

Briefing

The Renters' Rights Act (2025): The definitive guide

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Introduction

The Renters' Rights Act 2025 (the Act)ⁱ is a landmark piece of legislation aimed at transforming the private rented sector (PRS) in England. Delivering on the government's manifesto pledge, the Act seeks to overhaul the renting experience for both the country's 11 million private renters and 2.3 million landlords. The central focus is to provide greater security and stability for tenants, end "no fault" evictions under Section 21, and create a fairer, simpler, and more transparent system for all parties involved.

The Act completed its passage through Parliament on 22 October 2025 and received Royal Assent on 27 October 2025. The printed version of the Act runs to 270 pages. The government has issued an implementation timetable for the Act which is summarised towards the end of this briefingⁱⁱ.

Herein HQN provides members with a summary of the key provisions of the Act. We also summarise the impact of the legislation on local housing authorities and housing associations.

The government has produced its own guide to the legislationⁱⁱⁱ.

Background and Rationale

Reform of the PRS has been long overdue. Although many landlords provide good quality homes, the sector as a whole has been criticised for being the least affordable, poorest in quality, and most insecure of all housing tenures. Many private renters live with the constant threat of losing their home at short notice with little or no justification, and some are forced to accept substandard conditions for fear of retaliatory eviction. The insecurity and complexity of the existing system also fail to support landlords who act responsibly and are undercut by unscrupulous operators ('rogue landlords').

The Act is designed to address these issues by providing a secure stepping stone for aspiring homeowners, flexibility for those who need it, and a more level playing field for responsible landlords.

Main Measures of the Act - in a word or two

- Abolition of Section 21 evictions
- Fair possession grounds
- Protections against backdoor eviction
- PRS Landlord Ombudsman
- PRS Database
- Strengthened rights to keep pets
- Application of Decent Homes Standard
- Application of 'Awaab's Law'
- Ban on discrimination
- End to rental bidding
- Strengthened Rent Repayment Orders
- Stronger local authority enforcement

A summary of the Act's provisions

Tenancy Reform: Transforming Tenancy Structure

The Act introduces a new tenancy system, abolishing fixed term assured tenancies and moving all tenancies to a periodic basis. This reform means tenants can end their tenancy by giving two months' notice, providing flexibility and preventing tenants from being trapped in substandard accommodation. Fixed-term leases over 21 years and shared ownership leases are excluded from the new assured tenancy system.

With these changes, Ministers argue that landlords benefit from clearer, more straightforward regulation and expanded, clarified possession grounds.

Grounds for Possession

The Act maintains robust grounds for possession to protect landlords' interests where there is a genuine reason to reclaim a property. Grounds are divided into mandatory (where the court must grant possession if the ground is proven) and discretionary (where the court has the discretion to decide based on reasonableness).

Notable changes include raising the threshold for mandatory rent arrears eviction from two to three months, extending notice periods, and introducing a 12-month protected period at the start of a tenancy during which landlords cannot evict tenants to move in or sell the property. New safeguards prevent landlords from abusing possession grounds, such as restrictions on re-letting or marketing properties after using these grounds.

In total there are 37 grounds for possession under the Act, 26 of which are mandatory and 11 are discretionary. Notice periods for possession under the legislation range from two weeks to four months.

Rent Increases and Tribunal Process

The Act standardises the rent increase process across the PRS. Rent can only be increased once per year to the market rate, with at least two months' notice given via a 'Section 13' notice. Tenants can challenge increases they believe to be above market rate at the First-tier Tribunal. The tribunal cannot set a rent above the proposed amount, nor can it backdate increases. In cases of undue hardship, the tribunal can defer an increase by up to two months. All other means of increasing rent, such as through rent review clauses, are prohibited to ensure clarity and prevent backdoor evictions.

Implementation and Transition

The new tenancy system will be introduced in one stage from 1st May 2026, applying to all existing and new private tenancies on a single date, converting fixed-term tenancies to periodic tenancies and abolishing the use of Section 21 and old-style Section 8 notices. To facilitate a smooth transition, landlords are not required to reissue tenancy agreements but must provide tenants with a government information sheet outlining the reforms. All new agreements after commencement must include government-specified information. Verbal agreements must be supplemented with a written document covering required details.

The abolition of Section 21 in the social rented sector will follow at a later date, pending statutory consultation and regulatory updates. Most social tenants already benefit from secure assured tenancies. Eventually the reforms will apply similarly to private registered providers of social housing, supported accommodation, and temporary accommodation, with certain sector-specific grounds for possession.

