



Renter's Reform Bill: how would it impact me?

The Private Rented Sector (PRS) is a vital part of the housing market, making up around 19% of all households. While many stay in rented accommodation their entire lives, many use it as a stepping stone towards the property ladder. It takes an average of 10 years to save for a home, which is why it's important to have a sufficient supply of good quality let properties and a fair environment for both landlords and tenants.

What is the Renter's Reform Bill?

The Renter's Reform Bill is a new regulation, aiming to make renting fairer for both landlords and tenants. Set to become law at the end of 2024, the bill looks to impose obligations for landlords and others in relation to rented properties; abolish fixed term tenancies and no-fault evictions; and to crack down on rent increases.

The impact on landlords

Landlords will be limited to increasing rent once a year and be obliged to provide a minimum of two-months' notice

to tenants. Tenants will still be able to challenge the rent increase, should they feel the new amount is not in line with the market rate.

The key impact for landlords is the plan to abolish section 21. Section 21 allows landlords to repossess their property by evicting tenants, without a reason to give notice, which is also known as 'no-fault evictions'.

There is a possibility that the Decent Homes Standard will be extended to the PRS, which would introduce minimum housing standards ensuring a

safe, clean and usable property for renters.

The impact on tenants

Tenants will need to give at least two months notice to landlords, when they wish to vacate, allowing landlords more time to find another tenant. The new regulation will provide greater protection for tenants, such as changing new tenancies, so they don't start as fixed term.

Any new tenancy will be on a month-by-month basis, instead of the usual year or two-year tenancy agreement. This will enable tenants to leave poor-quality properties without being liable for rent, alongside being able to move to a new property more easily should their circumstances change.

For more information, contact your adviser who can support you and discuss the options available to you.



If you'd like to discuss the options available to you, contact your adviser today.

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