

Transcript

RRA Unit 3

Phase 2 and 3 changes

Hello again. In this video, we're going to have a look at phases two and three of the implementation of the Renters' Rights Act.

As you'll know by now, the main changes came in on May 1st. That was phase one of the implementation of the Renters' Rights Act, and that brought in the tenancy changes, things like assured periodic tenancies and all the other things that you've already gone through on this academy module, including things like rental discrimination and the right to request to have a pet.

All of those changes came in on May 1st, but we have phase two and phase three of the changes. We're going to have a look at those changes. Phase two brings in the landlord database and brings in the ombudsman service, or the ombudsman for the private rented sector. Phase three is all around the standards in private rented accommodation to try and tackle serious disrepair standards and try and bring about improvements in the quality of the private rented sector. We're going to have a look at the detail for these two other phases. Okay, let's have a look at the slides.

The first thing we're going to have a look at is the landlord database. All landlords will have to sign up to a private rented sector database, and they're going to have to register themselves and they're going to have to register all of the properties that they rent out. Let's have a look at when this is likely to be rolled out. The government say it'll be rolled out regionally from late 2026. You might be watching this video in 2027; it might have already been rolled out, but the date for rollout is late 2026 and rolled out on a regional basis. Landlords will have to sign up, and that will vary from region to region. The government is just trying to take a phased approach, I suppose, to make sure there are no teething problems to the landlord database, and that's why they will roll it out on a regional basis.

You might have a landlord that has properties in more than one region. When that landlord would have to register those properties would depend on when the date is that they have to register themselves and their properties for that region. So what is the database? The government's intention is to deliver what they say is a one stop shop, and it's going to contain lots of information about the landlord and lots of information about the landlord's properties. It's going to include all the documents that

are required to rent a property, and whether a landlord has been subject to some form of penalty, maybe a civil penalty, or maybe there are some issues around a penalty issued in the context of the condition of their property.

At the moment, if I want to rent a property out as a landlord, then I need to provide the tenant with things like the EPC certificate and the Gas Safe certificate and a number of other documents. The aim is that all of these should be on the database, so it will act as a one stop shop. If I'm a tenant and I want to check out the property and I want to make sure what its energy performance rating is or that it has all the things required to let the property out, then I could check on the database itself that those things are there. If I have a concern over the landlord and I want to check that the landlord's not been subject to any civil penalties, then I can check it out on the database itself.

Obviously, the database is going to be incredibly useful for the local authority as well, because the local authority, the council, is going to know all the private rented properties which are being rented out in their council area and who the landlords are. So it's going to be much easier to police the system once you know what all the properties are which are rented out, because all landlords will have to register on the database. You might say, "Well, what's to stop the landlord just ignoring that? Surely nothing will happen to the landlord if they don't register on the database." The reality is that, as part of the civil enforcement or civil penalty regime, they can be issued with a civil penalty up to £7,000 for not registering.

So in the situation we have at the moment, there are a lot of quite informal arrangements around private rented properties—cash in hand arrangements which are under the radar and therefore more difficult to police when it comes to the condition of those properties and the standards in those properties. All of that is going to be far more difficult for landlords to do, because the risk is that if they don't register themselves and their properties on the database, then they are subject to the civil penalty regime, and there will be very little defence. A defence is not going to be "I didn't realise," because ignorance isn't going to be a defence against the fine that the council can issue.

There's another sting in the tail for the landlord, because the landlord will be prevented from gaining possession unless they're registered on the database. The only exception for that would be serious antisocial behaviour cases. So if I've gone for the section 8 notice on the mandatory ground of serious antisocial or criminal behaviour, then I won't be prevented from gaining possession through not being on the database. But those are going to be very few cases. The reality is there's no excuse for the landlord. Ignorance is not going to save them from a civil penalty. They must register, and they

register themselves and they register each of the properties that they've got in that region.

The landlord database is going to be a whole new thing. Don't confuse this with selective licensing. If you're listening to this video from a local authority, you might say, "Well, my local authority has a licensing scheme. There are certain wards, certain areas in my council where we have a licensing scheme. Isn't this just the same thing?" Because if there's a licensing scheme, you obviously have to register. If you're in the area which is covered by the local licensing scheme, then you have to register. Don't confuse the two things. There's still the ability for the council to have special rules and licensing rules for certain areas of their council. Don't confuse that with the database. It's nothing to do with it.

