



# The **Renters** Rights Act A Guide For **Landlords**.

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## The Renters Rights Act

### Detailed Landlord Reference

The Renters' Rights Act introduces significant structural changes to the private rented sector. While the overall aim is to improve security for tenants and transparency in the market, the legislation also introduces new operational requirements for landlords and letting agents.

This guide explains the main elements of the Act and how they will affect landlords and tenancy management once the legislation comes into force.

### 1. Transition to Assured Tenancies

Will existing Assured Shorthold Tenancies automatically convert to periodic tenancies?

Yes.

Under the new legislation, all existing Assured Shorthold Tenancies (ASTs) will automatically transition into assured periodic tenancies from 1 May 2026.

This applies to:

- fixed term ASTs
- periodic ASTs already in place

If a tenancy agreement includes a fixed term extending beyond May 2026, that fixed term will no longer apply once the Act takes effect. From that date onward the tenancy continues as a rolling periodic tenancy.

For example: A tenancy that began in January 2026 with a 12-month fixed term would automatically convert to a periodic tenancy on 1 May 2026 and continue on a rolling basis.

Importantly:

- Landlords do not need to issue new tenancy agreements simply because of this conversion.
- The existing contract remains valid except where any clause conflicts with the new legislation.

Where a clause conflicts with the Act, the statutory rules will override the contract wording.

Landlords will, however, need to provide tenants with the government-issued tenant information document explaining the change in tenancy structure. This information must be provided by **31 May 2026**.

For landlords on our managed and rent collect service, Clarendons will issue the government-provided tenant information document on your behalf where required.



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## Can landlords still offer fixed-term tenancies after the Act begins?

No.

From **1 May 2026**, new assured tenancies must begin as **periodic tenancies**.

Landlords will no longer be able to grant a new fixed-term tenancy agreement unless the tenancy falls outside the Housing Act framework. Any attempt to create a legally binding fixed term in a new tenancy agreement will have **no legal effect** and may constitute a **criminal offence**.

While landlords may express an expectation that a tenant will remain for a certain period, tenants will always retain the statutory right to give **two months' notice** to end the tenancy.

Any contractual clause attempting to remove or restrict this right would be unenforceable.

## 2. Rent Increases and Section 13

### How will rent increases work after 1 May 2026?

Once all tenancies have become periodic assured tenancies, rent increases must follow the **statutory Section 13 process**.

This means:

- Rent can only be increased **once every 12 months**
- The increase must be served using the **prescribed Section 13 notice**
- Tenants must receive **at least two months' notice**
- The new rent can only begin at the start of a new rental period

Any alternative method of increasing rent will no longer be valid.

This includes:

- rent review clauses within tenancy agreements
- automatic annual increases
- informal written notices or letters

Tenants also retain the right to **challenge a proposed rent increase** by referring it to the **First-tier Tribunal** before the increase takes effect. The Tribunal will determine the appropriate **market rent**.

The Tribunal may determine a rent that is:

- lower than the proposed amount
- the same as the proposed amount

It cannot determine a higher rent.



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## What evidence is required to support a rent increase?

If a tenant challenges a rent increase at the First-tier Tribunal, the Tribunal will determine what rent the property could reasonably achieve on the open market.

Landlords should therefore provide **clear supporting evidence**, which usually includes:

Comparable local properties  
Recent rental values for similar homes in the same area.

Property characteristics  
Information about size, layout, condition, and amenities.

Local market data  
Evidence of rental trends and demand within the area.

It is important to note that **landlord costs**, including mortgage payments or rising expenses, are not taken into account by the Tribunal.

The decision is based purely on the **market rental value of the property**.

## What happens if a tenant challenges a rent increase?

If a tenant refers a proposed Section 13 increase to the First-tier Tribunal before the increase date, the rent increase is automatically paused.

The tenant continues paying the existing rent until the Tribunal makes its determination.

At present, cases typically take **three to six months** to conclude, although this may vary depending on tribunal demand.

Once the Tribunal issues its decision:

- The rent determined by the Tribunal becomes the new rent.
- The increase cannot normally be backdated.

This means landlords cannot recover the difference between the existing rent and the proposed rent during the tribunal process.



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## Are automatic or stepped rent increases still permitted?

No.

Under the new legislation, clauses setting out future rent increases in advance will no longer be valid.

This includes:

- fixed percentage increases
- stepped rent increases
- annual uplift clauses written into agreements

All rent increases must follow the **Section 13 notice process**.

This change ensures tenants can challenge rent increases where necessary and prevents automatic rent adjustments without review.

## 3. Rent in Advance and Payments

### Can tenants still pay rent in advance?

Tenants may still **choose to pay rent in advance**, but landlords and agents cannot require it.

For tenancies beginning on or after **1 May 2026**, landlords must not:

- require rent to be paid for multiple months in advance
- request large advance payments as a condition of granting a tenancy
- encourage tenants to compete by offering higher upfront rent

A tenant may still voluntarily offer to pay several months of rent upfront, but the initiative must come entirely from the tenant.

Any clause requiring more than one rental period's rent in advance will be void.



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## What happens to advance rent collected before the Act begins?

The restrictions only apply to **tenancies starting on or after 1 May 2026**.

If a tenancy began before that date and rent was lawfully collected in advance, those payments remain valid even if they cover periods after the Act comes into force.

For example:

If a tenancy began in February 2026 and six months' rent was paid upfront, the payments covering May and June would still remain valid.

The Act does not invalidate payments made under agreements that were compliant at the time.

## Can landlords still request the first month's rent before move-in?

Payment cannot be required before the tenancy agreement has been formally entered into.

