

Appendix 4 – Renters Reform Bill Summary

Scrapping Assured Shorthold Tenancies and Section 21:

- Section 21 will be repealed, scrapping Assured Shorthold Tenancies and making all tenancies assured tenancies. They will be periodic, meaning tenants will not have a time limit on their tenancy
- Landlords will no longer be able to evict tenants through “no fault” evictions, and will only be able to evict on a legal ground (e.g. rent arrears, upgrading the home, moving in themselves or moving family in)

Changes to grounds for possession:

- Landlord moving in grounds extended to ‘close family member’. Property cannot be re-marketed for rent for 3 months.
- Landlord intends to sell. Property cannot be re-marketed for rent for 3 months.
- Landlord needs to evict to comply with enforcement notice (e.g. overcrowding, breaching a banning order).
- Change to ground 8 (serious rent arrears): if tenant has some or all rent paid by Universal Credit, any unpaid of unpaid benefits can be ignored
- A “three strikes” rule for rent arrears. If arrears exceed 2 months on three occasions over three years, a ground 8 notice can be served, even if the tenant pays out arrears by the hearing
- Changes to notice periods: the notice period for the mandatory ASB ground will be reduced so the landlord can begin proceedings immediately. Eviction due to rent arrears will be increased from 2 weeks to 4 weeks

Changes to rent and other notice periods:

- Private landlords will be able to increase once a year with the notice period raised from 1 month to 2 months.
- The increase must go through a formal process and tenants can dispute the increase at a First-tier Tribunal if the increase is above market rate.
- Social housing providers can raise the rent once a year with one month’s notice.
- Tenants will now have to give 2 months’ notice rather than one if they wish to leave a property

Pets

- Private rental sector tenants can request a pet and the landlord cannot unreasonably refuse.
- Landlords can mandate that insurance against damage from the pet is purchased for the property, either through adding a premium to their own insurance or through the tenant making their own arrangements.

New penalty powers

- Local Authorities will be able to issue civil penalties for illegal eviction and harassment, rather than prosecution

Local Authority homelessness duty

- Several changes to homelessness duties to remove references to fixed term tenancies (as all future tenancies will be periodic).
- Also removes the 'reapplication duty', where a council's homelessness duty currently reactivates if a tenant becomes homeless again within 2 years after being discharged into the PRS

Landlord Redress Scheme

- A new PRS Ombudsman. Residential landlords will be required to register with the Ombudsman, with enforcement and disputes working in the same way that it currently does with social housing.
- If the landlord is operating while not in the scheme, a first offence civil penalty of up to £5,000 can be applied, with the penalty increasing to up to £30,000 on the second offence, as well as potential criminal proceedings.

The Private Rented Sector Database

- A public database, with information on both landlords and their properties, will be set up. This is already being referred to outside of the Bill as a "Portal".
- Nothing yet on what information the property entries will hold, but landlord entries will hold information on any LA enforcement activity against that landlord.
- Again, there will be penalties applied if the landlord does not sign up themselves or their properties to the database.

Lead enforcement authority

- Creates the possibility of setting up lead enforcement authorities.
- These would be able to take enforcement action themselves (equivalent to any council's powers) and issue guidance.
- Lead enforcement authorities could be Local Authorities or combined authorities

Supported and Temporary Accommodation:

- Requires the government to write a report within a year on policy on safety and quality for exempt supported accommodation and temporary accommodation