Renters' Rights Act | Section 13 Rent Increases. The Clarifications We Need

The Renters' Rights Act is now in force, meaning all rent increases now need to follow the Section 13 process, with automatic rent review clauses no longer being allowed.

However, some important operational details are still outstanding. This guide explains what has (and importantly, hasn't) been clarified so far, the risks this creates, and what letting agents should be doing in the meantime.



Background

Earlier this year, in January 2026, a number of written Parliamentary questions were raised about how Section 13 rent increases will operate in practice under the new system. These questions focused on issues such as:

- How market rent will be assessed by tribunals.
- What evidence landlords and agents will need to provide.
- Whether the tribunal system has capacity to manage an increase in challenges.

NEW UPDATE: Tribunal Fees Confirmed for Section 13 Challenges

Since this guide was first produced, the The Government has now confirmed that tenants challenging a Section 13 rent increase through the First-tier Tribunal will need to pay a fee.

Under the latest regulations, a fee of £47 will apply for tribunal determinations, including both the validiity of the Section 13 notice being served and the rent increase being proposed.

This introduces a formal cost to challenging proposed rent increases and could influence how frequently tenants choose to refer cases to tribunal.

The Parliamentary Questions

The questions raised broadly centred on three unresolved areas:

1 | HOW MARKET RENT WILL BE DETERMINED

Under the new system, tenants will be able to challenge a proposed Section 13 rent increase at the First-tier Tribunal. The tribunal will then determine the market rent for the property.

However, no statutory definition of market rent has been set out, and there is no formal valuation methodology.

2 | THE EVIDENCE TRIBUNALS WILL RELY ON

The questions highlighted uncertainty around what evidence landlords and agents should expect to provide to support a proposed increase.

The Government has not published detailed guidance on evidence required, or how different forms of evidence may be weighted.

3 | THE RISK OF TRIBUNALS BEING OVERWHELMED

Concerns have also been raised about the tribunal's capacity if a high proportion of tenants choose to challenge rent increases.

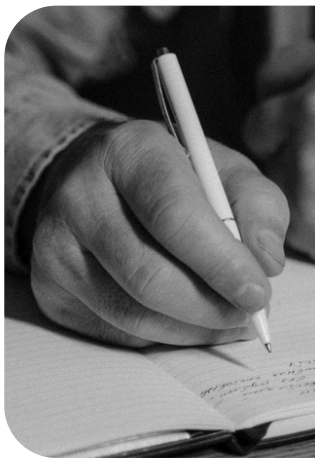
Parliament has acknowledged this risk, and new powers exist to address it if required, but these powers are not currently active.

The Power To Fix A Future Problem

During the Lord's scrutiny of The Bill (now Act), the Government recognised this risk and introduced a new clause which gives the Secretary of State power to make regulations to change the date from which a tenant must pay the new rent after a Tribunal challenge.

This means is that if the delays become unmanageable, ministers can change the "effective date" by secondary legislation, without passing a new Act.

It's an important option in case it's needed in the future; but it's not active. No regulations have been made - but the power does now exist if needed in the future.



Market Rent | Areas Of Certainty And Uncertainty

Already confirmed:

- Every rent increase must follow the Section 13 process.
- Tenants have the right to challenge any proposed increase.
- A First-tier Tribunal will determine whether the proposed rent reflects market rent.
- The tribunal cannot set rent above the amount proposed by the landlord.
- As the Act currently stands, rent increases cannot be backdated following a tribunal decision.



What is uncertain:

- There's no statutory definition of market rent.
- No valuation formula or index has been confirmed.
- No formal guidance on evidence thresholds or weighting has been published.

Although the market is awaiting further clarification, no timetable has been confirmed.



If every tenant is given the ability to challenge a rent increase at no cost, you'll have a very busy tribunal service very quickly. That doesn't help landlords or tenants.

Ben Beadle

| Chief Executive | The National Residential Landlords Association

NRLA

How Tribunals Are Likely To Approach Market Rent

Until specific guidance is issued, tribunals are likely to continue relying on evidence-led comparisons, rather than fixed formulas. Based on existing tribunal practice, this may include:

- Comparable local properties.
- Recently agreed rents, rather than asking prices alone.
- Property condition, size, location and amenities.
- Evidence submitted by both the landlord and the tenant.

This approach is not new, but the increased use of Section 13 notices means that the quality, and relevance of the evidence used will matter more than ever.

What This Means For Letting Agents Right Now

While some of the key operational details remain outstanding, agents can prepare by working to a few sensible assumptions:

1 | Assume that any rent increase may be challenged.

2 | Assume that clear and well-documented market evidence will be essential.

3 | Assume that the timing of rent increases and sufficient notice periods will be crucial.

