



# Housing First, Planning and Infrastructure Commission

Date: 22 January 2026

Subject: Renters' Rights Act

Report of: John Bibby, Head of Private Rented Sector Housing

---

## Purpose of Report

This report provides an update on the Renters' Right Act 2025, setting out the main legal reforms in the act, the timetable and implications for councils.

## Recommendations:

Members are requested to:

1. Note the contents of the report.

## Contact Officers

- John Bibby: [john.bibby@greatermanchester-ca.gov.uk](mailto:john.bibby@greatermanchester-ca.gov.uk)

## 1. Introduction

- 1.1. The Renters' Rights Act 2025 ('the Act'), which passed into law in autumn 2025, makes the biggest changes to private renting law in England for more than a generation. By ending 'Section 21', the act will fundamentally transform private tenants' protection from eviction, meaning evictions can only happen legally where a landlord is able to evidence one of a set list of legal grounds, such as rent arrears. Alongside this centrepiece change a range of other measures are being introduced, from bans on 'rental bidding' and discrimination against tenants with children or receiving benefits, to a new national database of landlords and stronger investigatory powers for councils.
- 1.2. Altogether the law will have big implications for private tenants, landlords, letting agents and local authorities. This briefing sets out the following information
  - Section 2 – discusses the centrepiece of the Act, ending Section 21 and tenancy reforms.
  - Section 3 – discusses the other significant legislative reforms for landlords and tenants.
  - Section 4 – sets out the government's planned implementation timetable.
  - Section 5 – discusses the main implications for councils.
  - Section 6 – concludes.

## 2. Ending 'Section 21' and tenancy reform

- 2.1. At the centre of the Act is repealing Section 21 of the Housing Act 1988, which is the legislation underpinning Assured Shorthold Tenancies ('ASTs'). ASTs are the current default tenancy in the private rented sector and the overwhelming majority of private tenants today rent on ASTs.<sup>1</sup> ASTs allow the landlord to end a tenancy at two months' notice outside a fixed term without giving any reason, which is why this form of eviction is sometimes called 'no fault.' In other tenancies, such as Assured Tenancies, currently typically used by housing associations, or Secure Tenancies, used by councils, landlords must always use a specific legal ground if they want to evict. The only way that tenants can legally protect themselves against Section 21

---

<sup>1</sup> A tiny minority of tenants – those who have been renting their current home since before 1989 – rent on Regulated Tenancies. Another small minority – largely those who have rented their current home since before 1997 – rent on Assured Tenancies.

in an AST is by agreeing a fixed term to the tenancy, which effectively suspends the landlords' power to evict without grounds for the fixed term, but commits the tenant to paying rent for the full term. This is why tenants' often currently lock themselves into 12-month fixed term contracts.

2.2. The ability to evict without grounds is, therefore, the key difference ASTs have with other tenancies and the key difference between security of tenure in the private and social sectors since the mid-1990s. To summarise:

- **Assured Shorthold Tenancies** – currently the default in the private rented sector. Landlords can end a tenancy without giving any reason outside a fixed term. The only way a tenant can legally stop a no-fault eviction is on a technical error or failure.
- **Assured Tenancies and Secure Tenancies** – currently used in social housing. Landlords must evidence a specific legal ground, such as rent arrears or anti-social behaviour to evict. Tenants can defend a claim by disputing evidence or, for example, paying down rent arrears.

2.3. By repealing Section 21, the Assured Shorthold Tenancy will be completely scrapped and Assured Tenancies will become the new default tenancy in the private rented sector, bringing it into line with social housing. More detail is provided on the timeline for implementation in section 4, but it is noteworthy that when this change is implemented on 1st May 2026, it will apply to all private tenancies, both new and existing. This means that anyone currently living in, for example, a one-year fixed term tenancy agreed since May 2025 will already be protected from eviction without grounds.

