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legacie

MANAGEMENT & LETTINGS

The Renters' Rights Act, explained.

A landlord's guide to the most significant changes to the private rented sector in over thirty years.



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Legacie Management & Lettings

FROM THE MANAGING DIRECTOR

What this means for you, and what we're doing about it.

On 1 May 2026, the Renters' Rights Act (RRA) takes effect, replacing the Assured Shorthold Tenancy (AST) regime that has governed private renting in England for more than three decades. It is a substantial piece of legislation, with breaches carrying fines of up to £7,000 per offence.

The good news: we have this in hand. Our team has spent months preparing for the transition, and every managed property is on track to be compliant from day one.

The biggest change in the new law is that tenants can now leave with two months' notice at any time. Under a regime designed to make it easier for tenants to move on, the single most valuable thing we can offer you is a tenant who doesn't want to. That is why we have spent years investing in state-of-the-art luxury amenities, a real sense of community, the events that foster it, and resident wellbeing. We are not just managing your property. We are building the kind of place tenants want to stay.

This is not a time to profiteer. It is a time to support, to guide, and to reassure. Many agents are using the new law as an excuse to push fees up. We are not. Our job right now is to absorb the operational pressure, manage the compliance on your behalf, and continue to invest where it matters most.

This briefing covers everything landlords have been asking, with a full Q&A. We have also recorded a landlord webinar walking through the changes in more depth, which will shortly be available on our website. If anything raises further questions, your dedicated

Property Manager is your first port of call.

KEY FACTS AT A GLANCE

The essentials. Everything in this briefing elaborates on the points below.

ASTs end, APTs begin

All Assured Shorthold Tenancies automatically convert to Assured Periodic Tenancies on 1 May. The only paperwork you'll need to sign is your updated, RRA-compliant Property Management Agreement, which we'll send before 1 May.

Section 21 is gone

'No fault' evictions are abolished. Any existing Section 21 notices must reach court by 31 July 2026.

Rent increases once a year

Via a Section 13 notice only, with two months' warning. Bidding wars and rent in advance are banned.

New mandatory documents

Every tenant must receive a written statement of terms and a statutory information sheet. We have produced both.

No more fixed terms

Every tenancy is month-to-month from day one. Tenants can give two months' notice at any time.

New routes to possession

Selling or moving in requires Section 8 Ground 1 or 1A: 12-month protected period, four months' notice.

Pets must be considered

Blanket 'no pets' policies are no longer allowed. A headlease ban remains a valid refusal ground.

Fines of up to £7,000

Multiple breaches now carry civil penalties. We manage the compliance process end-to-end to reduce your exposure.

COMMENCEMENT

1 May
2026

The RRA takes effect. All ASTs automatically convert to APTs. New tenancies from this date will be on our updated, RRA-compliant agreement.

GRACE PERIOD ENDS

31 July
2026

Final deadline for enforcing existing 'no fault' notices (Section 21) through the courts. After this date, possession can only be sought through Section 8 grounds such as selling, moving in, or rent arrears.

Q U E S T I O N S & A N S W E R S

The detail.

01 THE BASICS

What is the Renters' Rights Act?

It is a new law that changes how renting a home works in England. For over thirty years, landlords and tenants have used a standard rental contract called an Assured Shorthold Tenancy, or AST. From 1 May 2026, ASTs no longer exist. They are being replaced with a new type of rental agreement that has different rules on how long a tenant can stay, how landlords can end a tenancy, and what rights tenants have along the way. The full name is the Renters' Rights Act, often shortened to RRA.

When does this all start?

1 May 2026. From that day, the old system stops and the new one begins. In practical terms: every existing Assured Shorthold Tenancy (AST) automatically converts to the new Assured Periodic Tenancy (APT) at one minute past midnight on 1 May. Your tenants do not need to sign anything, you do not need to issue new agreements, and rent collection continues exactly as before. From 1 May, no new ASTs can be created in England, no new Section 21 'no fault' notices can be served, and any new tenancy from that date onwards is automatically an APT under the new rules.

Why is this happening?

