

Renters' Rights Bill - Report Stage House of Lords - 1 July 2025
Briefing from Propertymark

Overview

Propertymark recognises the UK Government's intention is to protect renters and provide them with greater security. However, there is a real concern from letting agents that overly restrictive regulations will reduce the supply of rental homes, drive up rent prices and make it even more difficult for people to find affordable housing. We are therefore calling on Peers to make this Bill fit for purpose.

Areas that need more clarity

Implementation date

A long and varied lead in time of at least six months would allow the 23,000 letting agent businesses in England to prepare, understand the changes, update their CRM and IT systems and be best placed to support 11 million tenants and 2.3 million landlords.

Students

With fixed-term tenancies being abolished it is vital that the UK Government extend Ground 4A to one- and two-bedroom houses and flats used for students. Under Ground 4A, student Houses of Multiple Occupation (HMO) will receive a special dispensation, allowing landlords to reclaim properties to prepare for the next cohort of students, but this crucial protection does not extend to one- and two-bedroom properties, which are in the vast majority of circumstances not registered HMO.

Short term lets

The UK Government must enact the registration of short-term rental property requirements as passed in the Levelling-up and Regeneration Act 2023 alongside these reforms to level the playing field for landlords and the long-term rental market.

Properties let out as part of a Commercial lease of a building

Where a commercial tenant who has taken out a lease with a commercial ground floor retail space and flats above, has rented out the flats on ASTs, then wishes to exercise a break clause or return their lease at the end of the term, they need to do so with vacant possession of the entire building (including the flats).

Currently, they will just serve a Section 21 on the tenants, recover vacant possession and return the property (commercial and residential) at the expiry of the lease/ break clause. However, under the new proposals in the Renters' Rights Bill, there isn't a clear clause where the commercial leaseholder will be able to serve notice on their residential tenants (unless they are in breach).

Furthermore, the commercial leaseholder will not be selling the flats nor planning to move in, so this will potentially pose a huge issue for commercial leaseholders who many are not able to rent out their upper parts, if they are unable to regain possession. The concern is that this will limit the amount of housing stock on the market as there are no doubt many, many thousands of commercial leaseholders with High Street retail units that sublet their flats above.

Areas that need support

Fixed term tenancies

Letting agents are concerned that the removal of fixed term tenancies as an option will provide less security for tenants and reduce flexibility in the private rented sector. A fixed term allows security of tenure for the tenant and a guarantee of rent payments for the landlord. They are requested by tenants including many nurses and doctors working in hospitals for set periods as well as from overseas and families who want to stay in an area because their children are at a school.

Support amendment number 1

Lord Hacking's amendment, Clause 1, Renters' Rights Bill, Amendment number 1

- Amended text: Clause 1, page 1, line 13 at end insert— “unless the landlord and the tenant mutually agree to have a fixed term during which period the landlord agrees to suspend the ability to seek possession under Ground 1 (Occupation by landlord and family), Ground 1A (Sale of dwelling house), Ground 1B (New ground for possession after rent-to-buy agreement) or Ground 6 (redevelopment) in Schedule 1. (1A) During a fixed term tenancy agreed under subsection (1), the landlord shall not be entitled to increase the rent.”

Student tenancies

The UK Government must level the playing field for all students who rent. This is crucial to ensure that landlords of smaller properties have the security to continue offering their homes to students without the financial and operational risks associated with rolling tenancies.

Support amendment number 2

Amendment text - Clause 1, page 1, line 13 at end insert— “unless the tenant meets the student test when the tenancy is entered into. (1A) For the purposes of this section, a tenant who meets the student test when a tenancy is entered into has the same meaning as in Ground 4A in Schedule 1.”

Remove the restriction of Ground 4A to accommodation of three or more bedrooms only.

Support amendment number 5

Amendment text - Schedule 1, page 178, leave out line 13

Review of Tribunal System

The Tribunal system is at risk of being overrun when the Renters Rights Bill becomes law because once the Renters’ Rights Bill becomes law, Section 13 will be the only method landlords can use to raise rents.

Between 2019 and 2023, the number of fair or market rent cases before England’s Residential Property Tribunals increased by almost 89%, from 483 to 921.

