



The Renters' Rights Act 2025:

What does this mean for landlords,
their authorised agents and
tenants?



Following on from our previous article titled “An overview of the Renters’ Rights Act 2025 – “Fixing a broken housing market” or a step too far?”, this article focuses on the changes most likely to affect landlords, their agents and tenants and outlines the steps they must take to ensure compliance with their duties under the new legislation. Advice on changes impacting lenders and receivers can be found [here](#).

S.8 Reform – Landlord Duties

The Renters’ Right Act 2025 (“the Act”) places new duties on landlords and their agents. They will have to provide tenants with written statements of tenancy terms and other prescribed information, which may include EPCs, Gas Safety Certificates (“GSC”), and the How to Rent Guide.

Under Section 15 of the Act, local authorities will have the power to issue civil financial penalties to landlords or their agents if they breach any of the duties mentioned above. For each breach, if a tenant leaves the property within four months of that breach and does so without a Possession Order the local authority can fine the landlord or agent up to £7,000 per offence.

Under Section 13 of the Act, landlords or letting agents when using ground 1 (moving into the property) or 1A (selling the property) have to be careful about their conduct within the first 12 months from obtaining possession of the property. This is known as the ‘restrictive period’.

Landlords will be prohibited from:

- 1) Letting on a fixed term basis;
- 2) Ending a tenancy by Notice to Quit or orally;
- 3) Serving section 8 (“s.8”) notices not in the prescribed form;
- 4) Relying on possession grounds without reasonable belief of success (this will potentially be a criminal offence);
- 5) Marketing or letting the property for a term of 21 years or less during the restrictive period;
- 6) Giving a licence to occupy for monetary consideration;
- 7) Marketing the property for licence; and
- 8) Authorising anyone else to market the property within the restrictive period.

The Act also makes it a criminal offence for a landlord or agent to serve a s.8 notice based on a ground they know (or should reasonably know) they can’t actually use to get a possession order, if the tenant then moves out in response to that notice.

The local authority will now have the option not to pursue someone guilty of this offence via the criminal magistrates’ court but instead, can elect to impose a civil financial penalty of up to £40,000 as an alternative to prosecution.

In light of these new offences and penalties, clearly, both landlords and their agents need to ensure that that they are well informed about the new duties and prohibitions and that they comply strictly with all these duties.

Most at risk will probably be letting agents who perhaps are either unaware of the changes or don’t have the resources to fully understand them and landlords with a single let property or a very small portfolio, as in our experience, in those circumstances compliance and evidence of compliance is often not as strict as it needs to be. This is a key point – it is often not enough just to do all the right things; you have to keep evidence that you have complied.

Stating rent and “rent bidding”.

Under Section 55, landlords and their agents alike are prohibited from advertising a property without specifying the rent sought (which must be a fair market value) and/or encouraging or accepting payments above the stated rent. This rule is likely to have a notable impact in highly competitive rental markets, such as London.

Additionally, tenants will have the right to challenge the rent amount within the first 6 months of the tenancy. This is intended to prevent landlords from charging tenants inflated rents that are higher than the market values. It is therefore now vital that landlords take extra care and, preferably, seek professional advice when setting the rent to ensure that the rent is no higher than the market value.

Non-compliance can result in a financial penalty of £7,000 per occurrence, which can be applied separately to both landlords and their agents per offence.

Importantly, the Act also extends liability to company directors, ensuring that senior management can be held accountable alongside landlords and agents. This closes previous loopholes that allowed companies to evade responsibility for breaches.



Changes to rent increases

Under the Act, rent can only be reviewed annually and in accordance with the Section 13 procedure of serving a statutory notice on the tenant stating the intended increase of rent. Once a notice is served, the tenant will have 2 months in which to challenge the rent increase proposed in the notice via the First-Tier Tribunal. If the tenant does not challenge the notice, then the rent increase proposed in the notice will apply.

