

The Renters' Rights Act – Implementation 1 May, 2026

WHAT IS THE RENTERS' RIGHTS ACT

- Aims to provide tenants with greater security and rights while ensuring landlords can still manage their properties effectively.
- Applies primarily to England, but some provisions also extend to Scotland and Wales.
- Received Royal Assent on 27th October 2025, and will come into force in three phases, commencing 1st May 2026 to allow landlords and tenants to prepare for the changes.
- Applies only to residential assured tenancies granted before or after 1st May 2026, provided the term does not exceed 21 years.
- Does not apply to high-value leases exceeding £100,000 per year or non-assured tenancies, i.e., company/common law tenancies and does not apply to temporary living/furnished apartments in corporate housing programs.

IMPLEMENTATION DATES

PHASE 1 – 1 st May 2026	PHASE 2 – 2026-2028	PHASE 3 – from 2030
<ul style="list-style-type: none"> ▪ Abolition of Section 21 notices. These were 'no fault' evictions, i.e., a tenant could be evicted once a fixed-term tenancy agreement ended, or during a tenancy with no fixed end date. ▪ Rent increases will be limited to once per year. 	<ul style="list-style-type: none"> ▪ Introduction of a Private Rented Sector (PRS) database, in which landlords are mandated to register their property and safety information ▪ Rent increases will be limited to once per year. 	<ul style="list-style-type: none"> ▪ Introduction of Awaab's Law – expanding tenant rights protections in unsafe/unsanitary housing. Renters' Rights Act: What is Awaab's Law? ▪ The Decent Homes Standard will be applied to the Private Rented Sector (PRS) Consultation on a reformed Decent Homes Standard for social and privately rented homes - GOV.UK

PERIODIC TENANCIES

- All tenancies will convert to periodic tenancies from May 1st, 2026
- A Periodic Tenancy is a rental agreement that continues indefinitely, unless either the Landlord or Tenant service notice to end it
- Tenants can serve a landlord notice at any time by providing 2 months' notice of their intention to leave. This must be in line with the rent payment date, for example, if the rent is due on the 14th of each month, the end of the rent period is the 13th of the month
- New leases may not be issued if a tenancy agreement is already in place; the UK Government will provide a leaflet that must be shared with all existing tenants prior to June 1st
- **NOTE:** Although not necessary, some agents plan to replace existing leases

PAYMENTS

- Advertised properties must publish the asking price. Prospective tenants can appeal the rent if they believe it exceeds the market rate
- It is illegal for agents/landlords to encourage or accept offers more than the advertised asking price (i.e., overbidding for a property)
- A Holding Deposit can still be taken to remove the property from the market
- The Security Deposit can be taken prior to lease execution
- Rent cannot be taken until the lease has been executed, i.e., signed and dated by all parties
- **NOTE:** Agents/ landlords may expect a prospective tenant to have a single guarantor/guarantor service to protect themselves against non-payments
- Keys must be released once the lease has been executed as it is a binding Agreement, and the tenant must be allowed access to the property

RENT INCREASES

- Rents can only be increased once every 12 months and landlords must provide the tenant with 2 months' notice
- If a tenant wishes to challenge the rent increase, they must apply to the First Tier Tribunal (FTT). No fee is incurred for the tenant

PETS

- Pet deposits can no longer be taken
- Landlords can advertise 'no pets'; however, if an existing tenant requests to have a pet, the landlord cannot unreasonably refuse. The tenant must provide evidence that they have requested this of the landlord, who must have a valid reason for refusal

SECTION 8 INTRODUCTION

- Landlords must use a Section 8 notice if they want to recover possession of their property, as the Act will abolish the formerly mentioned Section 21 'no fault' evictions (**NOTE:** this provision is in no way related to US Section 8 regulations.)
- The notice must include the 'grounds' used to end the tenancy, and the correct notice period must be provided to leave the property. Each 'ground' has its own notice period; however, in the main for Expat tenancies, the notice period is generally 4 months.

[Grounds for possession: guidance for landlords and letting agents - GOV.UK](#)

AD HOC MATTERS

- The Act only applies to Assured Shorthold tenancies and not company leases or non-assured tenancies
- The Act does not prevent a prospective tenant from being declined for a property based on affordability/income
- Security deposits remain as 5 weeks and 6 weeks for high-value properties
- A tenant cannot pay rent up front for the first month but can after month 2 onwards – it must be voluntary, not enforced
- In preparation of Awaab's Law, landlords must act immediately if a tenant raises issues regarding damp and/or mould

INTERIM CHANGES TO TENANCY TERMS

- As the Act both removes the need for break clauses, and auto-transfers any existing Assured Shorthold Tenancies (ASTs) to a Periodic Tenancy, Dwellworks will no longer include these terms as part of our standard tenancy negotiations on any rentals between now and the Act coming into effect on the 1st May 2026
- After that date, any previously agreed break clauses will become null and void, meaning what is agreed to prior to that time, will no longer be valid. As a reminder, the minimum term for an AST in England, is 6 months
- Note: Non-AST tenancies (e.g., Common Law or Company Tenancies) are unaffected, and we will continue to push for the relevant break clauses where appropriate

BENEFITS FOR CLIENTS AND ASSIGNEES

- Offers are more likely to be accepted by landlords, potentially removing the necessity for assignees to make multiple offers
- Dwellworks can negotiate rent reductions more effectively
- Time taken to negotiate lease terms will be reduced as this will remove numerous communications with agents and landlords on break clauses
- The RMC will no longer need to approach clients where a break clause cannot be agreed between all parties
- Reduction in communications for the RMC and assignee regarding approval to proceed without a break clause