who meet the student criteria can be evicted.

NB: Student criteria mean they must be full-time students receiving education from a higher education institution as covered by the Education Reform Act 1988. Students must be enrolled or the landlord must reasonably believe they will become students during the tenancy.

Landlords will be required to provide written notice before the tenancy is entered into of their intention to use the ground on the basis that the current tenants are full-time students, and the landlord intends to relet the property to new full-time students.

NB: Unless a written notice is provided, landlords will not be able to regain possession using the ground.



ANTI-SOCIAL BEHAVIOUR GROUNDS

Landlords can begin court proceedings under ASB grounds (7A and 14) immediately. However, a court cannot make an order for possession until at least 14 days after notice has been served.

Should the court pursue a Section 8 notice, the 14 days will begin either from the date on which notice was served or from the date on which the possession proceedings began; this will be at the discretion of the court.

NB: Under current requirements, judges give specific consideration to the impact on victims. In future, judges will also have to consider whether the perpetrator has engaged with steps taken to resolve their behaviour, such as Anger Management and Rehabilitation clinics, and the particular impact of the behaviour on fellow tenants in HMOs.

STATUTORY PROCEDURE FOR INCREASES OF RENT

The Bill amends current requirements so that issuing a section 13 notice and giving at least two months' notice will be the only valid way that a private landlord can increase the rent. This includes any rent review clauses in tenancy agreements becoming invalid.

Landlords will be restricted to increasing rents once a year, and the new rent must reflect market rates. If the tenant accepts the proposed rent increase, they simply need to pay the new amount on the next rent day.

NB: The new rent amount will take effect two months after a Section 13 notice is issued, if it is not challenged by the tenant in the Tribunal or if the landlord and the tenant agree on a different variation of rent. This variation must be lower than the rent proposed in the notice, or the landlord and tenant can agree that the rent should not be varied.

If the tenant thinks it is above market rate, they will be able to challenge the notice free of charge at the First-tier Tribunal (FTT), which will have the power to reduce the rent if the rent is above the market value. To do this, the tenant must bring the case to the FTT before the start date of the new rent and must notify their landlord or agent that they are doing so.

In cases of undue hardship, the FTT will have the power to defer rent increases by up to a further two months.

NB: The new rent determined by the tribunal must be the lower of the market rent or the landlord's proposed rent. Unlike currently, the tribunal cannot determine a new rent that is higher than the landlord's proposed rent.

Tenants will also have the ability to challenge the amount of rent as being above market rent within the first six months of signing the new tenancy agreement.

Tenants can also challenge the validity of a Section 13 notice in the FTT (for example, if a landlord gave insufficient notice of the rent increase, rather than because the tenant considered the rent to be excessive), instead of in the county court.

RIGHT TO REQUEST PERMISSION TO KEEP A PET

It will be an implied term of every assured tenancy that a tenant may keep a pet with the landlord's consent, unless the landlord reasonably refuses, including where accepting a pet would breach an agreement with a superior landlord.

The request must be made in writing and include a description of the pet sought. Landlords will be required to fully consider all requests on a case-by-case basis. A landlord or their managing agent must respond to a written request from the tenant within 28 days.

Landlords can request further information from the tenant about the pet (on or before the twenty-eighth day after the request). Once the tenant provides that information, the landlord can delay their response by a further seven days. However, if the tenant does not provide that information, the landlord is not required to give or refuse consent. Any agreement in delay between the tenant and landlord will set the new deadline for the response.

Where the landlord and the tenant agree that the landlord may delay giving or refusing consent, the landlord may delay until whatever date is agreed between the landlord and the tenant.

Indemnity and insurance for pets

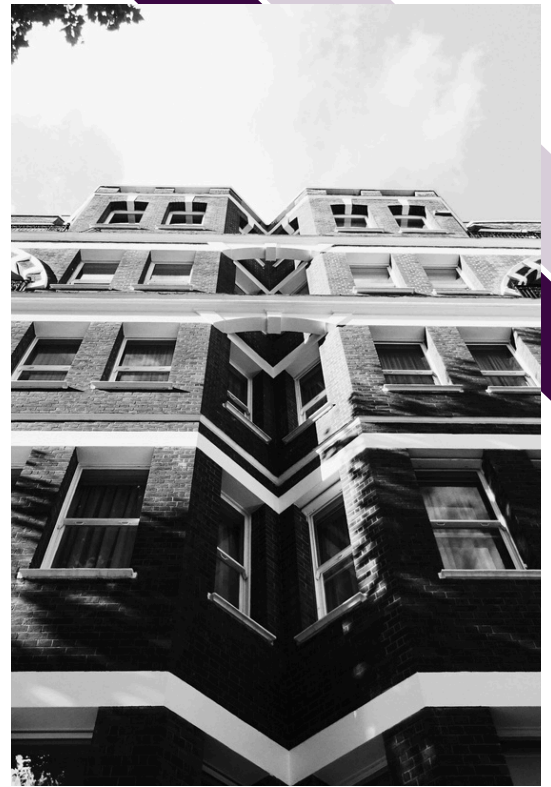
At the time of consenting to allow a pet, the landlord can place one of the following conditions on the consent (if given in writing):