The reforms are expected to reduce court demand by making grounds for possession clearer and requiring robust evidence. Early dispute resolution through the Ombudsman and further digitisation of court processes are planned.

Rent in Advance

The Act seeks to prevent landlords from demanding large sums of rent in advance—a practice that can put a financial strain on tenants and restrict access to the sector. Once in force, the Act will amend the Tenant Fees Act 2019, prohibiting landlords and letting agents from requiring or accepting any payment of rent in advance before the tenancy is agreed. Landlords may only request up to one month's rent (or 28 days for shorter rental periods) following the signing of a tenancy agreement and before the tenancy begins. The Housing Act 1988 will also be amended to prevent landlords from enforcing tenancy terms requiring rent to be paid ahead of the due date after the tenancy has started. This measure aims to create a fairer rental market and remove significant entry barriers for tenants.

While a minority of tenants might have used advance rent to their benefit, the practice of requiring large sums up front has broadly been a barrier for those seeking to rent privately. The Act prohibits rental bidding and excessive rent in advance to protect tenants against undue financial pressures. The government wants landlords to consider individual circumstances when making decisions on rent levels for tenants.

The government will support a smooth transition to the new system, engaging with stakeholders on implementation. Local councils will have the authority to require landlords to repay unlawful advance payments and levy civil penalties up to £5,000 for breaches. The restriction applies to all assured tenancies in England, excluding social housing and some homelessness-related tenancies. The prohibition is limited to England.

Tenants may still pay rent in advance voluntarily, but landlords cannot require it prior to the due date, preserving tenant flexibility without imposing a financial burden.

PRS Landlord Ombudsman

A new, legally mandated PRS Landlord Ombudsman Service will be established. All private landlords in England with assured or regulated tenancies must join, regardless of whether they use a managing agent. The Ombudsman service will be free for tenants, providing impartial, binding resolution for complaints about landlord actions or behaviours. It has the authority to order apologies, require remedial action, and award compensation. The Ombudsman will also support landlords in improving complaint handling.

Robust enforcement measures will accompany the Ombudsman's introduction. Local councils can penalise landlords up to £7,000 for initial breaches and up to £40,000 or criminal prosecution for continued or repeated non-compliance. Persistent refusal to join the scheme can result in rent repayment orders against the landlord. Compliance with Ombudsman decisions is mandatory, with expulsion and further local authority action possible for non-compliance.

The service will go live in due course (see implementation timetable below), with landlords notified of sign-up deadlines. Membership is expected to involve a small annual fee per property.

Tenants (including prospective and former tenants) can complain about landlord actions causing harm or inconvenience. The Ombudsman has discretion to consider individual circumstances. Landlords must remain members for a reasonable period after ceasing to let a property.

Only tenants may seek redress via the Ombudsman. However, alternative dispute resolution options (e.g., mediation) for landlords are being explored.

Landlords using managing agents must still join the scheme. Both landlords and agents are responsible for their own actions, and complaints about agents continue through existing redress schemes. The Ombudsman can cooperate with agent schemes for joint investigations and decisions.

The government will appoint an administrator to oversee the Ombudsman service following commencement of the Act's provisions (see implementation timetable below).

PRS Database

The Act establishes a new PRS Database. All private landlords of assured and regulated tenancies must register themselves and their properties, with penalties for non-compliance. The database will act as a central hub for landlords, offering guidance and a platform to demonstrate compliance. It also serves tenants by improving transparency and helping them enforce their rights. Local councils benefit from access to more data on the sector, assisting with enforcement against landlords that are non-compliant and are generally delivering poor services.

Landlords must register online, with offline options available for those unable to do so digitally. Failure to register restricts landlords from obtaining possession orders (except in certain anti-social behaviour cases) and can result in civil penalties of up to £7,000 (or £40,000 and prosecution for repeated or serious breaches).

Registration will require payment of a fee, designed to be proportionate and good value.

Regulations will set out which property standards and landlord information is public. The balance between landlord privacy and tenant rights will be maintained.

The new database will absorb relevant functions of the Database of Rogue Landlords, making offence-related details available to tenants while respecting privacy.

Selective licensing remains a useful tool for local authorities in targeted areas and will complement the operation of the new database.

Prohibiting Rental Discrimination

Rental discrimination—especially against families with children or those receiving benefits—is expressly addressed. The Act prohibits both overt (e.g., ‘No DSS’ adverts) and indirect discriminatory practices. Landlords and agents retain discretion over whom they rent to, provided decisions are based on affordability and not on family status or benefit receipt. The Act’s protections apply in England, with plans to extend them to Wales and Scotland.

