

Classification: Open	Decision Type: Key
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Report to:	Cabinet	Date: 30 June 2026
Subject:	Implementation of Renters Rights Act 2025	
Report of	Cabinet Member for Housing Services	

1. Summary

- 1.1 The Renters’ Rights Act 2025 introduces a substantial change to the regulation of the private rented sector, representing a significant programme of reform aimed at strengthening tenant protections while continuing to support responsible landlords. The provisions of the Act will have implications across multiple council services, including Housing Services, Legal Services, Trading Standards, and the Private Rented Sector Enforcement Team. This report sets out proposals to strengthen the council’s enforcement approach through an expanded civil penalty framework, placing new statutory duties on the council to enforce a broader range of landlord obligations. The report also proposes a revised policy framework designed to support effective delivery of these duties while aligning with Bury Council’s strategic objectives. To meet the requirements of the Act, the council must ensure that all relevant policies are fully aligned with the new legislative framework. Enhanced enforcement powers will assist the council in meeting its commitments under the Corporate Plan, including tackling inequalities, improving public health outcomes, and discharging its statutory housing duties in accordance with the Housing Strategy.
- 1.2 This report outlines the rationale for the proposed changes, together with the associated financial, legal and equality implications, and seeks Cabinet approval for the implementation of a strengthened enforcement model under the Renters’ Rights Act 2025.

2. Recommendation(s)

- 2.1 Cabinet is recommended to:
- (1) Note the implementation of the Renters’ Rights Act on 1st May 2026;
 - (2) Approve the amendments to the existing enforcement policy and adopt the Justice for Tenant’s Civil Penalty Policy;
 - (3) Delegate authority to the Assistant Director of Public Protection and Resilience, in consultation with the Director of Law and Governance, to implement any further policies required or make further amendments to existing policies;

(4) Support investment in staffing and digital systems to deliver Private Rented Sector regulation;

(5) Note the alignment with Corporate Plan priorities and the Housing Strategy.

2.2 Reasons for recommendation(s)

To ensure the Council can fully meet its statutory duties under section 107 of the Renters' Rights Act 2025. The recommendations provide a clear, consistent and legally robust framework for enforcement decision-making, reducing the risk of legal challenge and associated reputational risk. Making minor amendments to the existing Enforcement Policy will enable timely and effective implementation, building on a policy that is already considered robust. Adopting the Act-specific Civil Penalty Policy will further ensure consistency, transparency and proportionality in the application of penalties under the new legislative framework, while aligning the council's approach with national best practice and mitigating the risk of challenge arising from local deviation.

2.3 Alternative options considered and rejected

- Not to implement policy changes
- To adopt both the JfT/ACEHO Civil Penalty Policy and Enforcement Policies to replace the existing local policies.

3. Background

3.1 The Renters' Rights Act 2025 ("the Act") represents a significant new legislative burden for local authorities and will have implications across multiple council services. The Act introduces wide-ranging reforms to the private rented sector and places enhanced expectations on local authority enforcement activity. These new duties are expected to place additional pressure on officer capacity, particularly during the initial implementation period.

3.2 The measures set out in the Act are intended to strengthen tenant protections through enhanced investigatory powers, an increased emphasis on compliance, and expanded use of civil penalties where appropriate. These enforcement powers sit alongside a range of tenant-focused reforms relating to rent, security of tenure, and protection from unfair practices and discrimination. The Act seeks to take a firmer approach to non-compliant landlords while continuing to support those who operate responsibly within the sector. The new requirements include, but are not limited to:

- Abolition of section 21 notices: No more 'no-fault evictions'; all private rented tenancies will become assured tenancies.
- Changes to rent arrears grounds: Tenants will have more time to resolve arrears; the threshold for eviction will increase from two months arrears to three months.
- Rules for landlords selling or moving back in: Landlords must give four months' notice and cannot re-let the property for 12 months.

- Tenant's notice to end tenancy: The notice period will increase from one month to two months.
- Rent increases: Only allowed through section 13 notices with two months' prior notice.
- Bidding wars: Properties must be advertised with a specific rental figure; no higher offers or 'bidding' allowed.
- Rights to keep a pet: Tenants can request to keep a pet, and landlords must not unreasonably refuse but can require insurance against damage.
- New rules on disrepair: Extending the Decent Homes Standard and Awaab's Law to the private rented sector.
- Anti-discrimination provisions: Preventing discrimination against tenants with children or those claiming benefits.
- Local authority enforcement: New duties and powers for local authorities to enforce the rules including powers to demand documentation and enter properties, and the council will be able to impose higher civil penalties than previously (up to £7000 for lower-level breaches and up to £40,000 for serious or repeated breaches).

