



# Preparing for the Renters' Rights Act

An Action Plan for  
Forward-Thinking Landlords



## Hello, I'm Ella from Courtyard Homes.

If you're reading this, it's most likely because you're a landlord asking yourself one key question: what will the Renters' Rights Bill mean for my property portfolio?

You may be feeling confused or concerned (or both). Hopefully, this guide will clarify the situation for you and put your mind at ease.

As you probably know, the Renters' Rights Bill is now entering the final stages of the parliamentary process and is likely to become the Renters' Rights Act within a short timeframe.

The legislation will herald a new era for England's private rented sector and bring many challenges for landlords. There will be new laws to abide by and additional costs.

Yet there will also be opportunities for positive-thinking landlords who are committed to maintaining high standards and creating better quality tenancies.

As some landlords exit the market, demand for available rental properties will be high. Landlords will be able to choose from the best-quality tenants, and rents and yields may well appreciate as a result.

At the time of writing (March 2025), the legislators have yet to finalise the shape of the Renters' Rights Act.

However, in this guide, we will summarise the key planned changes to the law and suggest actions you might consider taking now to help you prepare and ensure a smooth transition to the new regime.

We hope you find this guide useful. If we can assist in any way with your property letting and management needs, please do not hesitate to contact us.

We're here to help.

## All tenancies will be periodic tenancies

### Important to know

- > Assured shorthold tenancies (ASTs) for fixed terms will be abolished.
- > All tenancies will be periodic tenancies. These will roll over from month to month.
- > Tenants will be able to leave with two months' notice.

### Are there any positives?

- > Tenants will have greater tenure security, while the impact on landlords with good, long-term tenants should be low.

### Action to take

- > Existing tenancies are expected to automatically convert to periodic tenancies when the Act comes into force. Be aware of what this means for you.
- > Focus on attracting good, long-term tenants. This should minimise the risk of greater tenant turnover and void periods.

## New rules on advance rent, and guarantors

### Important to know

- > Landlords will only be able to request one month's rent in advance and on signing of the tenancy. (As well as a deposit of up to five to six weeks rent.)
- > Where guarantors are requested, their liability will be capped at six months' rent. They will no longer be liable after the death of a tenant.

### Are there any positives?

- > This rule should have a low impact on landlords who do not usually require advance rent and deposits over these amounts.

### Action to take

- > Ensure that your arrangements for taking advance rent and deposits are compliant. Consider if suitable landlord insurance could help address the risks of rent arrears or reliance on guarantors.

## Introduction of an ombudsman, and a redress scheme

### Important to know

- > Landlords will have to join the new ombudsman scheme. A fee will be payable.
- > Tenants will be able to take complaints to the ombudsman. The ombudsman can order landlords to put things right, pay compensation or overturn them.
- > Landlords will not be able to take complaints to the ombudsman.

### Are there any positives?

- > While tenants will be able to complain more easily, it may be easier and cheaper to resolve complaints. Legal action may be avoided.

### Action to take

- > Details of the new scheme have not yet been made available. Follow developments closely and be ready to register once it opens.

## Introduction of a private rented sector database

### Important to know

- > Landlords will need to register with a new PRS database. A fee will be payable.

### Are there any positives?

- > Poor landlords are likely to be negatively impacted. Good landlords should benefit.

### Action to take

- > The details of the database have not yet been released. Stay updated with developments and be ready to register once it opens.



# Possession grounds will change, and be reformed

## Important to know

- > Section 21 'no fault' evictions will be banned. Landlords will require specific grounds to evict a tenant as defined in the new law.
- > There will be a reformed Section 8 evictions process. Grounds for possession will be defined more clearly. They will be either mandatory or discretionary for a court to decide. Depending on the ground, they will have notice periods between two weeks and four months.
- > Landlords can regain possession of their property if they wish to sell it or move in themselves. (However, not within the first 12 months of a tenancy, and four months' notice must be given.)

## Are there any positives?

- > The impact of this change may be less than many people have suggested. Most landlords evict tenants very rarely.
- > It should, in theory, be easier to evict tenants who break their tenancy – particularly in the case of rent arrears or antisocial behavior.
- > You can still sell your property and exit the market should you wish to.

## Action to take

- > Ensure that you attract and retain good tenants. We can advise you on finding the best tenants for your property.



## The right to have pets

### Important to know

- > Tenants will have the right to ask to keep a pet. Landlords will not be able to refuse unreasonably.

### Are there any positives?

- > Landlords will still be able to refuse unreasonable requests.
- > Landlords can insist on suitable insurance to cover against pet damage, which the tenant will pay for.

### Action to take

- > Begin to formulate a 'pet policy'. Consider to what extent your property is suitable for pets and what type of pets.

## A ban on rental discrimination

### Important to know

- > Discriminating against prospective tenants, for example, by refusing to consider tenants on benefits or those with children, will be banned.

### Are there any positives?

- > It will still be legal to decline prospective tenants if you feel the property is unsuitable for them or if they fail affordability or referencing checks.

### Action to take

- > Formulate a marketing/application policy to ensure you do not discriminate against prospective tenants. We can advise on this.

## Extended local authority enforcement

### Important to know

- > Local authorities will have more powers to investigate breaches of housing law and demand information.
- > Civil penalties will increase to a maximum of £7,000 for initial breaches and up to £40,000 in more serious cases.
- > Rent repayment orders will be available for more breaches of the law, and for up to two years of rent.
- > Company directors and superior landlords will be liable in some cases.

### Are there any positives?

- > The impact should be low for good landlords who are compliant. Bad landlords are more likely to be pushed out of the market.

### Action to take

- > Inspect your property regularly and review your systems to identify any issues. Take expert advice where necessary.

## The Decent Homes Standard in the private rented sector

### Important to know

- > This sets minimum property standards. It already applies to the social rented sector and will also apply to private rented property.
- > A new law called Awaab's Law will require landlords to deal promptly with damp, mould, and other defects.

### Are there any positives?

- > Rising property standards should benefit compliant landlords. They will be able to attract good tenants and may earn enhanced rents.

### Action to take

- > Inspect your property regularly and rectify any issues promptly.



# A ban on rental bidding

## Important to know

- > It will be illegal to encourage prospective tenants to pay above the initial asking rent by engaging in a 'bidding war' with other tenants.

## Are there any positives?

- > Landlords who set their rent at the right level should not be impacted.

## Action to take

- > Set rents at the optimum level now. We can provide guidance on this.

## Need to know more?

We've a dedicated team of experts ready to help landlords with any questions they may have about the bill.

Call us today if you need advice on how to best prepare for this and any other regulatory changes.

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