

THE DEFINITIVE GUIDE TO

# THE RENTERS' RIGHTS BILL



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# Introduction

The Renters' Rights Bill is the most significant reform the private rented sector (PRS) has seen since the Housing Act 1988.

Introduced to Parliament on 11 September 2024, the Bill has wide-ranging implications for landlords, tenants, and letting agents alike.

#### These include:



The abolition of Section 21 "no-fault" evictions



Expansion of grounds for possession in Section 8



Assured Shorthold Tenancies (ASTs) being replaced with periodic tenancies



Section 13 notices becoming the sole mechanism to increase rent



Ending rental bidding wars



In Goodlord's State of the Lettings Industry Report, 29% of landlords cited compliance as the main advantage of using a letting agent, up from 17% in 2023. This is reflective of landlords' need for an expert partner to steer them through choppy waters. Agencies that embrace the Renters' Rights Bill and future-proof their processes have a huge opportunity to stand out from the competition and increase their revenue in 2025."



William Reeve, CEO at Goodlord

But letting agents will arguably be impacted most by the changes.

The Bill is on track on track to pass Royal Assent and become law before Parliament's summer recess in July.

The commencement date of the Bill will be more than two months after this, meaning it's expected to become a working reality between October 2025 - January 2026

Given these timelines, you need to know everything about what's in store so you can set your agency up for success.

Because while there will be challenges, there are also lots of opportunities to take advantage of.

This is intended as a guide only, and does not constitute legal advice, but covers the main provisions of the Renters' Rights Bill. For more information visit gov.uk and publications.parliament.uk

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# 01

# Abolition of Section 21 "no-fault" evictions

The Renters' Rights Bill will abolish Section 21 evictions, which allows landlords to regain possession of their property quickly.





# Proposed changes

Landlords will now have to rely on expanded Section 8 grounds to evict tenants. Both mandatory and discretionary grounds have been updated.

By abolishing Section 21, the Government aims to end "arbitrary" evictions. In their view, this will give renters more security and stability, allowing them to put roots down in their communities.

This means that Section 8 notices will become the primary mechanism for evicting tenants when the Renters' Rights Bill becomes law.

As part of these reforms, the Government is introducing new mandatory grounds while also revising discretionary grounds to help landlords take their properties back "where there is good reason". Here's what they look like:



Learn more about how abolishing Section 21 will impact the PRS.



### MANDATORY GROUNDS



Ground 1 (Amended) - If the landlord or a family member wishes to move into the property, this can only be done after the tenancy has exceeded 12 months



Ground 1A (New) - If the landlord intends to sell the property, this can only be used after the tenancy has exceeded 12 months



**Ground 2** - If the mortgage provider wishes to repossess the property



Ground 2ZA - 2ZD (New) - If the leasehold has ended and the landlord does not own the freehold



**Ground 4** - If a property was let to a student by an educational institute for a fixed term of 12 months



Ground 4A (New) - For student landlords not affiliated with an educational institution who need the property for new student tenants before the academic year starts







**Ground 5** - If a religious organisation owns the property and needs a minister of religion to live in it



**Ground 6** - If a landlord wishes to demolish or redevelop the rented property to the extent that the tenant cannot live there



**Ground 6A (New)** - If the landlord needs possession to comply with enforcement action



Ground 7 - If a tenant has passed away, but this cannot be used if a surviving spouse is living in the property



Ground 7A - If the tenant has committed "serious antisocial behaviour"



**Ground 7B** - If the tenant does not have a Right to Rent in the property



Ground 8 (Amended) - If the tenant is at least three months in arrears (or 13 weeks if rent is paid weekly or fortnightly)



Download our bitesize Section 21 two-pager and share it with your teams.



