



The Collective Voice of UK Real Estate

# Guidance on the Renters' Rights Act 2025

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# 1 | Introduction

## 1.1 | About this Guidance

The Renters' Rights Act represents the most comprehensive reforms to the Private Rented Sector (PRS) in England in over 30 years. Its reforms necessitate significant changes to landlord operations and the landlord and tenant relationship, and landlords should ensure they are fully across new and changed obligations.

This Guidance has been prepared to assist Real Estate:UK members, landlords, and other interested parties in understanding the Act's scope and its reforms, including when these will come into force.

We would like to thank our Renters' Rights Act Working Group for their support in creating this Guidance:



**Disclaimer:** *this Guidance is intended to provide an overview of the Renters' Rights Act 2025 for informational purposes only.*

*The information and references provided herein are subject to change, and their application depends on individual circumstances. Independent legal advice should be sought before taking action.*

## 1.2 | Key Timelines

The Act comes into force in three phases:

### Phase One – from 1 May 2026

- Abolition of section 21 ‘no fault’ evictions
- Introduction of Assured Periodic Tenancies to the PRS
- Reform of possession grounds
- Limitation of rent increases to once a year in the PRS
- Ban rental bidding and rent in advance
- Outlawing discrimination against renters who have children or receive benefits
- Requirement on PRS landlords to consider tenant requests to rent with a pet
- Strengthening of both local council enforcement and rent repayment orders

**Note:** *The abolition of section 21 and tenancy reforms during Phase One will not apply initially to the social rented sector.*

### Phase Two – from late 2026

- Regional Rollout of the Database for Landlords and Local Councils
- Further Roll out of the Database and Introduction of the Ombudsman

### Phase Three – following consultation

- Introduction of the Decent Homes Standard in the PRS

*Further detail on these changes is found in Section Two of the Guidance.*












## 1.3 | Transitional Arrangements

Once in force as above, the provisions of the Act will apply to all new and existing PRS tenancies in England with no transition period. For those engaged in an ongoing section 21 notice process, landlords will have 3 months to complete proceedings for an order of possession.

If an existing tenancy in the PRS already has a written tenancy agreement, then landlords won't need to change it or issue a new one. Landlords with existing tenancies will instead need to provide tenants with a copy of the government published ‘Information Sheet’ on or before 31 May 2026.

## 1.2 | Key Timelines

We have prepared a table summarising different types of residential agreements and whether they are likely to be in scope of the Act. As a general rule:

Tenancy Type	In Scope?	Explanation / Key Features
<b>Assured Shorthold Tenancy (AST)</b>	 Yes	Will become an Assured Periodic Tenancy ( <b>APT</b> ) under the new rules. Applies where: property is main residence, rent is between £250/£1,000 and £100k/year, self-contained, no resident landlord.
<b>Licence (non-exclusive possession)</b>	 No	True licences are excluded. However, if exclusive possession – which is the default position in residential occupation – is granted, the arrangement will be treated as a tenancy and brought into scope.
<b>Assured Tenancy</b>	 Yes	Often arising from succession or historic agreements. These will transition to Assured Periodic Tenancies where relevant.
<b>Tenancy at Will</b>	 No	Generally commercial, used where either party can terminate easily (e.g. pending sale). May occasionally apply to short-term add-ons like annexes.
<b>Rent Act Protected Tenancy</b>	 No	Remains governed by Rent Act 1977. Already protected.
<b>Holiday Letting</b>	 No	Short stays in non-primary residences (e.g. lodges, caravans). Excluded. Note: must meet specific tax and usage criteria to qualify.
<b>Purpose Built Student Accommodation</b>	 No	Exempt from changes where within the definition of Schedule 14 to the Housing Act 1988 – namely, provider is a member of the AnUK/Unipol Codes.
<b>Serviced Apartment</b>	 Unclear	Depends on use. If a resident has exclusive possession and lives there as their main home, it may be treated as a tenancy and fall in scope.
<b>Occupational Tenancy</b>	 No	Accommodation provided as part of employment (e.g. caretakers) is exempt
<b>Company Letting</b>	 No	Let to a company, not an individual. The occupier is under a licence from the company. Not considered an assured tenancy.
<b>Non-Housing Act Contract (Law of Contract)</b>	 No	Used for second homes or non-principal residences. Where the Housing Act does not apply, the tenancy is contractual. Parties cannot contract out of statute.

# 2 | The Act's Key Changes

## 2.1 | Abolition of 'No-Fault' Evictions (Section 21)

The Act abolishes Section 21, eliminating 'no-fault' evictions. Consequently, landlords must specify and evidence valid grounds for possession, enhancing tenant security.

Landlords will need to rely on revised Section 8 grounds for possession, which require demonstrable reasons such as rent arrears or breaches of tenancy agreements.

## 2.2 | Transition to Periodic Tenancies

The Act mandates the replacement of fixed-term tenancies with open-ended periodic tenancies, allowing tenants greater flexibility to end tenancies with two months' notice.

