Renters' Rights Act | What The Explanatory Notes Tell Us



The Renters' Rights Act 2025 represents one of the most significant structural changes to the private rented sector in a generation, and with the first phase of implementation coming in on 1st May.

Recently, the Government published detailed Explanatory Notes. These notes do not create law, but they explain the intent, the rationale behind each clause, and how the Government expects the system to operate in practice.

For agents and landlords, understanding what these notes confirm - and what they do not yet define - is key to preparing properly for the Act.

In this guide, we explore:

- What the Explanatory Notes confirm.
- What remains dependent on Statutory Instruments.
- What we can expect next, including the Tenant Information Sheet.
- What agents should be doing now.

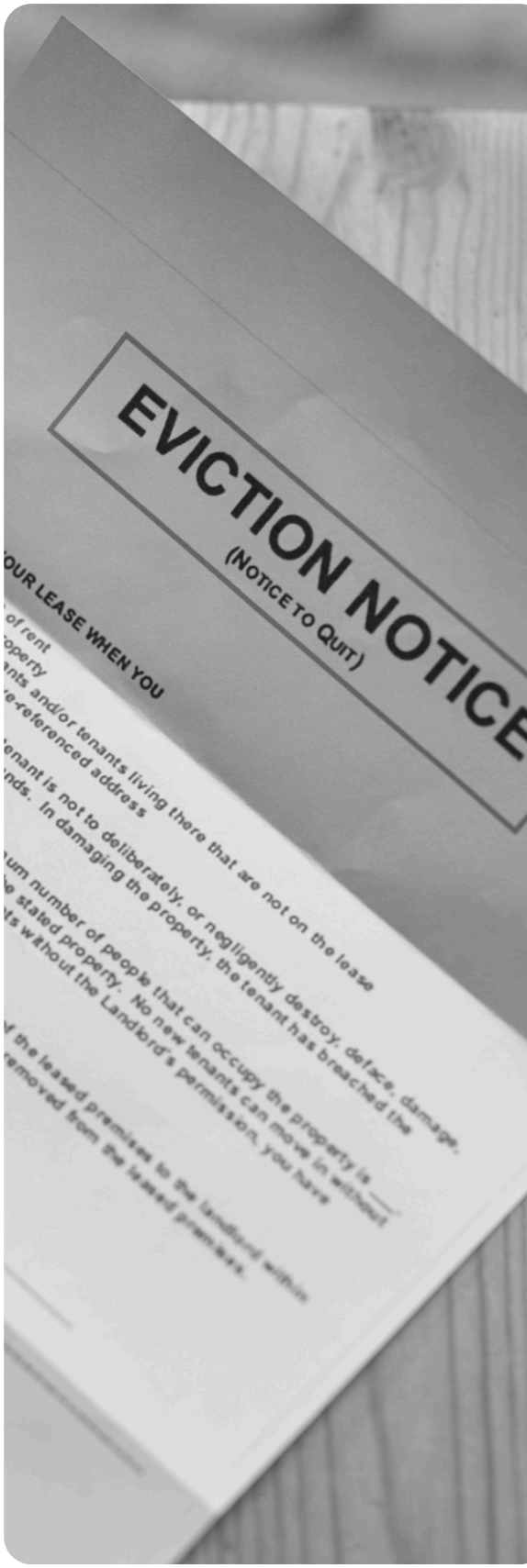
WHAT ARE EXPLANATORY NOTES?

Explanatory Notes accompany new legislation and explain the purpose and intended effect of each part of the Act. They provide helpful context about how the law is expected to operate, but they are not law themselves. The legal rules sit within the Act and any supporting regulations.

What The Notes Confirm

The Explanatory Notes confirm the structural changes to tenancy law, including that from 1st May:

- Section 21 notices will be abolished (no new notices may be served).
- All assured tenancies will operate as periodic tenancies.
- Rent increases will be limited to once per year and must follow the statutory Section 13 process.
- New restrictions on rent in advance will apply.
- Expanded Section 8 grounds will become the only route to possession.



Possession Becomes Evidence-Led

The Explanatory Notes emphasise that possession after 1st May will rely on clearly defined grounds, supported by evidence.

This means:

- Stronger documentation of rent arrears.
- Clear records of tenancy breaches.
- Evidence to support sale or landlord occupation grounds.
- Proper service of prescribed notices.

The removal of Section 21 is not the removal of possession; however, it is the removal of automatic possession without justification.

The operational implication is simple: processes and records matter more than ever.