#### DISCRETIONARY GROUNDS



**Ground 9 -** If a landlord has provided accommodation that is like-for-like for the current tenancy



**Ground 10** - If the tenant is in rent arrears but is less than ground 8



**Ground 11** - If the tenant is constantly late in paying rent, but is not in rent arrears



Ground 12 - If the tenant has breached the tenancy agreement, excluding rent payments



**Ground 13** - If the tenant has deteriorated or neglected the landlord's property



Ground 14 - If the tenant is a nuisance or annoyance to neighbours, or using the property for illegal or immoral activity



Ground 14A (New) - Social landlords can evict a domestic violence perpetrator if the victim has fled



Ground 14ZA (New) - If the tenant or adult at the property has been convicted of an indictable offence during a UK riot



Ground 15 - If the tenant caused damage to furniture provided by the landlord



Ground 17 - If the tenant was given the tenancy with a "false statement"



Ground 18 (New) - The tenancy is for supported accommodation, and the tenant refuses to engage in support





# Implications for key stakeholders

Agents and landlords prefer Section 21 to Section 8 for several reasons. Here are the impacts of increasing the latter's prominence.

# INCREASED ADMIN AND RESPONSIBILITY FOR LETTING AGENTS

According to Goodlord's State of the Lettings Industry report, 42% of agents already struggle with their workload. Section 8 notices are more complex than Section 21 notices, heaping more admin onto your team's plate.

What's more, landlords look to letting agents for expert advice. The abolition of Section 21 increases the burden on you to understand the revised rules and deliver the service your clients expect. To achieve this, you need to upskill all the staff in your agency.

42%

of agents surveyed reported they do not have enough time in the day

Goodlord and Vouch survey, State of the Lettings Industry 2024.



Learn more about how Section 8 reform will affect you.



## Citing the right grounds is key

Mistakes on a Section 8 notice are particularly costly. Courts reject notices with incorrectly cited grounds, prolonging an already cumbersome process.

For example, letting agents and landlords were already complaining of significant eviction delays in late 2024. With no major court reform expected before the Renters' Rights Bill becomes effective, these delays will worsen.

#### This is detrimental for:



#### **TENANTS**

Who'll have to repay larger lump sums if the courts rule against them



#### **LANDLORDS**

Who'll have to deal with longer periods of rent arrears and property dilapidation



#### **AGENTS**

Who need to provide an exceptional service to tenants and landlords to stay ahead in a competitive market



### Tenant quality is more important than ever

The best way to prevent eviction delays is to avoid the courts altogether. To achieve this, you need to place high-quality tenants in your landlords' properties.

Of course, even the most reliable tenants can suddenly fall on hard times. But robust referencing software helps you to ensure prospective tenants:

Are who they say they are

Can reliably pay the rent

Are employed and their income is sufficient

Have good feedback from previous landlords

This gives you the best possible chance of ensuring tenants don't fall into arrears and the properties they occupy don't fall into disrepair.



Goodlord's PRO referencing package helps you place trustworthy, reliable tenants in your landlords' properties. As Ellie Bardwell, MARLA, Director of Existing Business at CJ Hole, says:

"Our references are completed in under 24 hours, with a very high pass rate. We trust PRO's data because we get far fewer false fails than previously. Now, when a reference fails, we know it's because we've done our job and mitigated risk on behalf of the landlord."

#### Ellie Bardwell

Director of Existing Business at CJ Hole







# How Goodlord helps

Goodlord's platform delivers a range of benefits to letting agents, including:

#### **AUTOMATING MANUAL TASKS**

Greg Tsuman, Lettings Director at South-East-based agency, Martyn Gerrard, says Goodlord allows his agency to do more with less.

"From a team of 30 people progressing files, we've now got a team of three, with the rest focusing on business generation instead of administration"

#### **Greg Tsuman**

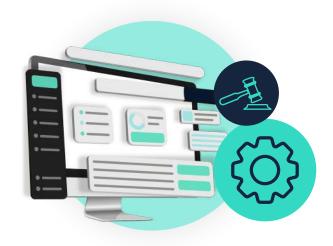
Director at Martyn Gerrard



#### STREAMLINED DOCUMENTATION

Goodlord centralises tenancy documentation, ensuring agents and landlords have a clear audit trail. Greg says:

"We can collate all the compliance certifications and ensure that we can prove service. Knowing that there is a paper trail helps us assure clients that they can have complete peace of mind."