- The tenant has insurance that covers the risk of pet damage to a level that is reasonable having regard to the pet and the property and its common parts.
- The tenant pays the landlord's reasonable costs of having insurance that covers the risk of pet damage in respect of the time the pet is at the property to a level that is reasonable having regard to the pet and the property and its common parts.

NB: The Tenant Fees Act 2019 is amended so that where the landlord has taken out the insurance, it provides that the landlord can recoup the reasonable costs of maintaining this insurance, including the premium for a policy that covers only pet damage and any excess fees, from the tenant before, during, and after the tenancy commences.

Tenants also pay a tenancy deposit which can be used for damages, although landlords should not attempt to recover costs twice for the same damage.

Where a tenant feels that a landlord has unreasonably refused their request, they will be able to escalate their complaint to the Private Rented Sector Ombudsman or they could take the case to court. A final decision will be based on the evidence provided by both parties.



DUTY OF LANDLORD AND LETTING AGENTS TO GIVE STATEMENT OF TERMS

The changes

There are new requirements for landlords and letting agents to provide tenants with a written statement of terms and information before the tenancy is entered into.

NB: This can be in the form of an agreement in writing between the landlord and tenant, or a record of terms otherwise agreed.

The written statement must set out basic information about the tenancy and both parties' responsibilities while retaining both parties' rights to agree and adapt terms to meet their needs.

If an existing tenancy is wholly or partly in writing, neither landlords nor the letting agent will have to issue an updated statement of terms.

Where an existing tenancy agreement is wholly oral, the obligation to provide a written statement of terms needs to be met within a month of the commencement date.

NB: Landlords and letting agents are responsible for providing tenants with information in writing regarding the changes made by this Bill. This must be done within a month of the commencement date.



DISCRIMINATION IN THE RENTAL MARKET: ENGLAND

The Bill prohibits any policies, processes, or behaviours that restrict those who have a child that lives with or visits them at the property, and those who are or may be benefit claimants.

This includes:

- Enquiring about the availability and other information about the property.
- Viewing the property.
- Applying measures to make those with a child, or who are or may be a benefit claimant, less likely to enter into a tenancy.

The ban applies to all assured tenancies other than supported accommodation, and to all relevant discrimination including that which targets a specific subset of ‘child’, such as those in fostering arrangements.

Legislation states that any consideration to refuse lets based on a child should be clearly evidenced as this will be required should the matter go to court.

NB: For example, a one-bedroom flat might be suitable for a parent with a baby but not for a parent with two teenage children, where this level of occupancy would mean that rules on overcrowding were breached.

NB: Benefits claimant means a person who is:

- Entitled to payments under or by virtue of the Social Security Contributions and Benefits Act 1992 or the Welfare Reform Act 2012.
- Entitled to payments under or by virtue of the Jobseekers Act 1995, the State Pension Credit Act 2002, the Tax Credits Act 2002, the Welfare Reform Act 2007 or the Pensions Act 2014.
- In receipt of a reduction in the amount of council tax payable in respect of the person’s current home under a scheme made by a billing authority relating to the Local Government Finance Act 1992.

Entitled to a reduction in the amount of council tax payable in respect of the property in question under a scheme made by the billing authority in whose area the property is located in relation to the Local Government Finance Act 1992, if the person were to rent the property on a relevant tenancy, and if an application is a precondition of entitlement, apply to the billing authority for a reduction under the scheme.

Terms in superior leases relating to children or benefits status

A superior landlord may only include restrictive terms on letting to those with children if it is a proportionate means of achieving a legitimate aim.

Terms in mortgages relating to children or benefits status

The measures extend to terms in mortgages and superior agreements which restrict the letting of a property to private renters without children or who receive benefits and are of no effect, preventing any breach of contract where a landlord fails to fulfil them.

Terms in insurance contracts relating to children or benefits status

Existing insurance contracts that begin before the legislation comes into force will be exempt from the provisions until the insurance contract comes to an end or is renewed.