The database is straightforward. The landlord will have to register themselves, they'll have to register their properties, and there will be certain information that they must put on the database. At the time this video is being filmed, we don't have a final list of everything a landlord will have to supply on the database. That will become clearer as we get towards the rollout dates towards the end of 2026. They will have to pay a fee. The landlord will have to pay a fee to register. The tenant won't have to pay anything because the tenant isn't registering; the registration is required of the landlord.

We don't know what that fee is. Some commentators on the private rented sector estimate it to be around £30 per property. If you're watching this video in 2027, of course you'll know what the fee is, but the estimate is around £30 per property. The information that's likely to be required is obviously things like the landlord's contact details, but not their personal address. There has to be some balance the government will take in the context of personal information, confidentiality, and safety. How to contact the landlord will certainly be on there, but it won't include their personal address. It will have to include, on the registration, the property details, including the full address, the type of property—whether it's a flat or a house—the number of bedrooms, the number of households or residents that are going to be letting that property, confirming whether the property is occupied, and confirming if it's furnished or not.

Then all the safety information: the Gas Safe certificate, the EPC, any electrical certificates, and anything else that's required now. A landlord needs to have these things to rent a property out. But sometimes there are rules around having to issue them to the tenant. One assumes that once they're on the database, landlords will not be required to also issue them to the tenants. We don't know that for sure until we see the detail for the rollout of the database itself, but given it's meant to be a one stop

shop where all of these certificates are up to date and kept in one place, it wouldn't be surprising if the government say these do not have to be issued in person to the tenant. We don't know for sure because we don't have the final details on the database. That's the database. That comes in phase two of the rollout from late 2026.

The other thing that starts to be rolled out in 2026 but doesn't go live until 2028 is the private rented sector landlord ombudsman. Let's remember, if you work for the council at the moment, there is a Local Government and Social Care Ombudsman. If somebody is unhappy with the way they've been treated by the council and they have gone through the council's complaints procedure, they have a right to then put their complaint to the local government ombudsman. It doesn't mean the ombudsman would take the complaint up; there are rules for that. But there is an ombudsman, not to police the local authorities, but to be able to intervene as an independent third party if someone has a complaint. There isn't a private rented sector ombudsman for the private rented sector. There is no ombudsman service, and that's what the government intends to change.

Be clear, though, the expected go live date is expected to be some time in 2028. What the government are doing in phase two of implementing the Renters' Rights Act is they're going to choose somebody to run the ombudsman—a scheme administrator. Once they've been selected, they will then need time to recruit people to work for the ombudsman service and prepare all the administration, the IT, and everything else. All that's going to happen in the phase two side of the implementation is that the government chooses who's going to run the ombudsman service. There might be other regulations and technicalities they need to deal with as far as secondary legislation is concerned. Then, once they've chosen someone to run the ombudsman service, that organisation is going to need time to prepare and to recruit, and to develop procedures, training, and so on. It's expected to go live sometime in 2028. We will not know a go live date until, one assumes, closer to or even in 2028.

It will be compulsory for all landlords to be members of the new ombudsman service, and landlords will have to pay a fee. Again, we do not know what that fee will be because we're still a couple of years away from go live. Some commentators who know a little about the private rented sector estimate the fee at around £100 per landlord, but not £100 per property. Otherwise, a landlord that had 50 properties would find it very expensive. So perhaps £100 for a landlord to register, to be a member of the ombudsman service. This is different to the database. I'm registering for the database, but on this one, the ombudsman, I am paying to be a member of the ombudsman service. It might not be something I want to be a member of if I'm a landlord, but I am going to be required to be a member of the ombudsman service,

and there's going to be a fee. We don't know what that fee will be yet, but it's guesswork—maybe around £100 per landlord. Tenants will then have the right to complain, and they'll have their concerns looked at by what will be an impartial third party.