Both direct and indirect discriminatory practices are targeted. The government will ensure tenants are aware of their rights and that councils have necessary enforcement resources.

Suitability must be evaluated individually. Excluding tenants with children is only permissible if it is a proportionate means to achieve a legitimate aim, and this must be evidenced.

The Act nullifies restrictive terms in mortgages or superior agreements and, for new insurance contracts, ensuring landlords cannot be forced to discriminate. Existing insurance contracts are exempt until renewal.

There will be a transition period, with support for all parties. Local councils can impose penalties up to £7,000, with recourse to the courts and other redress schemes available for tenants. In Wales and Scotland, breaches are criminal offences in line with local frameworks.

Rental Bidding

The practice of rental bidding, where tenants are pitted against one another in bidding wars, is prohibited. The Act mandates that landlords and agents must publish a fixed asking rent and cannot solicit, encourage, or accept bids above this price. This levels the playing field and eliminates exploitative practices.

A transition period will allow adjustment to the new system, with government engagement throughout.

Local councils can impose penalties up to £7,000 for breaches, with multiple penalties possible for repeated offences. Tenants can seek redress through local authorities and Ombudsman schemes.

The ban on rental bidding applies only in England.

Renting with Pets

The Act supports responsible pet ownership by requiring landlords not to unreasonably withhold consent for tenants to keep pets. Tenants will be able to challenge refusals through the Ombudsman or courts. Guidance for both landlords and tenants will be published ahead of implementation.

Landlords must consider each request case by case. Refusal is reasonable if a superior landlord prohibits pets. Guidance will clarify scenarios for both parties.

Tenants can escalate unreasonable refusals to the Ombudsman or court, with decisions based on evidence from both sides.

Tenancy deposits can cover pet-related damage. If damages exceed the deposit, landlords can pursue the tenant in court.

Decent Homes Standard (DHS)

For the first time, the DHS will apply to privately rented properties, ensuring all tenants – in both the PRS and social housing - benefit from safe and decent homes. The Act enables regulations to specify DHS requirements and gives local councils proportionate enforcement powers. DHS is being reformed for both the social and private rented sectors, with a government consultation having concluded in September 2025. These provisions are not expected to apply in the PRS until 2035 or 2037.

The standard applies to the vast majority of privately rented homes, including those let on assured tenancies and supported housing. The Act allows for the scope to be expanded in future.

Councils can issue improvement notices with specified timescales and pursue civil penalties or prosecution for non-compliance. Rent repayment orders may also be sought for serious breaches. Private landlords have a legal duty to meet the DHS and can be fined up to £7,000 for failing to take reasonable steps to maintain safety and decency.

Awaab's Law

Awaab's Law is extended from social to private rented homes. It mandates landlords to address hazards like damp and mould within specified timeframes, with tenants empowered to enforce compliance through the courts and the Ombudsman. The law will be implied in tenancy agreements, requiring landlords to meet timelines for hazard remediation

The government will consult on appropriate timeframes for private landlords, ensuring fairness and efficacy, and will publish further details in due course.

Rent Repayment Orders (RROs)

RROs empower tenants and local authorities to recover rent paid to landlords who have committed offences. The Act expands the range of offences for which RROs can be sought, including misuse of possession grounds, marketing breaches, ongoing non-compliance following penalties, and provision of false information to the PRS Database. RROs may also be secured for existing offences, such as unlawful eviction or operating unlicensed properties.

Tenants can apply to the First-tier Tribunal for an RRO if the landlord has committed a listed offence. Local authorities can do the same where rent was paid via Housing Benefit or Universal Credit. The tribunal can order repayment of up to 24 months' rent (increased from the previous 12 months), particularly for repeat offenders.

RROs now apply to offences by superior landlords and company directors, and to new offences under the Act. The period for applying for an RRO is extended from 12 to 24 months, making it easier for tenants and councils to pursue offending landlords.

Landlords previously subject to enforcement for an offence must pay the maximum RRO amount if they reoffend, with the intention of increasing deterrence.

Enforcement and Investigatory Powers

The Act underpins reforms with a robust, proportionate enforcement framework. Councils are granted enhanced powers to impose civil penalties (up to £7,000 for minor/initial breaches and £40,000 or criminal prosecution for persistent/serious offences) and can retain revenue for future enforcement. Investigatory powers are expanded, enabling councils to demand information from landlords, agents, and third parties and to enter business or residential premises for evidence gathering.