Landlords and agents will continue to have the final say on who they let their property to and can carry out referencing checks to make sure tenancies are sustainable for all parties. They will be able to do this based on affordability, but not on the basis that the prospective tenant has children or is in receipt of benefits.

NB: The Secretary of State has the power to protect others under the legislation and extend rental discrimination measures to additional groups in England in the future, if deemed necessary, for example, care leavers or prison leavers and those with a history of offending.

Enforcement

Local councils can impose civil penalties on landlords and anyone acting directly or indirectly on their behalf of up to £7,000 for breaches. Those issued with a financial penalty will be able to appeal the penalty at the First-tier Tribunal.

NB: Landlords and letting agents can receive multiple penalties for continued and repeat breaches.

Prospective tenants will be able to pursue a breach through their local council or through the courts and seek redress through the new Private Rented Sector Ombudsman and letting agent redress schemes.

Timetable

Following Royal Assent of the Renters' Rights Bill, the UK Government will allow time to transition to the new system.

REQUIREMENT TO STATE RENT AND TO AVOID RENTAL BIDDING

The changes

The Bill prevents encouraging a prospective tenant to offer an amount above that which is stated in the advertisement or offer.

NB: This means that landlords and letting agents cannot accept an offer above that which is stated in a written advertisement or written offer.

Enforcement

Local authorities may issue fines up to £7,000 for any breach and can issue multiple fines if repeat breaches are found. Tenants will be able to pursue a breach through their local council and seek redress through the new Landlord Ombudsman and letting agent redress schemes.

Timetable

Once enacted, the Renters' Rights Bill will require landlords and letting agents to publish an asking rent for their property.

LANDLORD REDRESS SCHEMES

The changes

The legislation requires all residential landlords to be a member of a new Private Rented Sector Landlord Ombudsman Service.

A landlord redress scheme provides an independent investigation following a complaint made by, or on behalf of, any current, former, or prospective tenant. The scheme must be free of charge for the complainant to use and must be approved and designated by the Secretary of State or the administrators on behalf of the Secretary of State.

NB: A prospective residential tenant means anyone who offers to become a residential tenant of a property that is marketed for the purpose of creating a residential tenancy, or with a view to deciding whether to become a residential tenant of a property that is marketed, as well as requests for information about the property from a person marketing it, or visits or requests to visit such a property by arrangement with a person marketing it.

Landlords will need to be a member of a landlord redress scheme before, during, and after (for a period to be specified in regulations) a property is marketed for the purpose of creating a residential tenancy under which that person will be a residential landlord.

NB: Following the implementation of the Building Safety Act 2022, any landlord redress scheme must cooperate regarding the exercise of any building function of the regulator and any function of the administrator relating to the scheme.

Landlords will likely pay a small annual fee, set by the ombudsman service, per property.

The following types of redress via the scheme can be provided:

- Provide information
- Take remedial action
- Provide an apology or explanation
- Pay compensation

Landlords and agents remain responsible for their own actions and behaviours, as well as the respective services they have agreed to and are legally bound to provide to tenants. Tenants and landlords will still be able to complain about agents and receive redress through the existing agent redress schemes.

Enforcement

Local authorities may fine landlords with civil penalties of up to £7,000 for initial breaches and up to £40,000 or criminal prosecution for continuing or repeated breaches. This includes landlords failing to join the Private Rented Sector Landlord Ombudsman Service, and letting agents who market a property where the landlord is not registered.

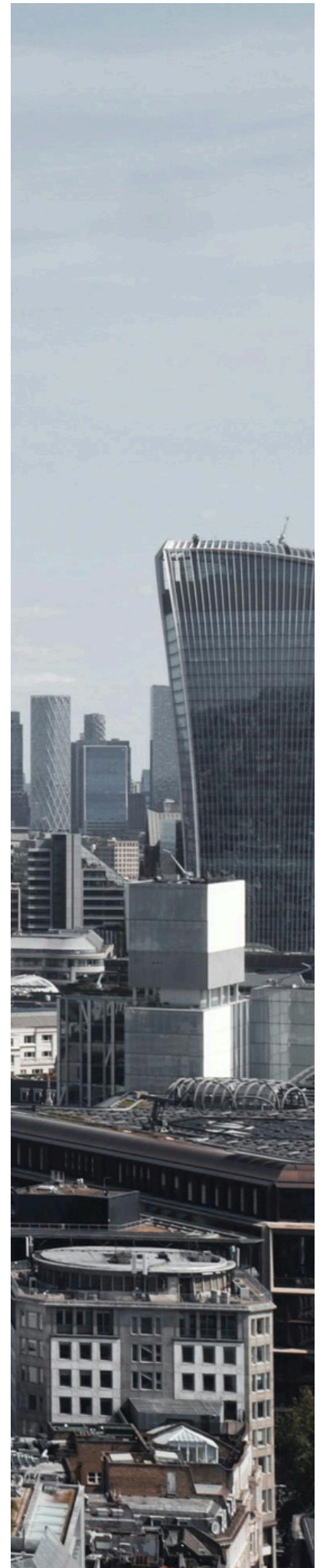
The Bill gives the First-Tier Tribunal the right to award a rent repayment order for “continuing or repeat breaches” of the Private Rented Sector Landlord Ombudsman Service.