4. Implementation phases

- 4.1 **Phase 1** from 1 May 2026 the Act introduces the full suite of core tenancy and enforcement reforms, as outlined in section 2.2. These measures are intended to strengthen protections for private rented sector tenants, while also supporting landlords in managing problematic tenancies and enabling them to regain possession of their properties where justified. The provisions introduced at Phase 1 include changes relating to tenancy arrangements, eviction processes, property description standards and fee structures. Enforcement of these requirements is expected to be undertaken by Housing Services and Trading Standards, as appropriate, alongside existing legislation, including the Tenant Fees Act 2019.
- 4.2 **Phase 2** of the Act is anticipated to commence in late 2026 and will include the rollout of a new national private rented sector landlord database, with which landlords will be required to register. It is expected that landlords will be charged a moderate application fee to join the database, together with an annual subsistence fee to remain registered. Fees will initially be payable to a central external body, before being apportioned to local authorities. Phase 2 will also introduce new financial penalties relating to Category 1 (higher-priority and more serious) housing disrepair hazards. In addition, it is anticipated that Phase 2 will provide for the introduction of mandatory membership of the newly established PRS Landlord Ombudsman scheme, with implementation expected in 2028.
- 4.3 **Phase 3** of the Act will be introduced following a consultation-led process relating to the development of a revised and nationally consistent Decent Homes Standard for the private rented sector. While a long-term implementation timetable has been proposed, the final date will be determined by the outcome of the consultation. Although 'Awaab's Law' currently applies

within the social housing sector, it will not become mandatory in the private rented sector until Phase 3. At that stage, the duties it imposes will extend to private landlords and letting agents acting on their behalf. In the private rented sector, Awaab's Law is expected to give tenants enhanced routes to take their own action in relation to hazards, particularly damp and mould. The measures set out under Phase 3 will be implemented through secondary legislation following consultation, proposed for 2027, with the Decent Homes Standard for the private rented sector anticipated to come into effect between 2035 and 2037.

5. Resourcing challenges

- 5.1 To meet the new burdens arising from the legislation, central government allocated a £60 million national funding envelope to local authorities, distributed proportionately according to size and scale. Bury Council received £51,188 in late 2025, with a further £126,777 allocated in 2026. No further funding is anticipated beyond this period, and no allocation is expected in 2027. To utilise the initial funding, the council advertised for an Environmental Health Officer; however, no suitable applicants were identified. This is likely due in part to the funding only being sufficient to support a time limited (12-month) post. In addition, there are well documented national challenges in recruiting suitably qualified officers, driven by increased demand arising from the new burdens and a general shortage of trained professionals across the sector. To-date, existing officers have been involved with the implementation of the Act alongside ongoing day-to-day workloads,
- 5.2 The use of agency staff has been discounted due to wider budgetary pressures across the council and the prohibitive cost of current agency rates. Instead, the council has chosen to take advantage of apprenticeship pathways and, in 2026, recruited two Apprentice Housing Enforcement Officers. This approach is intended to build skills capacity and provide longer term resilience within the team. It is anticipated that the funding received will be retained where possible to support the training and qualification of these officers and to underpin longer-term workforce investment. Both officers will however require ongoing training across the board range of housing-related services.
- 5.4 The council is also likely to receive a proportion of application and subsistence fees associated with the new national landlord database once this becomes operational. Subject to the level and sustainability of this income, the service will seek to recruit appropriately trained officers where budgets permit.

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Links with the Corporate Priorities:

These new burdens will support delivery of Bury Council's strategic objectives, strengthening housing stability, reducing inequality and improving health and wellbeing. By ending no-fault evictions, improving standards in the private rented sector, and giving tenants greater protection from unfair practices, the Act helps prevent housing insecurity and homelessness which directly contribute to poor health, educational challenges, and economic inactivity. The improved data capture and sharing will promote early intervention and investigations, whilst responsible landlords will be supported to enable them to succeed.

Equality Impact and Considerations:

It is not anticipated there will be any negative impact on any particular group as this is national legislation to be applied across the full range of Private Rented Sector Housing regardless of any specifics. On the contrary, it is likely to positively impact tenants in general by providing improved education and access to assistance.

Environmental Impact and Considerations:

There will be an indirect benefit to the environment, and lowered carbon emissions as the improved consistency in relation to decent homes standards and introduction of Awaabs Law, aimed at earlier intervention and resolution with damp and mould cases will naturally result in improvements to homes in disrepair. Damp and Mould in particular is strongly linked to excess cold, therefore resolutions to repair defects contributing to these issues will increase warmth in homes and result in less energy use.