Penalties are available for a range of breaches, including failure to register on the database, Ombudsman non-compliance, and misuse of possession grounds. Repeat non-compliance can result in criminal prosecution and unlimited fines.

Councils will acquire new investigatory powers. They will be able to require information from banks, accountants, and other third parties and enter premises when essential evidence is needed, mirroring powers used in trading standards enforcement.

When it comes to funding, the government has pledged £18.2m to local housing authorities during the current financial year to support their preparations. Allocation of this funding will be based on the number of PRS properties in each local area.

Following this, a round of 'new burdens' funding will likely be confirmed in early 2026 to cover the next financial year.

Council officers will also be able to undertake training on enforcement, with housing charity Shelter to deliver a government-funded programme covering different aspects of the act.

The Ministry of Housing, Communities and Local Government has also worked with the Ministry of Justice and the HM Courts and Tribunal Service to secure funding to ensure courts and tribunals are sufficiently resourced to handle any additional workload generated by these reforms^{iv}.

Implementation timetable

Phase 1: From 1 May 2026

- abolish section 21 'no fault' evictions
- introduce Assured Periodic Tenancies in the PRS
- reform possession grounds in the PRS so they are fair for both parties
- limit rent increases to once a year in the sector
- ban rental bidding and rent in advance
- make it illegal to discriminate against renters who have children or receive benefits
- require landlords in the PRS to consider tenant requests to rent with a pet
- strengthen both local council enforcement and rent repayment orders

New investigatory powers giving local councils a stronger ability to inspect properties, demand documents, and access third-party data to crack down on rogue landlords and enforce housing standards more effectively will come into effect earlier - on 27 December 2025.

It should be noted that the abolition of section 21 and tenancy reforms during Phase 1 will not apply initially to the social rented sector. This will happen during Phase 2. Government is working with social housing landlords and the Regulator of Social Housing on the implementation process for the social rented sector.

Phase 2: From late 2026

During Phase 2 the PRS Database and PRS Landlord Ombudsman will be established. This will be undertaken in two key stages, beginning from late 2026. Stage 1 will see the regional rollout of the database for landlords and local councils from late 2026. A subsequent stage (Stage 2) will see a further roll out of the of the database and the introduction of the Ombudsman scheme. The implementation of the Ombudsman service will happen *after* the introduction of the database as the government examines ways to share information between the PRS Database and the Ombudsman to minimise landlord sign-up burden.

The development of the Ombudsman scheme will happen in stages. In the first stage the Secretary of State will choose a scheme administrator to run the new service, which will then need time to scale up. This will take 12 to 18 months. Subsequently landlords will be required to become members of the new service. This is expected to be in 2028.

Phase 3: A new Decent Homes Standard in the PRS (dates settled following consultation)

The RRA introduces a DHS to the PRS for the first time. This will ensure that all PRS properties meet a minimum standard of housing quality. Local councils will also gain powers to take enforcement action if PRS properties fail to meet the standard. Consultation on the introduction of the DHS in the sector was held between 2 July and 12 September 2025 and it is proposed that the standard is brought into force in either 2035 or 2037. Details of the standards and confirmation of the implementation timeline will be announced by the government as soon as possible.

Local authorities, housing associations and the Act

The government has announced that some parts of the RRA will not immediately apply in the social housing sector. However there are many elements of the legislation that will have an impact on both local housing authorities and housing associations in the short, medium and longer term. Here we summarise the key parts of the RRA that will affect the different elements of the social housing sector.

Local authorities

The enforcement responsibilities and new investigatory powers of local authorities under the Act are largely well understood (see above). However there are other changes in the law which will have an impact on councils that have not been covered in this briefing thus far.

In discharging their homelessness duties, local authorities often work with private landlords that offer an assured shorthold tenancy (AST) on a fixed term for at least 12 months to homeless households. Under the new provisions the tenancy will be an assured non-shorthold tenancy with, necessarily given the abolition of fixed-term agreements, no minimum period. Potentially local authorities may lose an important source of temporary accommodation for homeless households with these revisions to the security of tenure in the PRS.

Nevertheless it should be noted that restrictions on rent in advance will not apply to tenancies of social housing or tenancies created to allow local councils to discharge their homelessness duties.

Remaining with the homelessness theme, local authorities will require from households faced with eviction by a private landlord receipt of a Section 8 notice under the Housing Act 1988 (notice of proceedings for possession). The date specified will need to be within 56 days. These notices will replace those under section 21 of the 1988 Act.