Support amendment number 42

Amendment text After Clause 7 insert the following new Clause— “Impact of section 7: operation of rent tribunals (1) The Secretary of State must commission a review of— (a) the impact of section 7 (challenging amount or increase of rent) on the tribunals responsible for the determination of rent, and (b) the ability of tribunals to manage an increase in applications for a review of a proposed rent increase. (2) The Secretary of State must lay the review made under subsection (1) and the Government’s response to the review before Parliament. (3) The Secretary of State must consult with the Competition and Markets Authority on any measures necessary to ensure that tribunals are able to assess market rents without having a distorting effect on the market.

Renting with pets

Background

Since 1 June 2019, deposits on new tenancies are capped at an equivalent five weeks’ rent, where the total annual rent is less than £50,000, or six-weeks’ rent, where the total annual rent is £50,000 or more. Before the Tenant Fees Act, landlords often asked for pet deposits of around two weeks’ rent, but pet rents now mean tenants are often paying more each month.

- Landlords face real and substantial costs arising from tenants keeping pets- for example, it can cost a landlord £305 for a three-stage flea treatment which will reflect the lifecycle of a flea with one District Council in Essex charging landlords £276.00 for one visit.

Extending deposit cap requirements would support tenants and allow more landlords to meet the additional risk and cost of having pets in the property. This is important because 57% of landlords and agents who were surveyed said they were unable to recoup the costs of pet damage.

- The Tenant Fees Act 2019 is a barrier to renting with pets with one in five landlords who previously allowed pets no longer doing since the passing of the Act.

Support Amendment number 51

- Amendment text - Clause 11, page 19, line 9 at end insert— “(c)that the tenant makes an additional pet damage deposit which— (i)can be used to make good pet damage, (ii)must be of equivalent value to 3 weeks of rent, (iii)cannot be subject to the limits for deposits in tenancy agreements, and (iv)is subject to the rules governing deposits in tenancy agreements, for purposes of monies handled.”

Helping to increase the supply of homes to rent

Overall, demand for property to rent continues to outstrip supply, with the average number of applicants per member branch at seven people for each available property in May 2025. One Propertymark agent who has 13 offices across the West Midlands has seen a reduction in properties to let in 2024 from 5,348 to 5,006.

Support Amendment number: 58

Amendment text - Clause 14, page 23, line 22 at end insert “, or (iii) the dwelling house has been demonstrably available for purchase on the open market at a fair price for not less than six months and the landlord has not had any suitable offers to purchase the dwelling house. (1A) For the purposes of subsection (1)(b)(iii), the previous tenant or local authority retain the right for the courts to require evidence and to decide whether genuine attempts have been made to market and sell the property at a reasonable price and no offers at or above that price have been refused.”

The ability of councils to enforce the legislation

The Bill places significant new regulatory and enforcement responsibilities on councils. For the measures in the Bill to be effective, it is vital that local authorities are properly resourced.

- UK Government report September 2021: There was significant variation in local authority approaches to enforcement, with a small number making full use of the tools and powers available and proactively tackling substandard housing; and others where formal enforcement action was a ‘last resort’.
- Renters’ Rights Bill: Impact assessment: While most landlords and tenants have a positive experience of the sector, unequal regulation and enforcement have led to poor outcomes in some parts of the market for both.
- Renters’ Rights Bill: Impact assessment: In addition, inadequate enforcement of the existing law is allowing criminal landlords to thrive, causing misery for tenants and, for landlords, undercutting the responsible majority and disincentivising them from maintaining good standards

Support Amendment number: 60

Amendment text After Clause 16 insert the following new Clause— “Report on financial assistance to local housing authorities (1) Within 12 months of the day on which section 16 (landlords etc: financial penalties and offences) comes into force, and annually thereafter, the Secretary of State must make a statement of all financial assistance provided to local housing authorities under section 16L of the Housing Act 1988 (financial penalties: supplementary and interpretation). (2) The statement made under subsection (1) must be laid before Parliament.”

Ending joint tenancies

Under the current law, a notice to quit served by one of joint tenants ends the tenancy for everyone (even if the other tenants did not know about it). So, if the remaining tenants want to stay, they will have to reach a new agreement with the landlords. More needs to be done to ensure both the departing tenant, and the landlord inform the remaining tenants in writing and provide a copy of the notice to prevent the breakdown of a tenancy.