#### **RENT PROTECTION AND LEGAL EXPENSES COVER**

Goodlord's Rent Protection Insurance manages the tenant and landlord mediation process, which helps to prevent cases of tenant rent arrears from reaching the courts.

When this can't be avoided, our insurance package covers unpaid rent, ensuring landlords are paid until vacant possession, even if the eviction process takes longer than 15 months.

As James Conway, Director at David Conway Estate and Letting Agents says:

"Other providers might pay out 12 months maximum, but evictions can take longer. We've had a couple of evictions recently which have unfortunately taken over a year, and some rent guarantee products would have stopped payouts by then Goodlord's product can now make sure that doesn't happen."

#### **James Conway**

Director at David Conway Estate and Letting Agents



## Learn more









# 02

# Single system of periodic tenancies

Fixed-term assured shorthold tenancies (ASTs) will be replaced by periodic tenancies under the Renters' Rights Bill.







# Proposed changes

One of the main reasons the Government is making this change is to give tenants more freedom to leave substandard properties.

# ASTS BECOME PERIODIC TENANCIES OVERNIGHT

When the Bill becomes law, all ASTs will instantly become periodic. Any tenancy you sign from now until that date will be affected, as well as your existing tenancies. Tenants will need to provide 2 months' notice to end the tenancy.

### NO MINIMUM TENANCY TERM

Tenancies will operate on a rolling, monthto-month basis and there will be no official minimum term for new or existing tenancies. This means tenants have the option to leave at any point with proper notice.

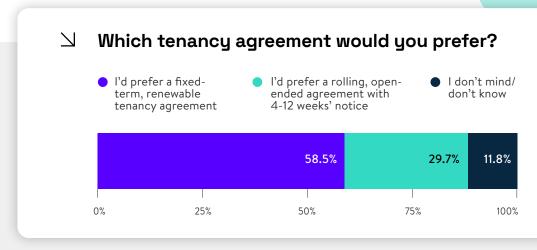
In theory, tenants could sign a tenancy agreement and immediately serve 2 months' notice, effectively making this the minimum term.



Learn more about how abolishing fixed-term ASTs impacts the PRS.







Goodlord and Vouch State of the Lettings Industry survey, 2024.

# Implications for stakeholders

The move to periodic tenancies increases admin for agents and makes the tenant-landlord relationship more rigid.

# CONTRACTS NEED TO BE UPDATED

The transition from fixed-term agreements to periodic tenancies will require your agency to update all existing and future contracts.

# TENANCY AGREEMENTS ARE LESS FLEXIBLE

As you can see on the previous page, 58.5% of tenants indicated they prefer fixed-term, renewable tenancy agreements. 62.1% of tenants also disagreed that they felt trapped by fixed-term agreements.

However, the move to periodic tenancies outlaws any fixed-term agreements, regardless of these preferences.

# NOTICE HANDLING PERIOD NEEDS TO BE STREAMLINED

With tenants able to serve notice at any point under periodic agreements, you need to streamline notice handling and tenancy documentation to avoid delays and disruptions. This includes:



Managing tenant notices to make sure properties are re-let quickly

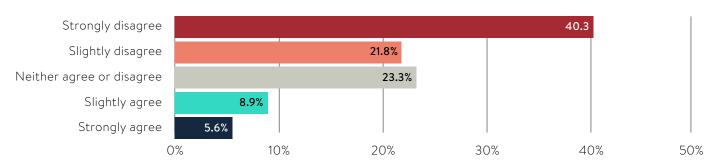


Keeping clear and compliant records to help landlords respond to tenancy changes

### LOST RENEWAL REVENUE

Most agencies charge fees when fixedterm tenancy agreements are renewed or extended. The abolition of ASTs means this is no longer possible.

## $\supset$ I feel trapped in my current home by the fixed term of my tenancy agreement



# How Goodlord can help

Our platform helps you automate time-consuming admin, and deliver more value to landlords and tenants.

### **AUTOMATIC CONTRACT UPDATES**

Vera Rogers, Head of Administration at Milburys, relies on Goodlord to keep her contracts up to date.