The rules of how it will work will need to be developed. For example, at the moment a tenant, if they were to complain, could complain to the council, which could then issue a civil penalty; and then, if they complain to the ombudsman, the ombudsman would look at the complaint. We don't know what the rules will be when the ombudsman service comes in. It might be that the first port of call for the tenant is to complain to the council before they would go on to complain to the ombudsman. It's a bit like how it works for the council ombudsman at the moment: you have to go through the council's complaint service before you can then go to the local government ombudsman. It might be the same. We just don't know what the rules will be for the ombudsman to accept a complaint and investigate it. It might be, for example, "Have you complained to the council first? Have they looked at it? Have they issued a civil penalty? Is that the end of the matter?" Or it might be that they can complain to the ombudsman and complain to the council, which could issue a civil penalty. We just don't know. The devil will be in the detail, and we wait to see what that detail is. We're still some way off getting that detail.

That's phase two. What about phase three? Phase three is all about improving the standards in the private rented sector and tackling serious hazards in the private rented sector. The first thing is about the extension of what's called the Decent Home Standard to the private rented sector. Some of you that work for councils or housing associations will know that there's already a Decent Home Standard when it comes to social housing. Social landlords have to meet what's called a Decent Home Standard, and there are all sorts of issues around what will be in a Decent Home Standard—modern kitchens and so on. The government is looking to take a version of what applies now to social housing around a Decent Home Standard and apply it to the private rented sector. All PRS properties will have to meet a new private rented sector Decent Home Standard.

They won't have to meet it immediately. The aim is that by 2035 all properties would meet the private rented sector Decent Home Standard. We don't yet know the final list of things that will have to be included and delivered by landlords to achieve the Decent Home Standard for their properties. But it's likely to include things like window restrictors on windows above hip level, thermostatic radiator valves on radiators, landlords not being able to refuse a tenant's need for disabled adaptation, wash hand basins provided with all toilets, all properties having extractors fitted to bathrooms and

kitchens, and all properties needing to meet energy performance certificate level C by a date in 2030. This is what the government have been consulting on in terms of the Decent Home Standard for the private rented sector. The final set of requirements to meet the Decent Home Standard we're still to see, but hopefully that gives you a flavour of what landlords in the private rented sector would have to achieve and deliver.

Look out for the detail when the government finalises what landlords will have to achieve to meet the Decent Home Standard. Remember, they don't have to meet the standard until 2035, so it might take a little while for the full list of requirements to be established by law.

The second and final change in phase three—because the Decent Home Standard comes in in phase three of the Renters' Rights Act—is Awaab's Law, which also comes in during phase three. Many of you will remember the tragic case that led to Awaab's Law: the little boy who died in Rochdale. He was in a social housing property in Rochdale. There was significant damp and mould which was not dealt with by the social landlord in the way it should have been, and it was a contributory factor to the little boy's death. As a result of that tragic situation, the government has introduced what they call Awaab's Law to the private rented sector.

The law already applies to social landlords. They must investigate and fix dangerous damp and mould in set time periods, as well as repair all emergency hazards within 24 hours. Those already apply to social landlords, but they will also apply to the private rented sector under Awaab's Law. Obviously, the damp and mould circumstances landlords will have to deal with, and there will be strict timescales to respond and repair the emergency hazards. These will be rolled out within the private rented sector with clear timescales for action. For example, on damp and mould, because that's what we've been focusing on: 24 hours to investigate a report, 48 hours to act on findings, seven days to complete any works. There may be other hazards that landlords in the private rented sector—not just damp and mould—will have to deal with and respond to, that come under the family of hazards brought in through Awaab's Law.

This is just an example of what the requirement on the landlord may be, but again we wait to see the final set of hazards that landlords will have to respond to, what the timescales will be to respond to a complaint, what the timescales will be to act on the findings of any problem or complaint, and what the timescale will be to complete any work. We wait and see what the final detail is for that, but be clear that Awaab's Law will be applied to the private rented sector, and landlords will have to respond with far

clearer timescales than they had before the Renters' Rights Act came in. Obviously there will be implications and penalties for landlords that fail to do so.

So those are our phase two and three changes. Phase two, from late 2026, is the database rollout and the beginning of the process of appointing an ombudsman for the private rented sector. Phase three is about the standards: the Decent Home Standard—the final detail for that we wait to see, with a hard target date of 2035—and Awaab's Law in phase three. The final detail again we await, but that will put much clearer requirements on landlords to tackle significant, dangerous hazards for people's health, such as, for example, damp and mould.

Those are our phase two and three changes for the Renters' Rights Act. I will see you on another video.