

The Renters Reform Bill proposals - Section 21 Notices / 'No Fault' evictions.

Residential landlords currently have two main options in which to evict tenants under Assured Shorthold Tenancies :

1. The Section 21 notice procedure – often referred to as the 'no fault' procedure, and
2. The section 8 procedure. This is predominantly used when a tenant has breached a term of their tenancy, usually for rent arrears.

The Section 21 procedure currently permits landlords to recover possession of a property after the expiry of the agreed fixed term without the need for a specific reason- provided they have complied with certain conditions. This has given many landlords peace of mind and often provides the confidence to let their properties in the first place.

Government reforms in this area have been in the pipeline for some time but now looking likely to be brought up again in May 2023. The suggestion being that 'no fault' evictions will be scrapped entirely. For landlords, this will inevitably cause concerns, removing the safety net and certainty that their property can be returned to them if they wish to recover possession.

The response overall to the proposals have been mixed. Conversely, 'no fault' evictions have been heavily criticized, particularly during the cost-of-living crisis, due to the lack of security for tenants and the potential to expose tenants to pressure from landlords when complaints are made as to the condition of the property.

The suggested balance, moving towards a 'fairer private rented sector', is strengthening and widening of the section 8 procedure. Currently, grounds for using the section 8 procedure are limited and primarily used in circumstances where tenants are in significant rent arrears.

Whilst full details are yet to be published, the suggestions are that in addition to scrapping the section 21 procedure, reforms to section 8 will be made introducing additional grounds for landlords to evict tenants in circumstances where landlords wish to move back into their properties themselves or if they intend to sell. Landlords will certainly be keeping a close eye on how and when these changes will be implemented.

If you are a landlord and you are concerned about how these proposals, if implemented, may affect you, please do not hesitate to contact our Property Litigation team who will be happy to assist.