"When there's a change in legislation, we rely on Goodlord. They know about legislation and compliance because they've got the legal team. They will change the tenancy agreements. It's on the system the next day, and I am sending contracts that are already compliant."

### **Vera Rogers**

Head of Administration at Milburys



### **RENT REVIEW MANAGEMENT**

Goodlord simplifies the process of serving a Section 13 notice. The platform will automatically populate Form 4, which saves agents time and reduces errors that could delay the process.

Goodlord also reminds agents when rent reviews are due and provides a clear audit trail to ensure compliance.



Find out more











# Industry-leading referencing yours from just £7.75

- Consistent, quality referencing with a simple and concise report delivered in less than 48 hours\*\*
- Stay in control with our intuitive and easy to use Vouch Dashboard
- Full training and support with optional, dedicated support every step of the way

# Don't forget to protect your landlords, add rent protection insurance to your agency's offering.



Vouch offers fast payouts within four to five days, a dedicated claims manager, and top-tier claims mediation so you don't have to get involved in the process yourself.



# 03

# Rent increases via Section 13

The Renters' Rights Bill introduces significant changes to standardise rent increase procedures.





# Proposed changes

Rent review clauses, renewed ASTs, and written agreements will be no more.

# UNIFIED RENT INCREASE MECHANISM

After the abolition of ASTs, Section 13 will become the only mechanism for increasing rent.

This means rent review clauses, renewed fixed-term agreements and written agreements between the tenant and the landlord will be things of the past.

### **EXTENDED NOTICE PERIOD**

Landlords must provide tenants with 2 months' notice of any proposed rent increase, compared to the current one-month requirement.



Learn how to simplify Section 13 notices.







# Implications for stakeholders

Rent hikes may become more common as landlords lose flexibility and their costs rise. And, of course, there's more admin for agents.

# TIGHT RENT INCREASE TIMELINES

Under the new system, landlords can only raise rents once per year. As you must give tenants at least two months' notice of a rent increase, keeping track of rent review dates is important. Otherwise, any plans to increase the rent to cover rising costs will be delayed.



# LOSS OF FLEXIBILITY FOR LANDLORDS

In the current landscape, landlords can raise the rent at different intervals, depending on what's included in the tenancy agreement. The reforms to Section 13 remove this flexibility.

# INCREASED ADMINISTRATIVE WORKLOAD

Section 13 will become the only way to increase rent, meaning you'll have to handle a much higher volume of notices than before. You could think about charging landlords for this service to replace lost renewal revenue.

# RENT INCREASES MAY BE DELAYED

The Bill gives tenants the right to dispute rent increases in tribunals. Currently, there are no plans to backdate rent increases, even if the courts deem them fair. As a result, you need to ensure your clients' proposed rent increases are aligned with local market rates.



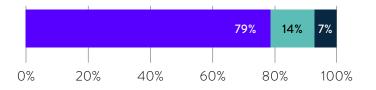


# INCREASED RISK OF RENT HIKES FOR TENANTS

According to Goodlord data, 49% of tenants in tenancies lasting over a year reported no rent increases, and 66% of those who did said the increase was "not significant". However, this is likely to change, with the Renters' Rights Bill and other housing reforms raising costs for landlords.

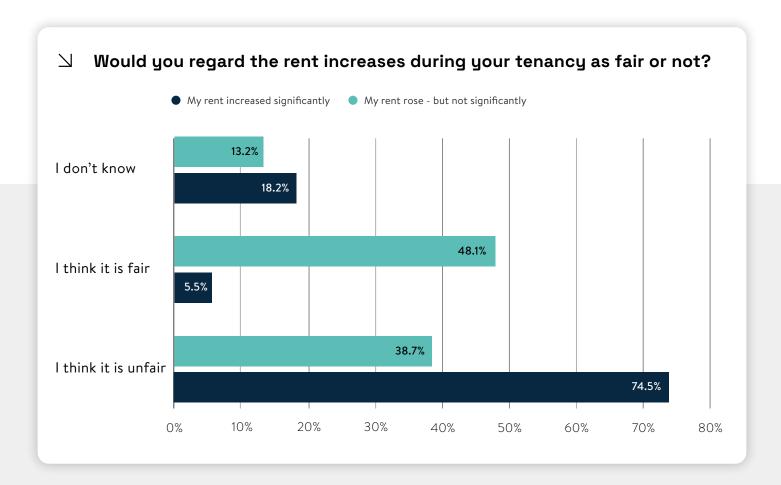
For example, the Government's upcoming EPC regulations will require landlords to invest in the energy efficiency of their properties to comply. While a minimum rating of "C" will be needed, 2023 data from Outra found that 4.5 million rented properties are rated "D" or below.