However, once the agreement is signed, the normal sequence of payments remains lawful.

The typical process will be:

1. Holding deposit (optional)
2. Tenancy deposit
3. Tenancy agreement executed
4. First month's rent
5. Tenant moves into the property

Requesting the first month's rent shortly before the start of the tenancy remains standard practice.

What is prohibited is requiring multiple months of rent as a condition of granting the tenancy.

Importantly, if payment has not yet been made, it would be unlawful to deny the tenant access to the property solely for that reason.



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## 4. Student Tenancies and Ground 4A

A new possession ground known as **Ground 4A** has been introduced to support the student rental market.

This ground allows landlords of genuine student HMOs to regain possession between **June and September** in order to re-let the property to a new group of students for the next academic year.

Although student tenancies will also become periodic, **Ground 4A** allows landlords to recover possession where the intention is to re-let to a different student group.

If the landlord wishes the same tenants to remain, the tenancy can simply continue as a periodic tenancy, but importantly, **Ground 4A** cannot then be used that year.

## What happens if one student leaves a joint tenancy?

Joint tenancies remain legally shared agreements.

If one tenant gives notice during a periodic tenancy, the notice applies to the entire tenancy.

This means:

- the tenancy ends for all occupants
- the remaining tenants cannot simply remain under the same agreement
- a new tenancy agreement would need to be created

This has always been the legal position for periodic joint tenancies.

## 5. Abolition of Section 21

From **1 May 2026**, landlords will no longer be able to use **Section 21** “no-fault” eviction notices. Possession will instead rely on the revised **Section 8** possession grounds.

Two important mandatory grounds are introduced.

### **Ground 1** Landlord occupation

Used where the landlord or a close family member intends to live in the property.

### **Ground 1A** Property sale

Used where the landlord intends to sell the property with vacant possession.

Both grounds require **at least four months’ notice**. They are also subject to a **protected period**. Notices cannot be served within the **first eight months of a new tenancy**.



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## 12-month restriction after possession for sale

Where possession is obtained using Ground 1 or Ground 1A, the property generally cannot be re-let as a residential tenancy for **12 months**.

This rule prevents misuse of the possession grounds.

If a landlord re-lets the property during this period without legitimate reason, they may face:

- financial penalties of up to £40,000
- potential Rent Repayment Orders

## Are Section 21 notices issued before May 2026 still valid?

Yes.

Section 21 notices served before the new legislation begins can still proceed.

However, court proceedings must begin before **1 August 2026**.

After this date, any unused Section 21 notices will no longer have legal effect.

## 6. Tenant Information Requirements

The existing **How to Rent** guide will no longer operate in its current form.

Instead, tenants must receive a tenancy agreement that includes the specific information required under the new regulations.

Existing tenancies that convert to periodic tenancies do not need to be reissued.

However, landlords must provide tenants with **prescribed tenant information explaining the conversion**.

This information must be given by **1 June 2026**.



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## 7. Pets and Reasonable Refusal

The Act introduces a framework allowing tenants to request permission to keep a pet.

Landlords must consider requests individually.

Consent can only be refused where a **reasonable justification** exists.

Examples may include:

**Property unsuitability** - A large animal in a small flat with limited space.

**Superior lease restrictions** - Where the head lease prohibits pets.

**Insurance restrictions** - Where an insurance policy genuinely prohibits pets and alternatives are unavailable.

Landlords cannot refuse pets based purely on personal preference.

Additional pet fees or charges are not permitted.

Tenants remain responsible for any damage caused by a pet, which can be recovered through the tenancy deposit or legal claim.

## 8. Deposits and Guarantors

**Do deposits need to be re-protected?**

No.

When ASTs convert to periodic tenancies, the tenancy is treated as continuing rather than being replaced.

Deposits therefore remain protected under the original protection arrangement.

Landlords must still ensure:

- deposits remain within an authorised scheme
- prescribed information was properly served
- any relevant changes are reported to the scheme



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## How will guarantors be used under the new system?

Because landlords cannot request large amounts of rent in advance, guarantors will play a more significant role.

A typical process will involve:

**Affordability assessment** - Determining whether the tenant meets income thresholds.

**Guarantor referencing** - Ensuring the guarantor has sufficient income and credit history.

**Deed of guarantee** - A formal legal agreement confirming the guarantor's responsibilities.

For international tenants without UK guarantors, alternative arrangements may include specialist guarantor companies

## 9. Operational Changes for Letting Agents

Letting agents will need to update a wide range of procedures and documentation before the Act begins.

Key areas include:

**Tenancy agreement templates** - Removing fixed terms and rent review clauses.

**Pet policies** - Replacing blanket bans with formal request procedures.

**Payment structures** - Ensuring agreements do not require rent in advance beyond the first rental period.

**Referencing processes** - Strengthening guarantor assessment procedures.

**Possession procedures** - Updating Section 8 notice templates and staff training.

**Marketing descriptions** - Ensuring listings comply with anti-discrimination rules.

**Preparation for PRS database registration** - Expected to roll out from late 2026.

These operational changes will require updates to systems, documentation, and staff training.

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## Clarendons Support for Landlords

The Renters' Rights Act represents one of the most significant regulatory changes to the private rented sector in recent years.

Clarendons continues to support landlords through these changes by:

- reviewing tenancy agreements and documentation
- advising on compliance requirements
- assisting with tenancy planning and management
- helping landlords adapt to the new regulatory framework

If you would like to discuss how the new legislation may affect your property or portfolio, speak to your local Clarendons office.



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## Compliance Is Key.

### Speak to Your Local Team.

Book a landlord review with your local Clarendons office for tailored advice.

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