

## Briefing: Report Stage of the Renters (Reform) Bill

The 2019 Conservative Manifesto pledged a 'better deal for renters'. The government's White Paper promised a private rented sector 'with affordability, security and quality at its heart'. But Shelter has been deeply concerned by the government's imbalanced approach to amending the Renters (Reform) Bill so far – and, nearly five years on from that first promise, the current Bill is set to fail renters.

Shelter cannot support this Bill unless the government stands up to the self-interest of landlord MPs and takes decisive action to fix it. We are calling on all MPs to ensure the debate at Report Stage is a *truly* balanced one.

### SHELTER OPPOSES THE TENANT PERIOD OF COMMITMENT

The government's amendment (Gov NC15) adds a new clause stating that tenants cannot give notice to quit until they have resided in the property for at least four months. Coupled with the Bill's proposed 2 month notice period for tenants' notice to quit, this would mean that tenants would be unable to leave a property until they have resided in it for 6 months in total.

Shelter does not support this amendment because it is based on unevidenced claims and would undo the core benefits of scrapping fixed term tenancies.

The main argument being used for this amendment is that without it, tenants will be able to wilfully enter and leave tenancies frequently, enabling them to use private rental tenancies as a form of short term let – harming landlord business interests and causing disruption in the market. However, no evidence has been submitted to support this claim and, in fact, the high costs of moving, fierce competition for properties and the upward trend for tenants staying longer than ever in their homes all suggest the opposite. New research [published](#) last week by Shelter shows just how costly moving is – with renters shelling out an average of £669 in unrecoverable costs per move. Credit and reference checks, as well as other administrative duties and the need to pay deposits and often rent in advance, will also remain. Tenants are therefore unlikely to deliberately enter into such arrangements at great cost to themselves with the intention of vacating shortly after.

Secondly, the risks associated with such a policy are difficult to mitigate and this could mean that the benefits of the new tenancy regime aren't fully felt. Shelter sees many renters who are stuck or feel stuck living with disrepair or unsuitable homes that aren't as advertised – as well as many whose life circumstances mean that they can no longer afford the rent or are in desperate need of a new, more suitable home. Tenants should be able to respond to these circumstances by ending their tenancy, with appropriate notice. While the government has proposed it will introduce exemptions, no such amendment has been tabled. Shelter believes it will be difficult to account for the various circumstances in which a tenant might legitimately wish to leave their tenancy. Further, placing the burden on the tenant to prove such circumstances is likely to prevent many tenants, particularly those experiencing domestic abuse, from making use of such exemptions.

Landlords should not be granted the power to entrap tenants in unsafe and unsuitable properties. In fact, it is tenants who need *more* security and protection from frequent evictions with a longer protected period.

→ **Protected period: The government must extend the protection period at the start of a tenancy from six months to two years, in line with its original proposals.** The Renters (Reform) Bill proposes a six-month protection period for tenants, in which tenants cannot be evicted where the landlord wants to sell the property (ground 1A) or move themselves or a family member back in (ground 1). This is a significant reduction from the two-year protected period consulted on prior to the publication of the government's White Paper. A longer period of stability and certainty is needed if tenants are to put down roots in their communities and avoid the upheaval and high costs of frequent moves.



# SHELTER OPPOSES THE DELAYS TO ABOLISHING SECTION 21 OVER COURT REFORM

The government's amendments (NC28 and NC30) to the commencement provisions in the bill would require the Lord Chancellor to publish a review of the operation of residential possession proceedings before determining the date for implementing the abolition of section 21 for *existing* tenancies. This requirement could significantly delay the scrapping of section 21 for many tenants, and is the result of backbench MPs, many of whom are landlords, using their outsized influence to push for core reforms to be kicked into the long grass.

While Shelter agrees that the courts should be better resourced – and that this could be beneficial to tenants – we do not think that this is a valid reason to hold up vital reforms. In fact, there is little to no precedent for the implementation of a bill to be tied to the progress of other reforms. Moreover, court timings are now back to pre-pandemic levels and on a downward trend. Government can work on improving the court system simultaneously – the most important measure being increased funding – while preventing significant hardship caused by ongoing section 21 evictions. In fact, the end of Section 21 evictions and new, well designed tenancy system, should *reduce* evictions and take some pressure off the courts – not increase it. With each needless delay to the Bill's implementation, thousands more renters and their families will face a no fault, no reason eviction.

→ **Scrapping section 21: The government must ensure that all loopholes are closed, and section 21 is definitively abolished on the day of royal assent.** The Renters (Reform) Bill's headline proposal to scrap section 21 will be foundational to reforming the private rented sector, but the government must do more to avoid delays and prevent unfair practices from persisting or new loopholes from opening up.

## Nothing less than a rewrite will do. A Bill that Shelter could fully support must:

1. Lengthen notice periods (where the tenant has not breached the tenancy agreement) from two months to four months.
2. Extend the protection period at the start of a tenancy from six months to two years, in line with previous proposals.
3. Increase the 'no reletting' period from 3 months to 12 months, and introduce high evidence thresholds and punitive fines for misrepresentation.
4. Scrap Ground 8A (the new mandatory eviction ground for repeated serious rent arrears).
5. Reverse changes to anti-social behaviour eviction grounds to protect renters from spurious accusations.
6. Make all section 8 grounds discretionary, as is currently the case in Scotland.
7. Limit annual rent increases within tenancies to the lowest of inflation (CPI) or median wage growth.
8. Ensure that the information tenants and local authorities need to uphold rights are included on the property portal, including rent levels, basic safety information and the use of possession notices and resulting evictions.
9. Remove requirements to prove discrimination against renters claiming benefits or with children is intentional, which would prevent renters from accessing justice, and focus instead on the discriminatory impact of these practices.
10. Tackle wider discriminatory practices by capping rent in advance requests to one month and setting restrictions on the scenarios in which a landlord or letting agent can legitimately request a guarantor and the amount which can be 'guaranteed'.

## Contact

If you have any questions or would like any further information on this briefing, please contact [public\\_affairs@shelter.org.uk](mailto:public_affairs@shelter.org.uk).