There is no impact on biodiversity.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
<p>Opportunity – income generation through further enforcement opportunities, and income ringfenced to continue activities in the PRS.</p> <p>This is however a risk that an increased emphasis to utilise civil penalties as a primary enforcement sanction will result in a backlog of cases, for both enforcement officers and Legal teams, particularly as it is anticipated that landlords will often seek to appeal decisions which will delay cases and result in additional costs.</p>	<p>Mitigation of risk from adopting consistent policy and sharing best practice amongst other authorities.</p> <p>The PRS and Housing teams are publishing as much guidance and education as possible to allow both tenants and landlords to understand the new rules, which will include a landlord forum to attend. This is likely to work in the council's favour should decisions be challenged/appealed.</p>

Opportunity – empowers tenants to take their own action and help themselves with the introduction of the PRS Ombudsman and application of Awaabs Law to the PRS. The intention would be for tenants to seek resolution themselves before the council is forced to act.	Have produced a website to signpost residents to for advice, in anticipation of demand. Emphasis will be placed on the introduction of Awaabs Law and what this means for tenants.
Risk – demand for service. Currently under resourced and face significant recruitment challenges due to a lack of qualified and competent officers working within housing enforcement and tenancy relations.	Have produced a website to signpost residents to for advice, in anticipation of demand.
Risk – requirement to mandatory report to MHCLG by the end of 2026/2027 (phase 2) Computer systems are dated and require significant investment to review and upgrade. Maybe penalties or scrutiny from MHCLG on a lack of formal return regarding enforcement actions. Covers a number of teams data.	Risk will be mitigated once an exercise has been undertaken to establish what data requires collecting and where additional coding can be added into the system to collect and report this data. If that is not possible, alternative actions may be required which may include contact with the system provider for assistance.
Risk – not adopting the JfT drafted civil penalty policy, and using the civil penalty generator and editing our existing policy.	There has been a ‘push’ nationally for LAs to adopt this, if we don’t adopt this policy, we could face criticism and challenge if a penalty amount was challenged at tribunal. Adopting the policy that MHCLG has ‘pushed’ nationally allows us to issue penalties consistency with other LAs across the region and nationally.

Procurement Implications:

There are no procurement implications.

Legal Implications:

The Council’s existing Civil Penalty and Enforcement Policies were developed prior to the introduction of the Act and, as such, do not reflect the range of new offences, nor the amended penalty frameworks or evidential thresholds now required. Updating the policies will support fair, transparent and proportionate enforcement, ensure alignment with statutory guidance and recognised best practice, and mitigate the risk of successful legal challenge. A revised approach has been discussed and agreed jointly between the Legal Services and PRS teams.

The current Private Sector Enforcement Policy was drafted in accordance with the principles of the Regulator’s Code, enabling authorised officers to adopt a graduated approach to enforcement and to exercise discretion in resolving relatively minor

non-compliance through informal means. However, the new Act introduces a statutory duty on local housing authorities to enforce specified 'landlord legislation'. This duty requires the council to actively consider formal enforcement action in relevant cases, rather than prioritising informal resolution, and therefore represents a departure from aspects of the Regulator's Code based approach. Where offences fall outside the scope of the defined 'landlord legislation' under the Act, the Council may continue to apply the existing graduated and discretionary approach consistent with the Regulator's Code.

The Association of Chief Environmental Health Officers (ACEHO) and Justice for Tenants (JfT) have each developed model policy suites, including Civil Penalty and Enforcement Policies, to promote national consistency, transparency and legal robustness in local authority enforcement activity. The Council's Enforcement Policy was drafted relatively recently and is considered sufficiently robust to remain in use, subject to minor amendments to reflect the new statutory framework. However, the council is seeking to adopt the JfT Act-specific Civil Penalty Policy, which is understood to be the preferred approach across Greater Manchester authorities. This policy is supported by an associated calculator tool, which will assist officers in determining penalties in a consistent, proportionate and defensible manner.

Failure to comply with the Act and make updates to policies may result in legal challenge against the Council, threaten the success of proceedings brought by the Council against landlords and result in complaints to the Ombudsman. Legal Services will continue to provide advice for enforcement purposes and if it becomes necessary to revise policies at future implementation phases.

Financial Implications:

New burdens monies will support the implementation cost but going forwards the additional staffing costs are expected to be covered by the increase in the use of civil penalties issued, which are to be ringfenced back into the PRS team for enforcement purposes.

Appendices:

- **Appendix 1 - Justice for Tenants Civil Penalty Policy**
- **Appendix 2 – Updated Private Sector Housing Policy**

Background papers:

None.

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
ACEHO	Association of Chief Environmental Health Officers
CP	Civil Penalty
JfT	Justice for Tenants
MHCLG	Ministry of Housing, Communities and Local Government
PRS	Private Rented Sector