The statutory procedure will be the only route to increase rents; any contractual provisions relating to rent reviews/increases will simply not be binding or enforceable. Again, the focus of this part of the new regime is ensuring fairness for tenants.



Accordingly, it seems that there will be no reason for a tenant not to challenge any rent increase. With no other route for a tenant to challenge a rent increase, there could well be an influx of applications made by tenants to the First-Tier Tribunal which will likely cause a backlog and lead to increases in the time it takes the Tribunal to deal with such applications. As the increased rent does not kick in until after the determination process has completed, just making a rent increase application will delay the date on which a rent increase takes effect.

From a tenant perspective, the worst case scenario is that their application is not successful, and the rent increase originally proposed by the landlord in the statutory notice prevails but the tenant will only have to pay that rent increase amount at the end of the Tribunal's determination process – the tenant has saved themselves potentially several months of the difference between the current rent and the increased rent. At best, the rent might go up by a smaller amount, or not increase at all, and even then, that change would be delayed for a while so this new system could mean tenants can't lose when it comes to rent increases.

The Private Rented Sector (PRS) database

The PRS Database, established by the Secretary of State, will require landlords and agents to register every property they market, advertise or let. Tenants will not need to register.

Under Section 88, landlords cannot serve a valid s.8 notice unless both they and the property are registered, making compliance with this obligation a precondition for possession claims. Existing obligations such as EPCs, GSC, and the How to Rent guide are expected to be integrated into the database. A registration fee will apply.

Penalties for non-compliance are significant:

- £7,000 per breach for failures to register, and,
- up to £40,000 or criminal prosecution for providing false or misleading information.

The rules apply only to tenancies, not lodgers or licences. While operational details are still unclear, the database is intended to improve transparency and enforce compliance across the private rental sector.

Landlord Redress Scheme

Section 62 of the Act requires all landlords to join an approved ombudsman or redress scheme, allowing prospective, current, and former tenants to raise complaints. Membership must be in place before a property is marketed or a tenancy granted.

These provisions aim to provide faster, fairer resolution of tenant complaints without court involvement. The scheme will operate alongside existing government-approved schemes the Property Ombudsman and Property Redress Scheme but introduces higher penalties for non-compliance.

Landlords must join and pay for the redress scheme once it launches to avoid the risk of being fined. Additionally, tenants can use the scheme to raise complaints about property conditions or tenancy breaches, and the Ombudsman can award compensation.

Landlords, however, cannot use the scheme to bring claims; their recourse remains the courts. It is also anticipated, though not yet confirmed, that membership may be required to serve a valid s.8 notice.

If landlords do not meet the registration requirements, they could lose the right to regain possession of their property and face penalties. It's important for landlords to be ready for greater oversight and the possibility of more formal dispute resolution processes if they fail to join an approved ombudsman or redress scheme correctly.

Under Section 64, local authorities can impose civil penalties up to £7,000 per breach for failure to register or comply. Section 65 creates a potential criminal offence if a landlord or agent does not join a redress scheme within 28 days of notice or penalty, or if they reoffend within 5 years.

The local authority can impose fines from £7,000 to £40,000 per offence. The catch that landlords need to be aware of is that the local authority can keep the fines they collect so there will be a strong financial incentive for local authorities to take enforcement action against a landlord who does not comply with the Act.



AWAAB's Law - Decent homes standard

Background

The Decent Homes Standard is a set of minimum quality criteria for housing, primarily in the social and now private rented sectors in the UK.

Awaab's Law was introduced following the tragic death of Awaab Ishaq, a 2-year-old who died from a respiratory condition caused by prolonged exposure to mould in his family's social housing property. His case prompted urgent reform to ensure that landlords take prompt and effective action to address issues of damp and mould.



Key Duties under the Act (Social Housing Sector)

The Social Housing (Regulation) Act 2023 imposes strict obligations on social landlords to investigate, report, and remedy damp and mould issues within set timescales.