- The Housing (Scotland) Bill is trying to address this issue by allowing one joint tenant to end the tenancy for all by providing a "pre-notice" to the other tenants, followed by a notice to the landlord. The tenant seeking to end the tenancy must give at least two months' notice (but no more than three months') to the other joint tenants and the landlord. After the pre-notice period, the tenant can then give a 28-day notice to the landlord, effectively ending the tenancy for all tenants

Support amendment: 65

Amendment text Clause 21, page 39, line 2 at end insert— “(1ZB) In the absence of agreement under section (1ZA) (a)(i), any joint tenant serving notice must, at the time of serving notice, give a written warning to all other joint tenants that such notice has been served, and attach a copy of the notice. (1ZC) The landlord receiving a notice served under section (1ZA) (a)(ii) must give a written warning to all other joint tenants as soon as reasonably practicable after receipt, and attach a copy of the notice to quit.”

Supporting letting agents to comply

Extending the Tenant Fees Act 2019 into the Regulatory Enforcement and Sanctions Act 2008 would allow Primary Authority to support local authorities to give assured advice to lettings agents on achieving compliance under the Tenant Fees Act 2019.

Support amendment: 74

Amendment text - Schedule 2, page 207, line 13 at end insert— “Regulatory Enforcement and Sanctions Act 2008 69A In Schedule 3 to the Regulatory Enforcement and Sanctions Act 2008 (enactments specified for the purposes of Part 1), in the appropriate place, insert— “Tenant Fees Act 2019 (c.4)””

Implications of this legislation on the supply of homes to rent, renters and landlords

Tax and legislative burden are reducing the investment appetite of new and existing landlords. In recent years, landlords have seen higher rates of stamp duty on buy-to-let properties and the withdrawal of tax relief on mortgage interest costs.

Support Amendment number 90:

Amendment text After Clause 63 insert the following new Clause— “Post-legislative review: security and stability for renters (1) The Secretary of State must, within three years of the day on which Part 1 of this Act, as it applies to England, comes into force, undertake and publish a review assessing the extent to which the Act has improved security and stability for renters. (2) The review must include analysis of the impact of Part 1 of the Act’s provisions on— (a) levels of homelessness and repeat homelessness, (b) the proportion of applicants owed a homelessness duty, (c) the use and cost of temporary accommodation, (d) tenancy duration, frequency, and type of repossession activity, (e) the ability of tenants to uphold their rights under the Act, (f) landlord and tenant perceptions of security and stability, and (g) regional variations in these factors. (3) In undertaking the review, the Secretary of State must consult— (a) representatives of private renters, (b) representatives of private landlords, (c) local housing authorities in England, and (d) such other persons as the Secretary of State considers appropriate. (4) The review must be laid before both Houses of Parliament.”

Support Amendment number: 118

Amendment text After Clause 136 insert the following new Clause— “Report of the impact of this Act on the housing market (1) The Secretary of State must publish an annual report outlining the impact of the provisions of this Act on the housing market in England, Wales and Scotland. (2) A report made under this section must include the impact of this Act on—(a) the availability of homes in the private rental sector, (b) rents charged under tenancies, (c) house prices, and (d) requests for social housing. (3) A report made under this section must be laid before Parliament.”

Courts capacity

There remain long-standing concerns about the capacity and capability of the Courts, with the time from claim to hearing continuing to rise. The Bill in its current form may lead to an increase in contested hearings, as landlords that would previously have used no-fault provisions will instead have to show evidence for the reason for eviction.

- A letting agent in Somerset has said they are currently experiencing dramatically extended periods of time for court hearings from the application of a possession order to the actual hearing date. Pre-covid the normal hearing timescale would have been 4-6 weeks in Taunton. This is now 4-6 months on average.

Support Amendment number: 116

Amendment text - After Clause 136 insert the following new Clause— “Review of the impact of this Act on the judicial system (1) The Secretary of State must conduct a review of the impact of this Act on the judicial system. (2) The review must, in particular, assess the impact of the Act on— (a) the volume of cases brought before the courts; (b) the efficiency and timeliness of judicial proceedings; (c) the resource and administrative burden on the courts; (d) individuals’ ability to access justice. (3) In conducting the review, the Secretary of State must consult— (a) legal practitioners and their representative bodies, (b) court administration officials, and (c) any other persons or bodies the Secretary of State considers appropriate. (4) The Secretary of State must lay a report setting out the findings of the review before Parliament no later than two years after the day on which this Act is passed.”