

The Renters Rights Bill – What is it For?

Background

The Renters Rights Bill is one of several new measures being introduced by Parliament to reform various aspects of landlord and tenant law.

This one concerns short lettings. Usually these are “assured shorthold tenancies” which are at present for fixed periods and can be extended on a “periodic” basis. Landlords have the power to end the agreement on giving 2 months notice whether the tenant is at fault or not. In the private sector tenants fear that this “no fault eviction” can be used by landlords if they the tenants complain about the condition of the property or excessive rents. There are also other anomalies which favour landlords at the expense of tenants particularly in the private sector.

The new law is mainly concerned with changes that benefit tenants.

There are 11 million private renters in England and 2 million private landlords so the proposed reforms will affect a significant number of people.

The Renters Rights Bill is expected to become law “after Easter” on current estimates.

What will change

- 1) All tenancy agreements will be periodic e.g. month to month renewed under common law without a new tenancy agreement becoming necessary. This will end the confusing distinction between different types of tenancy agreement with different rules.
- 2) There will be a protected period of 12 months within which the tenant cannot be evicted.
- 3) No fault evictions will be banned, and this is likely to apply to existing tenancy agreements as well as new ones occurring after the bill becomes law.
- 4) Rent increases in tenancy agreements will all be subject to the same law i.e. rent will be increased once a year to a market rent on 2 months notice and there will no longer be rent review clauses in leases with different arrangements.
- 5) Awaabs law will be implemented. This means that landlords will have to observe a specific timeframe on action for mould and damp in properties rented out to tenants. The rules for the private sector will be harmonised with those for the public sector where social landlords already have restrictions.
- 6) Temporary arrears of rent will be more leniently treated and the time at which the landlords can take action on arrears will be increased from 2 months to 3 months.
- 7) Anomalies such as large amounts of rent being paid in advance and rental bidding where tenants are invited to offer the higher price rent in competition with other proposed tenants will be banned.
- 8) The rules regarding pets will be relaxed so that landlords will find it harder to ban pets although they will be able to require tenants to take out pet insurance against risks such as damage to property caused by pets.
- 9) An Ombudsman service will be created for tenants but there will be no equivalent service at this point for landlords.

Further Information

The legislation is detailed and covers many other specific points in relation to short tenancies. For further information see the guide to the Renters Rights Bill on GOV.UK or feel free to contact us with any queries at Alison Fielden & Co, The Gatehouse, Dollar Street, Cirencester, GL7 2AN. 01285 653261 or alison@alisonfielden.co.uk