This reinforces the importance of:

- Recording the effective date of every rent increase.
- Mapping rent review cycles carefully to avoid breaches.
- Supporting rent recommendations with published market data.
- Ensuring Section 13 notices are accurate and served correctly.

Our Section 13 Evidence Template helps you clearly assess and justify a rent increase by recording the key property details, comparable evidence, and current market conditions; designed to support decision-making and create a clear record



The Risk Of Unanswered Questions

The ongoing absence of clarity on these key operational questions creates practical risks on both sides of the tenancy relationship.

Risks For Landlords

1

INCREASED CHALLENGES AND DELAYS

Without a clear definition of market rent, more tenants may feel justified in testing proposed increases at tribunal, which can place pressure on the system and ultimately delay rent increases being implemented.

2

INCONSISTENT OUTCOMES

If tribunals apply different interpretations of market evidence, then this can lead to very different outcomes for rent, and lead to inconsistent decisions.

3

LIMITED CONFIDENCE FOR LONG-TERM PLANNING

Where there is any uncertainty around a landlord's ability to set rent, this can affect investment decisions and refurbishment plans.

Risks For Tenants

1

UNCERTAINTY OVER WHAT CONSTITUTES A FAIR INCREASE

Without clear benchmarks, tenants may struggle to judge whether a proposed rent genuinely exceeds market levels.

2

VARIABLE TRIBUNAL DECISIONS

The absence of consistent approaches could make outcomes harder to predict for tenants.

3

DELAYS TO CERTAINTY

If tribunal volumes increase significantly, tenants who challenge increases may face lengthy waiting periods before there is a resolution.

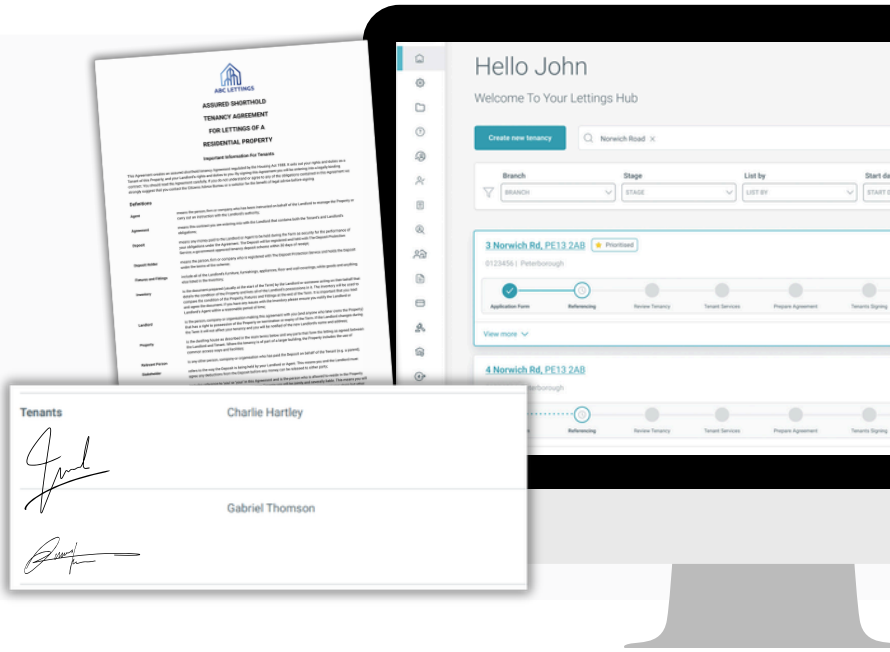
Unclear rules can also increase tension between landlords and tenants, with disputes arising from uncertainty rather than disagreement.

BOX CLEVER

BOX From THE LETTINGS HUB

Through BOX, agents can handle the Section 13 rent increase processes, including preparing the Notice documentation, issuing it with the correct minimum notice periods, and ensure you stay compliant.

SPEAK TO THE TEAM TODAY



Looking Ahead

Although the government has delegated powers to amend the effective date of rent increases following tribunal decisions, the powers are not active and it is not clear what the trigger would be to introduce these.

Meanwhile, although the Section 13 reforms are intended to bring greater consistency and fairness to rent increases; as with any major system change, key clarity is needed.

Therefore, until further guidance is issued, the safest approach for agents is to focus on preparation, evidence and process. Agents that plan early, keep thorough documentation and communicate clearly with landlords and tenants will be best placed to navigate the transition with confidence.



BOX FROM THE LETTINGS HUB

At The Lettings Hub, we're always here to support you through the ever-changing lettings landscape. With the Renters' Rights Act introducing new regulations, staying updated is crucial. That's why we offer a variety of resources to help you navigate these changes smoothly. From webinars and blogs to tailored guides, our platform is packed with expert insights. Be sure to follow us on LinkedIn and bookmark our Renters' Rights Hub for the latest updates, tips, and advice.