## 2.3 | New Grounds for Possession

The Act introduces additional grounds and modifies existing ones. The below are the key mandatory grounds for possession:

Clause	Description	Notice Period	Status
<b>6. Redevelopment</b>	Landlord seeking possession to demolish or substantially redevelop the property which cannot be done with the tenant <i>in situ</i> . Must be 6+ months after tenancy starts, and landlord must demonstrate changes cannot be done with the tenant living there.	4 months	Amended
<b>6A. Enforcement Action</b>	Landlord subject to enforcement action by Local Authority or banning order by First-tier Tribunal and needs to regain possession to become compliant. Refused/Revoked HMO licenses, etc.	4 months	New
<b>7. Death of tenant</b>	Tenancy was passed on by will or intestacy. Possession proceedings must begin within 24 months of death.	2 months	Amended
<b>7A. Severe ASB/Criminal Behaviour</b>	Tenant convicted of criminal offence, breached IPNA, breached criminal behaviour order, or convicted of causing noise nuisance.	Immediate	Unchanged

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Clause	Description	Notice Period	Status
<b>7B. No right to rent</b>	At least one tenant has no right to rent.	2 weeks	Unchanged
<b>8. Rent arrears</b>	Tenant is at least 3 months (or 13 weeks) in arrears at the time notice is served and the court hearing. Exemption for outstanding universal credit.	4 weeks	Amended

The below are for discretionary grounds for possession - where the court has the discretion to make a possession order.

Updated Grounds	Points to Note	Notice	Status
<b>9. Suitable alternative accommodation</b>	Suitable alternative accommodation is available for tenant.	2 months	Unchanged
<b>10. Any rent arrears</b>	Tenant is in any amount of arrears when notice is served and on the day of the court hearing	4 weeks	Unchanged
<b>11. Persistent arrears</b>	Tenant has persistently been late paying their rent.	4 weeks	Unchanged
<b>12. Breach of tenancy agreement</b>	Tenant has breached tenancy agreement (excluding payment of rent)	2 weeks	Unchanged
<b>13. Deterioration of property</b>	Tenant has caused the condition of the property to deteriorate	2 weeks	Unchanged
<b>14. Anti-social behaviour</b>	Tenant or anyone living/visiting the property has been guilty of causing nuisance or annoyance, or convicted of certain offences	Immediate	Amended
<b>15. Deterioration of furniture</b>	Tenant has caused the condition of the furniture to deteriorate	2 weeks	Unchanged
<b>16. Employee of landlord</b>	Amended and moved to Mandatory Ground 5C	N/A	Moved
<b>17. False statement</b>	Tenancy was granted due to a false statement	2 weeks	Unchanged

## 2.4 | Rent Regulation and Bidding Restrictions

- **Rent Increase Limitations:** Restricting rent increases to once per year, with a minimum two-month notice period.
- **Ban on Rental Bidding:** Prohibiting landlords and agents from encouraging or accepting offers above the advertised rent.

## 2.5 | Changes to Rent Rules

- **Maximum Rent Period:** The Act caps rent periods at one calendar month, preventing landlords from setting quarterly or six-monthly payment schedules. Existing agreements with longer periods will automatically adjust to monthly payments upon commencement.
- **Requirement to Advertise Rent:** Landlords and agents must state a specific rent amount in advertisements, enforcing the ban on rental bidding. Tenants can challenge excessive rents at the First-tier Tribunal within the first six months.
- **Ban on Rental Bidding:** Landlords and agents cannot invite or accept offers above the advertised rent. Breaches can result in fines of up to £7,000. This may lead to higher initial rent listings to offset the inability to negotiate.
- **Restrictions on Pre-Tenancy Rent Payments:** Landlords cannot request rent payments before signing a tenancy agreement, limiting upfront payments to one month's rent. Voluntary advance payments after signing remain permitted.
- **Changes to Rent Increases:** Rent increases will only be permitted through a Section 13 notice, issued once every 12 months with two months' notice. Rent review clauses in tenancies will be invalid. Tenants can challenge increases at the First-tier Tribunal without risk of rents being raised further than set out in the Section 13 notice.
- **No Rent Controls:** The Act does not introduce rent caps but strengthens tenant protections against excessive increases. While tenants can challenge rises at the First-tier Tribunal, rent will not be reduced unless deemed above market levels.

We note that the changes above may delay rent increases, given expected increases in section 13 appeals and caseloads at the First-tier Tribunal. Landlords may front-load rent increases before the Act takes effect.

## 2.6 | Decent Homes Standard in PRS

**The Act will, as part of Phase Three, extend the Decent Homes Standard to the PRS in either 2035 or 2037, requiring properties to be:**

- Free from serious health and safety hazards.
- In a reasonable state of repair.
- Equipped with reasonably modern facilities and services.
- Providing a reasonable degree of thermal comfort.

The Government will implement a review of the Housing Health and Safety Rating System as part of the pathway to applying the Decent Homes Standard.