The Act establishes a zero-tolerance approach to damp and mould, explicitly preventing landlords from blaming tenants for such issues.

Under Awaab's Law, social landlords must:

- Investigate potential hazards (including damp and mould) within 14 days of becoming aware of them.
- Provide a written summary of the investigation within 48 hours.
- Complete necessary works within:
 - 7 days where a significant health hazard is identified: or
 - 24 hours where there is an imminent danger to health.
- Provide alternative accommodation, at their own expense, where hazards cannot be rectified promptly or safely.



These requirements previously only applied to the social housing sector; however, the Act will extend the scope of both Awaab's Law and the Decent Homes Standard to apply equally to private rental homes. Regulations are needed, however, to ensure that these rules can be put into practice. The key takeaway is that landlords must always, if they are not doing so already, act within a reasonable timescale taking into account the tenant's individual needs (so tenants with infants or young children, elderly tenants or tenants with pre-existing conditions are likely to be more at risk and therefore the "reasonable" timescale will be shorter) and ensure that the let property meets the Decent Home Standards.

Purpose built student accommodation

Despite the abolition of section 21, purpose-built student accommodation remains outside the new rules of the Act, keeping fixed terms and recovery of possession.

Purpose-built student accommodation must be let or managed by a member of a government-approved student housing management code of practice, such as ANUK/Unipol and UUK.

Further regulations are required on this; however, these tenancies will not be considered assured tenancies so landlords can continue to grant a fixed term tenancy with a break clause.

Landlords should be aware that this exemption will come into force on 27 December 2025.

Right to keep pets

Under Section 10, tenants have the right to request permission from their landlord to keep a pet in the property, so long as they specify the type of animal. Landlords must not unreasonably withhold consent.

Landlords must have good, written reasons to refuse, which could include the animal being unsuitable for the property (like a large dog in a small flat). However, the tenant must be aware that if they keep aggressive pets or if pets cause nuisance or damage to the property, it can lead to legal action and eviction under grounds like anti-social behaviour or breach of tenancy agreement.

Under Section 11, landlords may require tenants to obtain pet damage insurance or reimburse the landlord for the cost of a policy they arrange themselves. However, a landlord is not required to give consent if granting such consent would breach a superior lease, licence, or restrictive covenant (which can often be found in leases of flats, for example).

Ban on discrimination

Landlords are prohibited from discriminating against tenants or prospective tenants on the grounds of pet ownership, family status (such as having children), or receipt of housing benefits.

Conclusion

The Act marks a fundamental shift in the balance between landlords and tenants. Landlords must now navigate a complex mix of new obligations and enhanced scrutiny from local authorities and are at risk of new civil and criminal penalties. At the same time, tenants have gained stronger rights around fair rent, safer homes, pets, and protection from discrimination. The new regime will take effect in stages and will require secondary legislation. Letting agents and landlords should “watch this space” for updates as the regulations flesh out the provisions of the Act and the timeline for implementation becomes clearer so that they begin preparing for these changes in good time.

From 27 December 2025 the following will commence:

- Leases over 21 years will no longer be ASTs.
- Local authorities will have new investigative powers.
- Landlords and agents will not be able to discriminate against tenants or prospective tenants on the basis that they have children or are in receipt of housing benefits.

It is estimated that from April 2026:

- S.21, fixed terms and ASTs will be abolished.
- New grounds of possession will be implemented.
- Rent increase rules and bans on accepting rent in advance will be implemented.
- Permission for pets will be implemented.

It is estimated that from October 2026:

- PRS Database and Landlord redress scheme will be implemented.
- Decent Homes Standard will be implemented and the start of Awaab's law.

How can Lightfoots Solicitors help?

Our Dispute Resolution team at Lightfoots specialise in landlord and tenant matters. If you are a landlord, agent or tenant and you are concerned about how these changes in legislation might impact you, seek expert advice at the earliest opportunity.



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