2.4. While this change marks a fundamental shift in private tenants' security from eviction, the Act also updates the legal grounds, largely broadening their scope. Key changes include:

- The introduction of a new mandatory ground that allows landlords to evict in order to sell a property with vacant possession.<sup>2</sup> This cannot be used in the

---

<sup>2</sup> Under the Housing Act 1988 there are 'mandatory' and 'discretionary' grounds. A mandatory ground means that where the conditions of the ground are satisfied (e.g. if a tenant has more than a certain amount of rent arrears) then the judge *must* grant the eviction. Discretionary grounds allow the landlord to take other considerations, such as the reason for rent arrears being accrued, into account.

first twelve months of a tenancy and a landlord cannot rent a property where this ground has been used for a further 12 months after gaining possession.

- Extending the ground that allows landlords to evict to move back into a property to also cover close family. Also cannot be used in the first twelve months and re-renting also banned for 12 months.
- Increasing the level of rent arrears for the mandatory rent arrears ground, from two months to three months.

2.5. To help ensure that these changes are adopted in the real world, the Act introduces a raft of new penalties for landlords who do not update their business practices. For example, these include penalties of up to £7,000 in the first instance for purporting to let a property on a fixed term, purporting to end the tenancy with a notice to quit, or bringing a claim for possession relying on a ground the landlord does not reasonably believe they can use. As with other parts of the Act, councils will be responsible for enforcement (more information is set out on the implications for councils in section 5).

2.6. Beyond ending Section 21, the Act makes several other smaller but significant changes to the fundamental rules of how private tenancies are created and run. These include:

- Introducing a requirement for all tenancies to have a written agreement (there is currently nothing unlawful about verbal tenancy agreements).
- Setting a legal limit of one rent increase a year, making the rent increase process more formal, increasing the notice period for rent increases, and making it easier for tenants to appeal an above-market rent increase to a tribunal.
- Explicitly banning discrimination against tenants receiving benefits or with children during the letting process and creating fines for landlords who break the law.
- Banning ‘rental bidding,’ which is the practice of getting multiple prospective tenants to compete with one another on price to rent a property. In effect, this means that all property adverts will be required to include a price, and landlords will be prohibited from accepting more in rent than this stated price.
- Giving tenants an explicit right to request permission to keep a pet.

### **3. Other changes affecting landlords and tenants**

3.1. While ending Section 21 and tenancy reform are the centrepiece of the Act, it also includes several other major changes to the regulations around renting which will directly affect landlords and tenants. These changes can broadly be split into two groups: changes that strengthen rules on property conditions, and changes that increase the accountability of landlords.

3.2. **Strengthening rules on property conditions** – the Act includes legislation to extend the Decent Homes Standard to the private rented sector and make it a legal requirement. The Decent Homes Standard currently only applies to social housing, and it is a higher standard than the current legal minimum requirement in private renting. The extension to private renting forms part of a wider review of the Decent Homes Standard, which will also raise the level of the standard for social housing. However, the government does not intend to commence either of these changes (i.e. raising the standard or extending to private renting) until the mid-2030s, and has proposed a start date for both of 2035 or 2037.

3.3. It is possible that the extension of Awaab's Law to the private rented sector – also included in the Act – will come into effect before the Decent Homes Standard. Awaab's Law, already partially in place in social housing, gives central government the power to specify timeframes within which landlords must investigate reported hazards and complete repairs. It is named after Awaab Ishak, a two-year old from Rochdale, who commission members will know died tragically as a result of a severe respiratory condition due to prolonged exposure to mould in his home. Little is currently known about how Awaab's Law will be implemented in the private rented sector, but in the social sector it means, for example, that emergency hazards must be investigated and addressed within 24 hours. Unlike the Decent Homes Standard, responsibility for enforcement lies with the tenant, and where appropriate they would seek redress by bringing a legal claim against the landlord themselves.

3.4. **Increasing the accountability of landlords** – the proposal to introduce a national register of landlords was first included in the government-commissioned independent review of the private rented sector by Julie Rugg and David Rhodes in 2008. The Act finally implements this recommendation by introducing legislation to create a new National Private Rented Sector Database ('PRS Database'). While little detail is included on the face of the Act, it is anticipated that all private landlords will have to register on the PRS Database and upload details of their properties, including basic information about compliance, such as submitting gas and electrical safety certificates. It is also anticipated that the PRS Database will

have a public facing part, where prospective tenants could, for example, check to make sure a prospective landlord is registered, as well as a backend with more information for enforcement agencies including councils. The Act also gives the government the power to charge a fee for registering on the database, and in addition to being used for the administrative costs of running it, there is an explicit power to use a portion of the fee to support local enforcement.