## 2.7 | Awaab's Law

The Act will, in Phase Three, enact 'Awaab's Law', mandating landlords to address reported health and safety hazards, such as damp and mould, within defined timeframes:

- **Investigation:** Within 14 days of a complaint.
- **Provision of Findings:** Within 2 days after investigation.
- **Emergency Repairs:** To commence within 24 hours.
- **Non-Urgent Repairs:** To commence within 7 days.

## 2.8 | Right to Keep Pets

The Act grants tenants the right to request permission to keep pets, which landlords cannot unreasonably refuse. Landlords may not require tenants to obtain pet insurance to cover potential damages.

## 2.9 | New Compliance and Administrative Requirements Private Rented Sector Database

The Act establishes a mandatory digital database requiring landlords to register themselves and their properties, including:

- The landlord's contact details, including of any joint landlords.
- The property details including the full address, type of property (flat/ house), number of bedrooms, number of households/residents and confirming whether the property is occupied and furnished.
- Gas, Electric and Energy Performance Certificates – so tenants are assured about the safety and energy efficiency of the property.

All landlords will be required to pay a fee to register with the Database.

## 2.10 | **Private Rented Sector Landlord Ombudsman**

The Act introduces a mandatory Landlord Ombudsman Scheme, requiring all private landlords in England with assured tenancies to join and to fund the service.

The Ombudsman will provide tenants with a free, alternative dispute resolution service. Landlords must comply with Ombudsman rulings, with local councils responsible for enforcement.

Implementation of the Ombudsman will happen after the introduction of the Database, and it is expected to share information with the Database to minimise landlord sign-up burden.

## 3 | FAQs

### **Can I require more than one month's rent upfront?**

Only after a tenancy agreement has been signed, tenants will have the option to pay more in one go. The Act prohibits requesting rent payments before the agreement is finalised. One month's rent is the maximum that can be asked for in advance at the outset.

### **Can I issue a licence instead of an APT?**

Landlords and operators must take care not to use licences as a way to avoid tenant protections. If a resident has exclusive possession and pays rent, the arrangement may be treated as a tenancy in law regardless of what the agreement is called.

This is important because tenants under such arrangements will benefit from the protections in the Act.

### **Are serviced apartments in scope?**

Serviced apartments are a growing part of the market, but whether they are in scope will depend on how they operate in practice. If the resident is granted exclusive possession and resides there as their main home, the arrangement may be considered a tenancy and fall within scope.

### **What use class applies to private rented homes?**

The Act applies based on the nature of the letting arrangement, not on planning use class. However, the majority of private rented homes will fall within Use Class C3 (dwellinghouses). This does not change how tenancies are classified under the Act.

### **Are co-living tenancies included in the reforms?**

Yes – in most cases, co-living arrangements will be in scope if the resident is granted exclusive possession of their studio / private room.

Even when operators issue licences, courts have ruled that exclusive possession generally means the agreement functions as a tenancy. These would be treated as APTs under current legislation and fall within the scope of the reforms.

### **What products are available to help with guarantors?**

Guarantors remain a valid option for landlords, and more insurers are now offering guarantor products in response to the Tenant Fees Act changes.

These typically offer cover where a guarantor is unable to meet their obligations. You should check that any product complies with current regulations, and clarify any fees that might be passed on to tenants.

## **Do I need to include a section on pets in the tenancy agreement?**

You must respond reasonably to any request to keep a pet. “Pet” is defined (in section 45 of the Housing Act 1988) as any animal kept by a person mainly for personal interest; companionship; and/or ornamental purposes.

Consider developing a standard pet policy for your properties.

## **Is pet insurance required under the new rules?**

Landlords will not be able to unreasonably refuse a tenant’s request to keep a pet. While there's no requirement to take out pet insurance, these can help cover damage caused by pets and may provide landlords with more confidence in agreeing to pet requests.

## **Are for-profit registered providers covered by the Act?**

No. The reforms apply to private sector tenancies in England. Registered providers (social landlords) are not in scope, although there may be crossover in Build to Rent or mixed-use schemes. Landlords should check their RP status.

## **Is PBSA covered by the Act?**

No, PBSA tenancies provided by members of the ANUK / National Code for accommodation owned or managed by non educational establishments are exempt from the Act, provided those tenancies fall under the definition in Schedule 14 to the Housing Act 1988.

# 4 | Useful Links

- [GOV.UK Renting out your property: guidance for landlords and letting agents](#)
- [MHCLG Implementing the Renters’ Rights Act 2025: Our roadmap for reforming the private rented sector](#)
- [The Draft Assured Tenancies \(Private Rented Sector\) \(Written Statement of Terms etc and Information Sheet\) \(England\) Regulations 2026](#)
- [GOV.UK Renters’ Rights Act Guidance](#)
- [RE:UK Template Assured Periodic Tenancy](#)



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**Real Estate:UK**  
Uncommon  
81-87 High Holborn  
London  
WC1V 6DF