

# R3NTERS' RIGHTS BILL



## As transformative as Labour make it out to be?

### Nothing too new

The Renters' Rights Bill is Labour's version of the Conservative's Renters (Reform) Bill – which did not pass into law before the last general election. It is not significantly different from what has been proposed before and on 9th October 2024, successfully passed its second reading in the House of Commons. Further readings and scrutiny in both Houses (Commons and Lords) are required, but it is expected to become law in the first half of 2025. The Renters' Rights Bill is set to introduce what has been called a “transformative new tenancy system”, ending arbitrary section 21 evictions and providing tenants with greater security and stability.

### Will it really be better for tenants?

The reality for expats coming to London to work, and who, in the main, deal with responsible Landlords and move into good quality accommodation, is that the Bill will have limited impact in practice but will provide them with additional rights that are not to be discounted.

However, some of the measures, which we look at here, may well push Landlords to increase the asking rent for their properties to mitigate some of the restrictions imposed by the Bill – see **FIGURE 1** – and may in the long-term, reduce stock levels altogether as Landlords exit this particular market to invest elsewhere.

**FIGURE 1 – MAIN PROPOSALS OF THE RENTERS RIGHTS BILL**

## Abolish s21 evictions **01**

Simpler tenancy structures will be implemented where all assured tenancies are “**periodic**” – so no longer fixed – giving tenants the right to end the tenancy by giving **2 months notice from the outset**.

## No more rental bidding **02**

End the practice of rental bidding by prohibiting landlords and agents from asking / accepting offers above the advertised rent. It will be **illegal to accept offers made above the asking rent**.

## Restrictions on rent increases **03**

Landlords will be able to increase rents **once per year** to the market rate – i.e. what would be achieved if the property was newly advertised to let. Tenants will have the ability to appeal if they feel the increase is unfair.

## Enhanced grounds for possession **04**

Allowing landlords to recover their property when reasonable with the introduction of **new safeguards for tenants**, giving them more time to find a home if landlords evict to move in or sell.

## Rental Sector Database **05**

The Bill will create a Private Rented Sector Database requiring Landlords to provide **better information to tenants** to make informed decisions when entering into a tenancy agreement.

## Pets **06**

Tenants will have **the right to request a pet** in the property, which landlords must consider and **cannot unreasonably refuse**. Landlords will be able to require pet insurance to cover any damage.