Landlords will be legally obliged to comply with the Landlord Ombudsman Service decisions, and failure to comply is subject to local council enforcement action. Failure to comply may result in a landlord being expelled from the scheme.

Timetable

Regulations introducing a Private Rented Sector Landlord Ombudsman Service will be introduced as soon as possible following Royal Assent.

NB: Landlords will be given notice of the date by which they will be required to sign up to the ombudsman service and sufficient time to make appropriate arrangements.





THE PRIVATE RENTED SECTOR DATABASE

The changes

Introduction of a public PRS Database of all landlords and the properties they let.

The operator of the Database must maintain entries on:

- Any existing or prospective person related to residential lettings
- Properties which are, or intend to be, let under a residential tenancy.
- Residential landlords that have received Banning Orders, convictions, financial penalties, and improvement notices.

NB: For landlords who are unable to register online, the Database operator must provide alternative offline ways for registrations to be processed.

The Database operator means the Secretary of State, or a person whom the Secretary of State has arranged to be the Database operator.

The operator will be able to:

- Provide information about how, and by whom, a landlord or property entry is to be made.
- Requirements to keep active entries up to date.
- Circumstances in which active entries become inactive (e.g. if the landlord has sold the property or if it is no longer being let).
- Verify, correct and remove entries.
- Require information or documents to be provided (e.g. gas safety certificates and Electrical Installation Condition Reports).
- Impose other requirements, including requirements for the payment of fees.
- Set timescales for complying with entry requirements to the Database (this cannot exceed 28 days from the day on which an entry is made).

NB: The fee payable by the landlord will be based on costs to establish, operate and enforce the requirements of the Database.

Local authorities will be able to edit the Database and access information which is given to enforcement bodies.



RESTRICTIONS ON MARKETING, ADVERTISING AND LETTING PROPERTY

Any letting or management agent will be responsible for checking that a landlord and the property are correctly registered on the database before they market a property for let. Failure to do so will result in the agency facing penalties.

NB: Information providers such as newspapers or online platforms do not have to meet this criterion.

Unique Identifiers

The database operator will assign a unique identifier to each landlord and property once registered. Both identifiers should be listed on any written advertisement for the property.

Enforcement

Those that fail to register will be unable to get a possession order from the court, except in cases where the notice is under a ground of either 7A or 14 (Anti-Social Behaviour).

Local authorities and councils will be able to take enforcement action against private landlords that fail to join the Ombudsman Scheme and register with the Database. If a landlord or the agent/management company lets a property without being registered, they can be issued a civil penalty of up to £7,000 by the local authority.

If the landlord or agent repeatedly breaches the requirements, or they commit a serious offence such as providing fraudulent information to the database or false identifiers, they may be issued with a civil penalty of up to £40,000 or could face criminal prosecution.

NB: The UK Government intends for the Private Rented Sector Database to replace the functionality of the Database of Rogue Landlords and Property Agents relating to private sector landlords.

Timetable

The Database is currently undergoing digital development, and the government aims for services to be operational as soon as possible following the passage of primary and secondary legislation.



DECENT HOMES STANDARD

The changes

The legislation amends the Housing Act 2004 systems for assessing and enforcing housing standards. The system will specify requirements to be met by rented properties through regulations, including:

- The state of repair of the premises
- Things to be provided for use by, or for the safety, security or comfort of, persons occupying the premises.
- The means of keeping the premises at a suitable temperature.

Local authorities will have the power to inspect a property to determine whether any category 1 or category 2 hazards under the Housing Health and Safety Rating System (HHSRS) exist on the premises and whether the property meets the requirements set out in the Decent Homes Standard regulations.

Enforcement

If a privately rented property fails to meet the Decent Homes Standard requirements, the local council will have a range of enforcement mechanisms available. This includes, for example, issuing an improvement notice requiring the landlord to remedy the failure within a specified timescale, or a rent repayment order. Landlords who fail to comply with enforcement action can be subject to a civil penalty of up to £7,000 or criminal prosecution.

