

Transcript

RRA Unit 1.1.3

Assured Periodic Tenancies

Hello everybody. In this video we're going to have a look at APTs, assured periodic tenancies.

The good news is I'm not going to say the long-term assured periodic tenancy every time, otherwise it'll be a very long video. So APTs, yeah? Let's have a look at APTs. Out with the ASTs, out with the old, and in with the new, with the APTs. Out with assured shorthold tenancies and in with assured periodic tenancies.

We have the end of ASTs, so landlords will not be able, after May 1st, to issue a fixed term tenancy anymore. That's what an AST is, it's an assured shorthold tenancy for a period of time. That's ended. From May 1st, landlords cannot now let their home on a six month tenancy or 12 month tenancies. They can't require tenants, therefore, to remain for minimum periods, and they can't include break clauses that replicate what a fixed term tenancy would be.

I certainly got an email query from someone that had been given a tenancy agreement where there was a break clause that could be exercised by the tenant, but also a break clause that could be exercised by the landlord. Well, that clearly is just trying to purport to still be a fixed term tenancy. None of that will be allowable.

And it's not just not allowable. Landlords might say, "Well, it might not be allowable, what's to stop me doing it?" What's to stop a landlord doing it is the enforcement side. Local authorities will be able to issue civil penalties of up to £7,000 for landlords who still try and let their home on some form of AST, on some form of fixed term tenancy.

So, what about these APTs? Let's understand the key things you need to know about APTs. They will be what's called rolling tenancies under the Housing Act 1988, and the maximum period of the tenancy is one month. Some of you might be saying, "Hang on a second. This is meant to be giving tenants more rights. If the tenancy is only for a month at a time, and just rolls from one month to the other, how does that give tenants more rights?"

The extra rights come in the question of how landlords then can get their tenants out, because they won't be able to use a Section 21, "no reason required", notice. They'll

have to issue a Section 8 notice and prove the evidence of grounds as to why they want their property back. So it'll be a monthly rolling tenancy. It doesn't have to be monthly; it can be weekly, but it can't be more than monthly.

You can't say, "I have a quarterly rolling tenancy." That's not allowed. It will be a month at a time, or say a week at a time. I guess there might be some tenancies which are two weeks at a time, but not many. Most tenancies, I would guess 80–90%, will be monthly, and there'll be some tenancies which will be weekly.

If you want to get technical, the Renters' Rights Act refers to these new APTs as Section 4(1) assured tenancies. So if you want to impress your friends in the office and they say it's an APT, you could say, "Ah, technically it's a Section 4(1) assured tenancy." Then they'll walk away from you. So basically APTs, but it is a Section 4(1) assured tenancy.

All new and existing private tenancies will be APTs regardless of whether they were a fixed term AST signed before the 1st of May 2026. That's very important to understand. There's no protection for landlords. So if a landlord, let's say in January 2026, signed a tenant up on a two year AST, then on May 1st that two year fixed term AST converts into an APT. The two year AST is irrelevant.

If you had tenancies that had already expired, fixed term tenancies before May 1st, and they rolled over into what was called a statutory periodic tenancy – it was the end of the fixed term and just rolled on – then they will become an APT.

A lot of people have asked the question: if they become APTs, surely that means that the landlord has to issue a new tenancy agreement on or after May 1st, and they must take out any wording in the existing tenancy agreement that relates to fixed terms? No. They don't need to. It just becomes an APT. It just converts.

So it doesn't matter that the tenancy agreement the tenant's got in their hand still refers to a fixed term tenancy of, say, 12 months. It doesn't matter that the wording in that agreement talks about an assured shorthold tenancy. None of that matters. The landlord doesn't have to issue a new tenancy. It just becomes an APT.

The only thing the landlord does have to do on an existing tenancy is they have to issue the new government's information sheet by the end of May 2026. If they don't do that, that's potentially one of the breaches which could mean they get a civil penalty. Other than issuing an information sheet to existing tenants to tell them about these changes – and it's the government information sheet, the landlord doesn't have to

write it themselves, they just issue the government sheet – you don't need to change the tenancy. You don't need to issue a new one. It just becomes an APT.

Slightly technical: the tenancy periods will be the same duration as the period the rent is paid for. So if the rent is paid monthly, calendar monthly, then it is a monthly rolling tenancy. If it's weekly, then it's a weekly rolling tenancy. As I've already said, if the landlord states it's for a period of a tenancy that's longer than a month, then by default, that will become a monthly tenancy, regardless of what the landlord states in their tenancy agreement.

Some people are getting confused about whether that means landlords have to start the rent on the first of the month. No. None of that. You don't have to say, "Oh, well, it came in on May 1st, so do I now need to show the rental period as from May 1st '26?" No. The rental period can start on any day of the month, and will end the day before the start of the next rent period.

For example, the rent period might run from the 25th of June until the 24th of July. It doesn't have to start on the 1st of the month. So it's a monthly tenancy. In this example, on the 25th of June it starts, and that monthly period, the rolling period of one month, ends on the 24th of July. From the 25th of July, the new monthly rolling period starts.

Tenancies will no longer expire automatically – of course not, because there are no longer any fixed terms. If I want you out as a landlord, then I have to issue a Section 8 notice. Under Section 8, as we'll see in future videos in this module, there are around 36 mandatory or discretionary grounds, and the landlord will have to evidence a ground if they're relying on it to try and get their property back in the court.

An important thing to also understand that's brought in by the Renters' Rights Act is the ability of the tenant to give two months' notice. From May 1st, a tenant will be able to give two months' notice at any time, even if they signed the tenancy the previous day. They will be able to give two months' notice to leave.

The important thing is: that notice will end the tenancy, but it must expire at the end of a rent period. That means a lot of tenants might get that wrong and just issue two months' notice, and that then isn't a valid notice to leave if it doesn't expire at the end of a rental period. Whether landlords, or especially landlords rather than agents, will understand that it has to expire at the end of a rental period – who knows, really?

A tenant will be able to give two months' notice at any time. And because there isn't any fixed term anymore, a landlord can't say, "Well, you still owe me six months' rent because you're contracted," because it's just a monthly tenancy and I give my two months' notice.

By the way, it will still be okay for landlords and tenants to agree a shorter notice period, as long as they come to an agreement to do so. So if the landlord and tenant said, "Well, I tell you what, it works for all of us, why don't we call it a month, or a week, or two weeks' notice?" then that's fine, because that's been agreed between the parties. But in terms of where it's not been specially agreed between the parties, it's a two month notice that the tenant can give at any time, and that will then end the tenancy.

That's the information on assured periodic tenancies. I'll see you on our next video.