The government's view is that the private rented sector has become too insecure for tenants, particularly because of 'no fault' evictions. The RRA is the most significant attempt to rebalance the relationship between landlords and tenants in over thirty years, in favour of the tenant.

Does it apply across the whole UK?

No, the RRA applies to England only. Scotland, Wales, and Northern Ireland have their own separate rental laws. If you let property in those areas, the changes here do not apply.

What about my tenant who is already living in the property?

Nothing changes for them on day one. Their existing contract automatically switches over to the new type of agreement on 1 May. They do not need to sign anything new, they do not need to move out, and they carry on paying rent as normal. The only difference is that from that date, the new rules apply to their tenancy instead of the old ones.

What happens if I or my agent get something wrong under the new rules?

Fines are significant: up to £7,000 per offence for many breaches, and up to £40,000 for more serious or repeat offences. Local councils also gain stronger enforcement powers. The good news is that we have already put processes in place to handle compliance for every property we manage, which substantially reduces the risk for you.

0 2 H O W T E N A N C I E S W O R K N O W

My tenant was on a 12 month contract. What happens to that?

The fixed term part of their contract effectively disappears. From 1 May, all tenancies become what is called 'periodic', which means they roll month to month with no end date. Your tenant is no longer locked in for the remaining months of their original fixed term.

Can my tenant just leave whenever they want?

Yes, effectively. Under the new rules, a tenant can give two months' notice at any point and walk away, even if they only moved in last week. This is the single biggest change for landlords, because it introduces more uncertainty about how long a tenant will stay.

So can I do new 6 or 12 month contracts for new tenants?

No. From 1 May, fixed term contracts are not allowed for residential tenancies. Every new tenancy has to be periodic from day one. Even if you and the tenant both want a fixed term, you are not permitted to agree one.

What about renewals when the fixed term ends?

There are no renewals anymore. There is nothing to renew because there is no fixed term to begin with. The tenancy just continues month to month until someone ends it.

03 ENDING A TENANCY AND SELLING THE PROPERTY

How does the old way of ending a tenancy work? (Section 21)

Right now, landlords can end a tenancy without having to give a reason, by serving a Section 21 notice giving the tenant two months' notice to leave. It is known as a 'no fault' eviction and is the most common way landlords end tenancies today. From 1 May 2026, this is abolished entirely. Landlords will no longer be able to end a tenancy without a specific legal reason.

If I already served a Section 21 notice, is it still valid?

Yes, but only for a limited window. Any Section 21 served before 1 May remains valid, but you must start court proceedings by 31 July 2026 if the tenant does not leave voluntarily. After 31 July, the notice becomes worthless, even if it was served perfectly.

Can I serve a new Section 21 now?

Only if the expiry date and court timeline fit within the window. If your tenant is on a fixed term ending after mid-May, a Section 21 served now likely cannot be enforced in time, so it would be effectively worthless. Your Property Manager can advise on specific cases.

How do I get my property back if I want to sell it?

Under the new system, you have to use a different type of notice called a Section 8. This requires you to have a specific legal reason, known as a 'ground'. The ground for selling is called Ground 1A. It comes with two important restrictions: you cannot serve it within the first 12 months of the tenancy, and you have to give the tenant four months' notice.

What if I want to move into the property myself?

This is Ground 1 under the new system. Same rules as selling: not within the first 12 months of the tenancy, and four months' notice required. Close family members moving in count too.

What if my tenant stops paying rent?

The rules here are getting slightly tougher for landlords. Under the new system, the tenant has to be at least three months in arrears before you can use this ground for possession, up from two months currently. Routine arrears chasing remains part of standard management, but where the case escalates to formal Section 8 notice and possession proceedings, we can support you through that process for a separate fee.

What about a tenant causing anti-social behaviour?

The anti-social behaviour grounds (Ground 14 and Ground 7A for criminal convictions) remain available under the new law, and notice can be served immediately in the most serious cases. Important to note: Ground 14 is a discretionary ground, meaning even when you prove the behaviour, it is ultimately at the court's discretion whether to grant possession based on what they consider reasonable. We can advise on the strength of any ASB case, and where you instruct us to, we can assist you through evidence-gathering, notice-serving, and the court process for a separate fee, as this work sits outside standard management.