## 



- No / Don't Know
- My rent increased significantly
- My rent rose but not significantly

Goodlord and Vouch State of the Lettings Industry survey, 2024.





# How Goodlord can help

Goodlord's compliance-first software will help you manage these changes in a few ways:

### 1 - BEFORE ISSUING A SECTION 13 NOTICE

#### Goodlord's:

- Platform provides automated rent review reminders, ensuring the process is timely
- Rental Index helps to ensure rent increases are fair and aligned with local market rates



### 2 - DURING THE SECTION 13 PROCESS

Goodlord's platform will auto-populate notices with verified tenancy information, **eliminating** manual data entry and reducing the chance of costly errors.

### 3 - AFTER SERVING SECTION 13 NOTICES

Goodlord's platform gives you a comprehensive audit trail for the Section 13 notices you serve, ensuring compliance.



## Learn more





# **Conclusion**

Agencies who understand and communicate their value to clients will steal a march on their competitors when the Renters' Rights Bill becomes law.

According to the 2024 English Private Landlord Survey, 52% of landlords don't use an agent to let or manage their properties.

However, with the increased compliance requirements proposed by the Renters' Rights Bill, more landlords are likely to seek out expert advice from agents.

Those who are proactive and prepare for the Bill's introduction can:

AF

Pitch their services to self-managing landlords

**&**T

Upsell their services to existing, let-only customers



Increase prices for fully-managed customers

Ultimately, the Renters' Rights Bill is a unique opportunity for agents to showcase their expertise and position themselves as indispensable partners to landlords.











# Win more landlords, drive more revenue.

Premium references, with full checks, returned within 20 hours in average.

- 1 in 3 instant references
- 95% satisfaction score
- √ £54m rent protected from fraudsters

Stand out, save time, stay compliant with Goodlord's PRO referencing.





# **About Goodlord**



Goodlord is a RentTech platform with a mission to provide the best renting experience in the world. Letting agents can manage their properties in one place while staying compliant.



Goodlord's platform handles the entire lettings process, from offer letters to rent collection, all while helping to boost agency's revenue.



#### **SAVE TIME**

Manage entire letting process in one place. The Goodlord platform helps agents to consolidate their suppliers, reduce touchpoints to process a tenancy, and slashes the time agencies spend on admin.



#### STAY COMPLIANT

Goodlord protects letting agents from compliance risk - from seeing which certificates are expiring per property, to automatically sending the How to Rent guide.



#### **GROW YOUR BUSINESS**

Letting agents can focus on landlords, not on admin. We automate a lot of processes so they can focus on what really matters. Plus, they can generate extra revenue without lifting a finger - such as offering an industry-leading rent protection service to their landlords.

Since our inception in 2014, Goodlord has processed more than one million tenancies. The group has demonstrated its commitment to further growth by acquiring referencing vendor Vouch in 2020, fintech platform Acasa in 2021, and onboarding platform Halo in 2023.

**VISIT GOODLORD.CO** 





## **About Vouch**



Built by lettings agents for lettings agents, Vouch delivers a reliable referencing solution that is competitively priced, fast, and up-to-date.



Founded in 2017, Vouch joined the Goodlord family in 2020. The company is based in Sheffield and serves more than 1,000 letting agents across the UK.

Vouch offers Core, an industry-leading referencing product that empowers agencies to manage their referencing process in-house from just £7.75 per reference.

Core leverages smart technology to streamline the process while ensuring complete control at every stage. It helps agents save time by minimising administrative tasks and enhances oversight with a real-time dashboard for improved visibility.



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