

Transcript

RRA Unit 1.1.5

The end of section 21 notices

So in this video, we're going to have a look at, quite a brief video, around the end of Section 21 notices.

Okay, so Section 21 notices, they end at the end of April. A landlord will not be able to use a Section 21 notice. Just understand that a bit more. So up until when the Renters Rights Act came in on the 1st of May '26, landlords had two ways to recover possession of their property, and those two ways were, number one, by issuing a Section 21 notice, commonly known as a "no reasons required" notice. They didn't have to do it that way. They could try and get possession by issuing a Section 8 notice.

Now, remember from the previous videos that the Section 21 notices were brought in by the Housing Act 1988, and in a way, landlords have been hooked on Section 21 notices as the easy way to get people out. So even if there's rent arrears, let's say, or even if there's poor behavior from their tenant, quite often, rather than issuing a Section 8 notice for poor behavior or rent arrears, they'll just wait for the end of the fixed term, and then they'll issue a Section 21 notice because they know that as long as they've issued the notice correctly, when it gets to court, the county court, because it's a "no reasons required" notice, then the court are required to give possession. And there was an accelerated possession process as well.

So unless you'd, say, issued a two-year fixed term, and then the tenant's behavior was outrageous in month two of those two years, then you wouldn't have to issue a Section 8. You just waited for your Section 21, waited for your fixed term to expire, and then you had your option of issuing the Section 21 notice.

Now, as a result of Section 21s being there, many, many individual landlords have never issued a Section 8 notice. They've only ever issued a Section 21 notice. Now, I guess if it's a lettings agent, they'll mainly be issuing Section 21s, but they may have issued some Section 8 as well, so they have some experience. But a large number of landlords, research suggests possibly up to 40% of landlords, don't have a lettings agent to manage their property. And in that sense, they may never have issued a Section 8 notice.

So there will not be the ability to issue a Section 21 notice anymore. It will just be a Section 8 notice. As I say, landlords have relied on Section 21 notices to end their tenancies. They may never have issued a Section 8 notice, and few are likely to understand the new rules for doing so. So there is going to be a huge number of mistakes.

Now, as housing options officers, if somebody comes in with a Section 8 notice to try and prevent homelessness, one of the first things you're going to do is to see if it's a valid notice, and there's quite a lot of rules about having to issue that valid notice. It has to be on the specific form. It has to give the full wording of the ground that's being relied on or the grounds that are being relied on. You've got to get the address right, the tenant's name right, and you've got to get the period of notice right, because under each of these grounds, under Section 8, there may be a different notice period that's actually required and further restrictions on when you can issue it.

So many landlords are really going to struggle to understand how to issue Section 8 notices. Arguably, it might professionalise the sector more because it's going to be unlikely that many individual landlords will carry on managing properties themselves. They're more likely to take on a professional lettings agency to manage it on their behalf because they just won't understand, for many of them, the rules.

So as we know, from May 1st, a landlord cannot issue a Section 21 notice. They can only issue a Section 8 notice. And the important thing is if a landlord then serves a Section 21 notice, even by mistake, because many landlords won't understand and they'll just carry on issuing them, if they serve them after the 1st of May, it will be invalid, and it could result in the council imposing the civil penalty of up to £7,000. So in a way, ignorance doesn't get the landlord out of the potential of being fined.

Obviously, some landlords might just issue them anyway and hope to get away with it. They can be fined, but even ignorance – “I just didn't understand” as my defense – may not be a defense. Obviously, it's up to the council whether they issue the fine. The fine can be up to £7,000.

It's important to understand the abolition of Section 21 notices during Phase 1 does not initially apply to the social rented sector, meaning registered providers, or as commonly we call them, housing associations. So it doesn't apply to registered housing associations. This will happen; this will be brought in in Phase 2 sometime in 2027.

So housing associations will still be able to issue, say, starter tenancies, which are the short assured tenancies, and housing associations will still be able to rely on issuing Section 21 notices. But there will be a date in 2027 when that is no longer the case. It will apply to housing associations as well.

And the last date a Section 21 notice can be served is the 30th of April 2026. Many of you will be watching this video way past the 30th April 2026, so it will already be too late for landlords on that basis. The last date they can issue the Section 21 is the 30th of April 2026.

There we have it. That's our explanation around Section 21s, and I'll see you on one of the further videos.