I am thinking about selling. What is the best route?

Get in touch now. If there is a way to use the current rules (a Section 21 that expires with enough time to enforce before 31 July), that is usually the cleanest option. If not, you will be using the new Section 8 route, which means waiting until the tenancy is at least 12 months old and then giving four months' notice. Either way, the earlier we know, the better we can plan.

What if my tenant refuses to leave after I've served Section 8 notice?

You would need a court order to formally evict them, just like under the current system. Court possession proceedings sit outside standard management, but we can support you through the process for a separate fee, including coordinating with your chosen solicitor where needed. The new grounds are designed to be more robust legally, but court timelines remain the unknown variable.

Can I refuse to renew with a problem tenant?

There is no 'renewal' to refuse anymore, because tenancies are periodic from day one. To end a tenancy with a problem tenant, you will need to either rely on a Section 8 ground (such as serious arrears or anti-social behaviour) or wait until the 12 month mark and use Ground 1 or 1A. We can advise on the most appropriate route case by case.

0 4 R E N T A N D O U R F E E S

Can I still put the rent up?

Yes, but only once a year and only through a specific legal process called a Section 13 notice, which gives the tenant two months' warning. The tenant will also have a clearer right to challenge the increase at a tribunal if they think it is unfair.

Can I take several months of rent upfront?

No, not anymore. The most you can take at the start of a tenancy is one month's rent, plus the deposit. Bulk payments of 3, 6 or 12 months in advance are no longer allowed. This is a real shift for tenants who previously relied on paying upfront to compensate for limited UK credit history, low income on paper, or no UK guarantor (often the case with international tenants, students with overseas funding, freelancers, or new arrivals). The good news is there are workarounds: tenants can use Housing Hand or other professional guarantor services to satisfy referencing where they cannot provide a guarantor of their own. We also offer Reposit as a deposit alternative, which covers landlords for more than a traditional cash deposit.

What about bidding wars and letting to the highest offer?

Bidding is banned. Under the new law, you cannot ask for, encourage, or accept rent above the advertised asking price. Properties have to be listed at a single, genuine asking rent, and that is the maximum any tenant can pay to secure the property. Breaching this carries a fine of up to £7,000 per offence. We have updated every listing and every part of our process to reflect the new rules, significantly reducing your exposure to this risk.

Can I say I do not want tenants on benefits or with children?

No. 'No DSS' and 'no children' policies were already considered discriminatory in case law, but the new Act makes this explicit and enforceable. You cannot refuse a tenancy, or refuse to let anyone view, on the grounds that they receive benefits or have children. Breaches carry fines of up to £7,000 per offence, rising to £40,000 for repeat offences. Every applicant we process goes through the same affordability and referencing criteria, regardless of income source or family composition, so this risk is managed on your behalf.

Are your management fees going up?

For most of you, no. Our standard management fee is exactly what it was in 2025, and we are not changing it because of the new law. If you are on an older agreement signed before 2025, you may see a small uplift of around 1% to bring you in line with everyone else. Even with that adjustment, our fees remain among the most competitive in the market: on average, landlords with us save several hundred pounds per year per tenancy compared to several major competitors.

What about tenancy set up fees?

We have capped them at three per property per year. Here is why that matters: because tenants can now leave with two months' notice at any time, properties could turn over much more frequently under the new system. Without a cap, you would end up paying a fresh set up fee every time a tenant moved on, through no fault of your own. The cap means you will not.

What are other agents doing?

From what we have seen in the industry press, many agents are using the new law as an excuse to push fees up significantly. The biggest driver is the loss of renewal agreement fees, which were a major recurring income stream under the old fixed-term system and disappear entirely under the new periodic regime. Others are passing on the cost of more frequent tenant changeovers through higher set up fees, or hiking management percentages to recover income lost to faster turnover. Our view is different: you have got enough to navigate without us adding to it, so we are absorbing the operational impact rather than pushing it onto landlords.

0 5 P E T S

Do I have to allow my tenant a pet?

You have to properly consider any pet request within 28 days. You cannot just say no by default. A blanket 'no pets' policy is not allowed anymore. However, you can still refuse on reasonable grounds.