Timetable

On 22 September 2024, the UK Government announced that they will consult on a Decent Homes Standard for the rented sectors.

AWAABS LAW

The changes

Awaab's Law was introduced for social housing through the Social Housing (Regulation) Act 2023, following the tragic death of two-year-old Awaab Ishak due to prolonged exposure to mould. The changes that the Act will introduce include:

- Unlimited fines to rogue social housing landlords and stronger powers for social housing to carry out regular inspections.
- Additional ombudsman powers to publish best practice guidance to landlords.
- Powers to set strict timeframes for social landlords to address and resolve hazards such as damp and mould.
- High qualification requirements for social housing managers.

The changes

The Renters Rights Bill extends Awaab's Law to the Private Rented Sector and includes the requirements for landlords to address hazards such as mould and damp.

NB: The UK Government brought forward legislation for Awaab's Law in the social housing sector in August 2024.

Enforcement

Failure to comply will allow tenants to challenge landlords and agents through the courts for breach of contract. Should the courts agree with the tenants' findings, they can order the landlord to take appropriate action and/or pay compensation.

The tenants can also complain to their landlords or agents if they are not satisfied with the response and then take this to the new Ombudsman service.

Timetable

In January 2024, the Department for Levelling Up, Housing and Communities launched a consultation on Awaab's Law. The UK Government will respond to the consultation and set out further details for plans for the PRS in due course.

FINANCIAL PENALTIES AND OFFENCES

Local authorities can issue civil penalties against landlords and agents who evict their tenants illegally.

First or minor non-compliance will incur a civil penalty of up to £7,000.

Serious or repeat non-compliance will incur a civil penalty of up to £40,000. Local authorities will also have the power to pursue a criminal prosecution with an unlimited fine.

Under the new Renters Rights Bill, local authorities have a range of new investigatory powers which allow them to enforce the legislation. These include:

- Requiring information from relevant persons and any persons.
- Requiring financial information from landlords and third parties such as banks, accountants, and client protection schemes.
- To enter business and residential premises.

NB: Just like the Consumer Rights Act 2015 allows local authorities to enter letting and estate agents without a warrant to gather evidence, the Renters Rights Bill provides local authorities the power to enter landlords' businesses to gather information on suspected non-compliance.

Any uncooperative or misleading behaviour will be penalised with a fine of no more than £1,000. However, for more serious offences, such as falsely claiming to be a housing officer, the fine is unlimited.

The bill provides the Secretary of State the power to appoint a lead enforcement authority or authorities for the purpose of enforcing the measures contained in the bill. The authorities' function will include providing guidance, information, and advice where the local authority may lack the capacity to pursue.



RENT REPAYMENT ORDERS

The Housing and Planning Act 2016 provides Tribunal services with the power to make a rent repayment order against a landlord for certain offences. These include:

- Violence for securing entry to the property
- Eviction or harassment of occupiers
- Failure to comply with improvement or prohibition orders or banning orders.
- Controlling or managing an unlicensed HMO or property.

NB: Rent repayment orders can take into account rent paid by or on behalf of the tenant. Local authorities can also make these in respect of an award of Universal Credit.

The Changes

Amendments are made to the Housing and Planning Act 2016 so that:

- Rent paid in advance can also be considered.
- Maximum compensation doubled from 12 months to 2 years.
- Tenant can apply for rent repayment up to 24 months after the offence.
- Immediate, superior landlords, landlord companies, and individual landlords can all be liable for rent repayment orders.
- For unlicensed HMOs, the bill ensures that superior individuals, immediate individuals, licence holders, and persons with control or managing property are all liable.
- Improvement notices can be served on the person “best placed” to ensure remedial action.

The bill extends to the offence of:

- Knowingly or recklessly misusing a possession ground & PRS database registration
- Breach of restriction (including continuous breach) and including ombudsman breaches.



NB: Where a rent repayment order is made against more than one landlord, those landlords must be held jointly and severally liable for the amount due.

Where a tenant believes their landlord has committed a listed offence, they can apply to the First-tier Tribunal for a rent repayment order. If the Tribunal is satisfied beyond reasonable doubt that the landlord has committed one of the listed offences, it can order the landlord to repay an amount of rent.

FURTHER INFORMATION

Housing Act 1988: [Click Here](#)

Tenant Fees Act 2019: [Click Here](#)

Building Safety Act 2022: [Click Here](#)

Housing Act 2004: [Click Here](#)

Social Housing (Regulation) Act 2023: [Click Here](#)

Measures to ensure decent homes for all: [Click Here](#)

Housing and Planning Act 2016: [Click Here](#)

Renters' Rights Bill: [Click Here](#)