Expanded Enforcement Powers

The Act introduces expanded investigatory powers for local authorities and strengthens the use of Rent Repayment Orders. The Explanatory Notes make clear that enforcement is expected to be more proactive.

Since December 2025, councils have already begun using enhanced powers, including:

- Earlier information requests.
- Wider inspection powers.
- Simplified escalation for repeat offenders.



From 1st May, tenants will be able to reclaim up to 24 months' rent via Rent Repayment Orders in certain cases, which is double the previous maximum.

Coming Soon: National Landlord Database

One of the more significant elements of the Act is the introduction of a national landlord database.

The Explanatory Notes confirm that this database is intended to:

- Support enforcement.
- Identify non-compliant landlords.
- Enable data sharing between authorities.
- Prevent repeat offending.



Registration will not be optional; letting property while unregistered may itself become a breach.

Detailed operational requirements - including what information must be submitted and how often it must be updated - will be set out in secondary legislation.

For letting agents, this introduces a new layer of compliance management and potential professional risk if information is inaccurate or incomplete.

What The Explanatory Notes Don't Define

While the framework is clear, the notes also reveal areas where operational detail is still to follow:

Market Rent Remains Undefined

Under the new regime, all rent increases must follow the Section 13 process, and tenants may challenge increases at the First-tier Tribunal.

The tribunal will determine whether the proposed rent reflects "market rent".

However, the Act does not define market rent in statutory terms. There is:

- No prescribed formula.
- No index-based cap.
- No fixed valuation methodology.



The Explanatory Notes indicate that tribunals are expected to rely on evidence-led comparisons, including local comparable properties and recently agreed rents.

This creates discretion potential inconsistency.

However, agents should assume that:

- Any rent increase may be scrutinised.
- Clear, well-documented comparables will be essential.
- Advertised rental prices alone may not be sufficient evidence.

Tribunal Capacity Risk

The Explanatory Notes also acknowledge that the shift to universal Section 13 rent increases may increase pressure on the tribunal system.

The Government has taken powers to intervene if delays become significant, including the ability to amend certain procedural aspects through secondary legislation.

However, no structural tribunal reform has been completed in advance of implementation, and this means that, at least initially, delays and variation in decision times cannot be ruled out.

Secondary Legislation Still To Come

The Act sets out the framework. However, much of the operational detail will be introduced through Statutory Instruments.

These are expected to cover areas including:

- The precise format and content of prescribed written tenancy terms.
- The detailed operation of the landlord database.
- Procedural elements of rent increases and notices.
- Enforcement mechanics.

Until these Statutory Instruments are laid out, some of the more practical questions remain unanswered; however, this should not prevent preparation.



The Tenant Information Sheet | What To Expect

For existing tenancies in place before 1st May, landlords will not need to issue new tenancy agreements. However, the Government will publish a Tenant Information sheet explaining the new tenancy system. This must be served on existing tenants within a defined period – which is widely expected to be by 31st May 2026.

The Explanatory Notes confirm that this is a transitional requirement.

Agents should prepare to:

- Establish which tenancies need to have the Tenant Information sheet.
- Prepare to issue the documentation
- Ensure there is clear evidence that the document has been served.

Compliance will depend not only on sending the document, but on being able to demonstrate that it was issued appropriately.

What Agents Should Be Doing Now

Whilst some of the details in the Explanatory Notes is dependent on secondary legislation, letting agents should now be:

- Reviewing all tenancies to establish which are going to be moving onto the new Tenancy model.
- Prepare tenancy agreement templates to align with the periodic model.
- Strengthening documentation processes for breaches and arrears.
- Building robust rent evidence files to support Section 13 increases.
- Auditing compliance records to ensure prescribed documents have been correctly served.
- Preparing communication plans for the Tenant Information Sheet.
- Educating landlords about the shift to an evidence-led possession framework.

Preparation - particularly documentation, audit trails and evidence - will reduce risk and build confidence during transition.

Looking Ahead

The Renters' Rights Act represents a significant change in how private renting operates. The Explanatory Notes highlight areas where further detail is still to follow.

In the meantime, agents should:

- Understand the framework.
- Prepare before deadlines.
- Strengthen systems.
- Support landlords with clear, practical advice.



The reforms are set to introduce new pressures, but they also reinforce the value of experienced, compliant and well-prepared letting agents.

At The Lettings Hub, we will continue to monitor developments, including the release of Statutory Instruments and the Tenant Information Sheet, and will provide further guidance as more of the operational detail becomes available.

BOX FROM THE LETTINGS HUB the home for lettings

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.