Housing associations

Many operational practices of housing associations will be affected by the Act.

Importantly, as it stands, section 21 notices will remain in place in the social rented sector for the time being. While the government intends to abolish 'no fault' evictions in social housing, the Regulator of Social Housing will need, first of all, to update its Tenancy Standard. This requires a statutory consultation process so this aspect of the new framework system will apply to social tenancies (where the landlord is a housing association) at a later date.

Shared ownership leases are particularly affected by the Act which redefines shared ownership leases as "long leases" rather than assured tenancies. This change, effective from December 27, 2025, removes a landlord's ability to evict a shared owner for rent arrears using a Section 8 notice and instead requires them to use a more complex and lengthy forfeiture process. This process requires the landlord to obtain a court or tribunal determination that a breach of the lease has occurred before they can serve a forfeiture notice.

With the forfeiture process, mortgage lenders may only intervene to cover arrears after a forfeiture notice has been issued, which is at a later stage than under the previous section 8 procedure.

The Act includes an exemption for shared owners who become "accidental landlords" and need to sell their property. If a genuine effort to sell has failed, they are exempt from the 12-month restriction on re-letting that applies to other landlords^v.

Also the Act abolishes ASTs entirely, without exception. The result of this will be that housing associations will no longer be able to grant any form of AST, including for a 12-month starter period. All existing starter tenancies will convert to periodic assured tenancies once the law is implemented in social housing. Housing association landlords should consider their position now ahead of the implementation of the Act to ensure they are suitably prepared in advance of the ban on ASTs.

As the Act changes the grounds for possession, housing associations will need to ensure that they are compliant with the new grounds if they are looking to seek possession of their properties from occupiers for whatever reason. They will also need to comply with the increased notice periods afforded to tenants under different parts of the Act.

In respect of the latter assured tenancy rent increase notices will be under section 13 (as amended). If a tenant challenges any rent increase this will be considered by the First tier Tribunal and any increases would apply from the date of determination – not the date the notice was served. Also if challenged, the tribunal can only determine a rent which is the lower of the market rent or the landlord's proposed rent - not as at present where the FTT can set it higher than the proposed rent. And the Tribunal will for the first time be able to determine whether the section 13 notice is valid or not (at present it can only await determination by a court)

There remains the Tribunal power to delay any increase for up to 2 months on grounds of undue hardship though it will be from the determination not, as currently, from the date of increase in the notice. This makes it all the more important to have an effective tenancy term dealing with rent increases and thereby avoiding the statutory mechanism. The practice of some housing associations of summarising the statutory rights of their tenants in their standard tenancy agreements can create ambiguity.

Conclusion

The Renters' Rights Act 2025 represents the most significant reform of the PRS in decades. By abolishing Section 21 "no fault" evictions, standardising tenancies as 'periodic', strengthening tenant protections, and clarifying the grounds for possession, the Act seeks to create a fairer, safer, and more secure environment for renters while balancing the legitimate interests of landlords. Additionally, by prohibiting unfair practices such as excessive rent in advance, rental bidding, and discrimination; introducing new

standards and protections for tenants; establishing comprehensive enforcement mechanisms; and creating new bodies for oversight and redress, the Act aims to create a fairer, safer, and more transparent rental market for all participants.

Over the coming months HQN will be examining the impact of the new legislation particularly as it affects both local authorities and housing associations.

More generally members can stay up to date with developments in the private rented sector through the publication of our regular PRS Update.

ⁱ <https://www.legislation.gov.uk/ukpga/2025/26/enacted>

ⁱⁱ <https://www.gov.uk/government/publications/renters-rights-act-2025-implementation-roadmap/implementing-the-renters-rights-act-2025-our-roadmap-for-reforming-the-private-rented-sector>

ⁱⁱⁱ <https://www.gov.uk/government/publications/guide-to-the-renters-rights-act/guide-to-the-renters-rights-act#contents>

^{iv} https://www.insidehousing.co.uk/insight/5-things-we-learned-from-the-renters-rights-act-implementation-roadmap-94780?utm_source=newsletter&utm_medium=email&utm_campaign=IH%20%2D%20NEW%20IH%20DAILY%20NEWSLETTER%202022%20CAMPAIGN

^v <https://insights.devonshires.com/post/102lult/renters-rights-act-shared-ownership-changes#:~:text=Under%20the%20current%20system%2C%20shared,which%20this%20Act%20is%20passed%E2%80%9D.>