So when CAN I refuse a pet?

The clearest reason is if the building's head lease (the freeholder's lease) prohibits or restricts pets. This applies to the majority of our managed buildings, so for most of you, this remains a valid ground to refuse. Other reasonable grounds include a specific concern about the animal being unsuitable for the property, for example a large dog in a small flat with no outside space.

06 NEW STANDARDS FOR THE PROPERTY

What is the Property Portal?

A new national government-run database that every landlord will have to register with. It will hold basic information about you and your property that tenants can check. When it goes live, we will handle your registration for you. We will let you know as soon as registration opens.

What is the new Landlord Ombudsman scheme?

The Act makes membership of a single, government-approved landlord redress scheme mandatory for every private landlord in England, regardless of whether they use an agent. It is the first time this has been required for the private rented sector. The Ombudsman can investigate tenant complaints and, where upheld, order landlords to apologise, carry out work, pay refunds, or pay compensation (up to £25,000 in serious cases). As a Legacie-managed landlord, you are already covered: we are members of The Property Ombudsman (TPO), and we handle any complaints at the agent level in the first instance. You won't need to join a separate scheme yourself.

07 STUDENT LETS AND OTHER SPECIAL CASES

Does any of this affect student lets?

Yes. Most privately-let student houses and flats are fully subject to the new rules, with one carve-out: there is a new ground for possession (Ground 4A) that lets landlords of Houses in Multiple Occupation (HMOs) let to full-time students recover possession between June and September each year, to align with the academic cycle. A narrow exemption from the regime exists only where a Purpose-built student accommodation (PBSA) provider is registered with an accredited scheme and directly manages every unit, which applies to very few providers. If you let to students, talk to your Property Manager about how this applies to your specific property.

What about Houses in Multiple Occupation (HMOs)?

HMOs are covered by the new law in the same way as single household tenancies. Each tenancy converts to an Assured Periodic Tenancy on 1 May. The new standards (Property Portal, Ombudsman) all apply. Existing HMO licensing requirements continue alongside the new rules. If you have a licensed HMO with us, all of this is built into how we manage it.

What about holiday lets and short-term rentals?

These are not affected by the RRA. The new law only applies to long-term residential tenancies. If you let a property as a short-term holiday rental (Airbnb, serviced accommodation), the existing rules continue to apply unchanged.

08 WHAT WE ARE HANDLING FOR YOU

Do I actually need to do anything?

No, really. We are managing the transition end to end: updating every tenancy template, deposit registration, tenant communication, internal process, and compliance check. The only piece of paperwork you will need to sign is your updated, RRA-compliant Property Management Agreement (PMA), which we will be sending out to every managed landlord prior to 1 May 2026 for signature.

What paperwork do tenants now have to receive?

The RRA introduces two new mandatory documents that every tenant must be given at the start of their tenancy (and existing tenants must receive ahead of the transition on 1 May): a written statement of terms setting out the legal basis of the tenancy, and a statutory information sheet explaining their rights and your obligations as a landlord. Failing to provide either one carries fines of up to £7,000 per offence and can invalidate possession proceedings if you ever need to end the tenancy. We have already produced both documents in line with the new templates and will issue them to every tenant we manage ahead of 1 May, taking two significant compliance risks off your plate.

Will my tenant know what is happening?

Yes. We are sending separate communications to every tenant explaining how the change affects them, what their new rights look like, and what stays the same. They will also receive their written statement of terms and statutory information sheet at the same time.

Is there a video I can watch to understand the changes better?

Yes. Charlotte O'Driscoll, our Managing Director, and Abby Jones, our Operations Manager, have recorded a full landlord webinar walking through the new law and what it means for your property. The recording will shortly be available on our website at legacielettings.co.uk. It is around 30 minutes and covers everything in here in more depth, with specific examples.

Who do I call if I have more questions?

Your dedicated Property Manager is always your first point of contact. You can also email us at lettings@legacie.co.uk, use the live chat on our website during business hours, or LOTTIE, our 24/7 chatbot, which can handle common queries any time of day.