3.5. Finally, the Act introduces a new power to require all landlords to register with a new PRS Landlord Ombudsman. There is limited detail about how this will operate in the private rented sector. However, the government's public statement suggest it will operate similarly as the Housing Ombudsman currently acts for the social sector. This means acting as a backstop for complaints, investigating where complaints have been escalated, and, for example, being empowered to require landlords to make an apology or pay compensation where they are at fault.

## 4. Implementation timeline

4.1. The changes in the Act will be implemented in several phases over several years.

4.2. **Phase one** will start on 1st May 2026, and will include all of the reforms described in section 2 (ending Section 21 and tenancy reform). Private rented Section 21 evictions will continue for a short period afterwards, but only where notices were lawfully served before 1st May. In addition, councils will have received extra investigatory powers and the maximum level of civil financial penalties (i.e. fines) that they can use for existing housing offences will increase from £30k to £40k in this first phase.

4.3. **Phase two** is expected to begin in late 2026. It is expected that the national rollout of the PRS Database will happen first, followed by the introduction of the new PRS Landlord Ombudsman, anticipated in 2028.

4.4. **Phase three**, which will include the extension of the Decent Homes Standard and Awaab's Law to private renting, will be implemented at a later date. As described above, the government consulted on the Decent Homes Standard extension occurring in 2035 or 2037. No date has currently been mooted for the extension of Awaab's Law to private renting.

## 5. Implications for councils

5.1. The Act will have implications for both council enforcement and homelessness services. Councils will be responsible for enforcing many of the new measures in it, and they will have a large set of new powers to penalise landlords who fail to comply.<sup>3</sup> Beyond the powers to issue fines and prosecute, there is also a new package of investigatory powers, which includes greater powers to require information and seize documents. Also included in this set of investigatory powers is a change to councils' existing power to inspect, which GMCA worked with the Bishop of Manchester to secure. This change removes the requirement for councils to inform a landlord in advance of an inspection for poor housing conditions, which had previously given landlords an opportunity to pressure their tenants into withdrawing complaints. The tenant's right to notice of an inspection is retained.

5.2. The new enforcement powers are not purely discretionary. Backing them up is a new 'general duty' to enforce. This duty is not specific, in that it does not require councils to take a certain action where conditions are satisfied, but it is supported by new statutory guidance on civil penalties that sets out the government's expectations. This guidance states that "If a local housing authority suspects non-compliance, it must consider what proactive steps may be reasonably necessary to establish that a breach or offence has occurred" and "Where any steps to end the non-compliance have failed... it must issue a civil penalty notice or start prosecution proceedings."<sup>4</sup> To add further accountability to the new general duty to enforce, the Act introduces a new 'duty to report', which the government will use to require councils to submit data on their enforcement activity. Voluntary data submission has already started, and mandatory submission is expected to begin in 2026.

5.3. As well as applying to the enforcement powers in the Act, the general enforcement duty is also applied to councils' existing powers to enforce against unlawful eviction and harassment under the Protection from Eviction Act 1977, while councils are

---

<sup>3</sup> These include powers associated with the changes to security of tenure, the requirement to issue a written tenancy, the bans on discrimination and rental bidding, the requirement to register with and provide information to the new PRS Ombudsman and on the PRS Database and associated with the Decent Homes Standard. In addition to the existing civil financial penalties for criminal offences, with fines up to £40k, an entirely new set of lower level civil financial penalties for civil breaches, with fines up to £7k, are being created. Of the reforms listed in the sections above, only Awaab's Law, the changes to rent increases and the right to request permission to keep a pet will have a purely civil form of redress where the tenant would act as claimant.