09 WHY SHOULD I STAY WITH LEGACIE?



How are you rated by tenants and landlords?

We were ranked 2nd in the whole of the UK out of more than 20,000 letting agents on the allAgents review platform in early April 2026, and consistently sit in the top tier for response time, communication, and resolution. That ranking is built entirely on independent reviews from the tenants and landlords we look after every day, not on marketing claims.

What does that mean for my property in practical terms?

Properties listed with us are 50% faster to let and generate 230% more enquiries per advert than the market average. In aggregate, our landlords receive approximately £1 million more in rental income every year as a direct result of those shortened void periods, based on an average rent of £1,000 across our portfolio of around 3,000 landlords. Under the new law, where every void period costs you more and tenant choice matters more than ever, that performance gap is the difference between a property that earns and one that sits empty.

Why does this matter now more than ever?

Because under the new law, your tenant can leave at any time with two months' notice. The single biggest factor in protecting your rental income is no longer just having the right contract, it is having a tenant who actually wants to stay. That is what we have spent years building, and it is what sets us apart in the city.

What does Legacie do that other agents don't?

Many things, and they all compound. The buildings themselves: state-of-the-art facilities you simply will not find with most agents, including Liverpool's only rooftop spa (Jayde Spa at Parliament Square), private cinemas and lounges, residents' gyms, and co-working spaces. Dedicated Property Managers who actually know your property and your tenants, supported by a year-round programme of curated resident events that turn neighbours into a community. We also actively invest in resident wellbeing, with initiatives spanning physical health, mental health, and social connection, all designed to make our buildings places people genuinely want to stay. And the day-to-day service: a 24/7 maintenance reporting system, and live chat plus our chatbot LOTTIE for instant tenant support.

How does that translate into protecting my income?

Tenants who feel at home in a building they enjoy living in, with management that responds quickly and a community they actually like, simply do not leave as often. Lower turnover means more consistent rent, fewer void periods, and fewer set up costs. Under a law specifically designed to make it easier for tenants to leave, that retention is the single most valuable thing we can offer you.

What is the bottom line?

The Renters' Rights Act introduces real risks for landlords who are not prepared. Higher fines, easier tenant exits, fewer routes to possession, more compliance to manage. Our job is to absorb every one of those risks on your behalf, while continuing to deliver the kind of service that keeps your property let and your income stable. You don't need to do anything. We have got it.

COMMUNITY & FACILITIES

The simplest defence against churn, is a tenant who feels at home.

Under the new regime, tenants can give two months' notice at any time. For landlords, that makes tenant retention the single biggest factor in consistent rental income. Our answer has never been to pass the cost on to you, it has been to invest on the other side of the equation and give tenants every reason to stay.

Across our managed buildings we've built state-of-the-art communal facilities that you simply won't find elsewhere in the city: rooftop spas, private cinemas, residents' lounges, gyms and co-working spaces, alongside a dedicated on-site community team who run a full programme of resident events throughout the year.



JAYDE SPA · PARLIAMENT SQUARE

Liverpool's only rooftop spa. Hydrotherapy, sauna, treatment rooms and panoramic city views.



RESIDENTS' LOUNGE

Curated communal spaces for residents to gather, work, and entertain.

RESIDENT EVENTS · RECENT HIGHLIGHTS

International Women's Day 2026

Our IWD celebration brought residents together across our managed buildings — one of several community-led events run by our on-site team throughout the year. *Watch the highlights video at legacielettings.co.uk/legacie-living*

OUR APPROACH

“Happy tenants stay. Tenants who stay are the simplest, surest way to protect your rental income, particularly under a regime designed to make it easier for them to leave.”

NEXT STEPS

Still have questions?

Watch our webinar recording for a full walkthrough (shortly available on our website), contact your dedicated Property Manager directly, or use our website tools. **LOTTIE**, our 24/7 chatbot, can answer common queries instantly, and our live chat connects you to the team during business hours.

 **Live chat:**
legacielettings.co.uk

LOTTIE chatbot: On our
website

Email us:
lettings@legacie.co.uk

 **Instagram:**
[@legacie_living](https://www.instagram.com/legacie_living)



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