<sup>4</sup> [Civil penalties under the Renters' Rights Act 2025 and other housing legislation - GOV.UK](https://www.gov.uk/government/publications/civil-penalties-under-the-renters-rights-act-2025-and-other-housing-legislation)

also given powers to issue civil penalties for unlawful eviction alongside existing prosecution powers. Until now, councils' powers to enforce against unlawful eviction have always been entirely discretionary, and this is partially why nationally they have not been regularly used.

5.4. Altogether, the implication is that councils' enforcement roles will grow considerably and into new areas. Private rented sector enforcement has traditionally focussed overwhelmingly on housing standards and quality, whereas the bulk of new enforcement powers relate to ensuring that tenancy law is properly observed. The skills and expertise that this will require typically sits between teams, such as homelessness teams – who have expertise in tenancy legislation – and housing standards enforcement teams, who are experts in ensuring landlords comply and enforcing where they fail to. Conversations are underway across councils in Greater Manchester to discuss how teams will work closely to implement their new responsibilities, and GMCA organised cross-functional training for all GM councils in November 2025 to help facilitate this.

5.5. New burdens funding has been provided to councils for the current financial year to support implementation of these new enforcement duties. The total allocation for Greater Manchester came to £921k for the year, which is divided between councils based upon the size of their private rented populations. It is anticipated that new burdens will be provided again in 2026/27, but that in subsequent years this will be replaced by a share of registration fees from the PRS database, which would provide long-term sustainable funding ringfenced for enforcement activity, although it is currently unclear at what level.

5.6. The new burdens funds for enforcement powers do not cover any anticipated impacts of the Act on existing council enforcement duties, which could be significant. For example, the risk of retaliatory eviction has long been cited as one of the barriers to tenants approaching their council for support with bad housing, and this was a realistic threat where landlords were able to evict without needing to provide a reason. It is possible that, with more security from eviction, more tenants will complain to their council about poor housing, bringing into effect councils' existing duties under the Housing Act 2004.

5.7. The other chief implication for councils is likely to be the effect on homelessness and homelessness services. Reducing homelessness is an explicit aim of the abolition of Section 21 and the AST. The ending of an AST has long been one of the leading reasons that households present as homeless to their local authority and accounted for a third of households who were owed a prevention duty in the

most recent data at the time of writing.<sup>5</sup> By increasing the security that tenants have from eviction, it is hoped that fewer of these households will ultimately lose their homes and become homeless. This should lead to fewer households presenting to councils for support.

5.8. Of those households that do present as homeless, it is possible that their cases will require greater investigation to establish whether they are owed any of the homelessness duties. This is because Section 21 evictions are 'no-fault' and attribute no reason for the eviction. Households who have received a Section 21 notice which has expired cannot reasonably be considered to remain in the property and are simply considered unintentionally homeless under the guidance from the secretary of state. Councils would ordinarily work to establish whether a Section 21 is valid for a household presenting for homelessness assistance. However, once private renting evictions have grounds, further investigation will be required to establish why the eviction is taking place, with cases judged on their individual circumstances (e.g. whether rent arrears were accrued 'unintentionally').

5.9. The Act also makes some changes to how councils will discharge their homelessness duties. As fixed term tenancies are being abolished, the requirement for councils to secure at least a twelve-month fixed term tenancy for a private rented sector offer is also removed. All assured tenancies will be indefinite and periodic. Furthermore, the right for homeless households placed in the private rented sector and subsequently made unintentionally homeless within two years to reapply as homeless without the need to re-establish that they are in priority need has also been withdrawn.

## 6. Conclusion

6.1. This briefing has described how the Renters' Rights Act will fundamentally change private renting law. Although the centrepiece is the end of Section 21 and wider changes to the law affecting how tenancies are created and operate, the Act includes several other major changes to renting law. The ambition is that together these changes will make private renting more secure, better regulated and raise the standards of private rented homes. Local authorities will have a critical role in

---

<sup>5</sup> 33.1% of households owed a prevention duty across Greater Manchester in the three months to March 2025 became homeless due to the ending of an AST. This was the single largest reason for that quarter. Statutory homelessness in England: January to March 2025, MHCLG

enforcing the changes, and ensuring they have sufficient resources to do so will be a key area of focus for GMCA influencing.