

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**CORPORATE LEADERSHIP TEAM'S**  
**REPORT TO**  
**CABINET**

**17<sup>th</sup> March 2026**

**Report Title:** Implementation of the Renters Right Act 2025 and associated policies

**Submitted by:** Service Director – Regulatory Services

**Portfolios:** Community Safety & Wellbeing

**Ward(s) affected:** All

<p><b><u>Purpose of the Report</u></b></p> <p>This report provides an overview of the new legal provisions introduced by the Renters Rights Act 2025 and introduces new polices to facilitate the implementation of the Act.</p>	<p><b><u>Key Decision</u></b>    Yes <input checked="" type="checkbox"/>    No <input type="checkbox"/></p>
<p><b><u>Recommendation</u></b></p> <p><b>That Cabinet:</b></p> <ol style="list-style-type: none"> <li><b>1. Notes the contents of this report and approves the proposed Civil Penalty and Housing Enforcement policies.</b></li> <li><b>2. Authorises the Service Director for Regulatory Services and the Service Director for Legal and Governance in consultation with the Portfolio Holder for Community Safety &amp; Wellbeing to finalise and implement any further policies or amendments required by subsequent parliamentary order or statutory instrument in order to give effect to the Renters' Rights Act (RRA) 2025.</b></li> </ol>	
<p><b><u>Reasons</u></b></p> <p>The Renters Right Act 2025 has recently received royal assent, which comes with a wide range of new responsibilities and attendant new burden funding.</p>	

**1. Background**

**1.1** On 27 October 2025, the Renters' Rights Act (RRA) 2025 received Royal Assent, marking a key milestone in proposals to transform the private rented sector.

**1.2** The Renters' Rights Act will:

**1.2.1 Abolish section 21 evictions** and move to a simpler tenancy structure where all assured tenancies are periodic – providing more security for tenants and empowering them to challenge poor practice and unfair rent increases without fear of eviction.

- 1.2.2 Ensure possession grounds are fair to both parties**, giving tenants more security, while ensuring landlords can recover their property when reasonable. The Act introduces new safeguards for tenants, giving them more time to find a home if landlords evict to move in or sell, and ensuring unscrupulous landlords cannot misuse grounds.
- 1.2.3 Provide stronger protections against backdoor eviction** by ensuring tenants are able to appeal excessive above-market rents which are purely designed to force them out. As now, landlords will still be able to increase rents to market price for their properties and an independent tribunal will make a judgement on this, if needed.
- 1.2.4 Introduce a new Private Rented Sector Landlord Ombudsman** that will provide quick, fair, impartial and binding resolution for tenants' complaints about their landlord. This will bring tenant-landlord complaint resolution in line with established redress practices for tenants in social housing and consumers of property agent services.
- 1.2.5 Create a Private Rented Sector Database** to help landlords understand their legal obligations and demonstrate compliance (giving good landlords confidence in their position), alongside providing better information to tenants to make informed decisions when entering into a tenancy agreement. It will also support local councils – helping them target enforcement activity where it is needed most. Landlords will need to be registered on the database in order to use certain possession grounds.
- 1.2.6 Give tenants strengthened rights to request a pet** in the property, which the landlord must consider and cannot unreasonably refuse.
- 1.2.7 Apply the Decent Homes Standard** to the private rented sector to give renters safer, better value homes and remove the blight of poor-quality homes in local communities.
- 1.2.8 Apply 'Awaab's Law'** to the sector, setting clear legal expectations about the timeframes within which landlords in the private rented sector must take action to make homes safe where they contain serious hazards.
- 1.2.9 Make it illegal for landlords and agents to discriminate** against prospective tenants in receipt of benefits or with children – helping to ensure everyone is treated fairly when looking for a place to live.
- 1.2.10 End the practice of rental bidding** by prohibiting landlords and agents from asking for or accepting offers above the advertised rent. Landlords and agents will be required to publish an asking rent for their property and it will be illegal to accept offers made above this rate.
- 1.2.11 Strengthen local authority enforcement** by expanding civil penalties, introducing a package of investigatory powers and bringing in a new requirement for local authorities to report on enforcement activity.

**1.2.12 Strengthen rent repayment orders** by extending them to superior landlords, doubling the maximum penalty and ensuring repeat offenders have to repay the maximum amount.

**1.3** The first phase of these measures was implemented on 27<sup>th</sup> December 2025, followed by the main legal provisions and responsibilities to be implemented on 1<sup>st</sup> May 2026. There will be a further phase of implementation, which will be later in 2026.

## **2. Issues**

**2.1** The enactment and implementation of the Act, places new burdens, powers duties and offences. To be prepared for the implementation of the provisions, there requires the amendment or revision of a number of different constitution documents, policies and procedures including:

**2.1.1 Amendments and updates the council's scheme of delegation**, to authorise officers to use the new powers and duties in the Act and associated legislation which the Act amends.

**2.1.2 A Housing Standards enforcement policy** - To provide clarity on the duty to enforce within the Renters' Rights Act and other legislation. Recognise the fact that most of the Landlord legislation is outside of the Regulators' Code and therefore cannot be enforced under the Corporate Enforcement Policy. The aim being to enable enforcement decisions to be taken in line with the statutory guidance. The proposed policy is in Appendix 1.

**2.1.3 A Civil Penalty Policy under the Renters' Rights Act 2025 and other housing legislation** - To create a consistent approach to making enforcement decisions in line with the statutory guidance and to reflect the new penalties and fines that the Act introduces. The proposed policy is in Appendix 2.

**2.1.4 A Housing 'debt recovery' policy or potential update to Debt Recovery Policy** - With the introduction of new Civil Penalties, there is a need for successful debt recovery arrangements. A clear, published policy that is visibly enforced will act as a deterrent.

**2.2** This report addresses two of these policy requirements. With the remainder being requested to have delegated authority to approve.

**2.3** Both proposed policies have been developed for Local Authority implementation, representing best practice and consistency across all Authorities. It is hoped that the majority of Local Authorities will adopt the policies, therefore providing the consistency in approach and delivery of the new legal requirements and subsequent enforcement.

## **3. Recommendation**

- 3.1 That Council notes the contents of this report and approves the proposed Civil Penalty and Housing Enforcement policies.
- 3.2 Authorises the Service Director for Regulatory Services and the Service Director for Legal and Governance in consultation with the Portfolio Holder for Community Safety & Wellbeing to finalise and implement any further policies or amendments required by subsequent parliamentary order or statutory instrument in order to give effect to the Renters' Rights Act (RRA) 2025.

#### 4. **Reasons**

- 4.1 The Renters Right Act places new duties and powers to be delivered by the Local Authority. Without the necessary policies in place to provide the necessary detail as to how the Act will be implemented, the council will not be able to legally enforce the new powers and provisions.
- 4.2 Such policies need to be in place for implementation on 1<sup>st</sup> May 2026.

#### 5. **Options Considered**

- 5.1 There are the following options considered:
  - 5.1.1 To approve the proposed new policies, therefore enabling the council and officers to deliver the new statutory functions from implementation.
  - 5.1.2 Provide no amendment and continue to the existing policies. This would be a failing in the councils duty and would also put our residents in the private rented sector at a disadvantage.
  - 5.1.3 Update NBC existing policies rather than utilising the nationally developed policies, providing consistency in approach.

#### 6. **Legal and Statutory Implications**

- 6.1 The Renters Right Act is new legislation which places significant powers and duties on the Council.
- 6.2 A summary of the changes is provided in section 1 of this report.

#### 7. **Equality Impact Assessment**

- 7.1 There are none arising from this report.

#### 8. **Financial and Resource Implications**

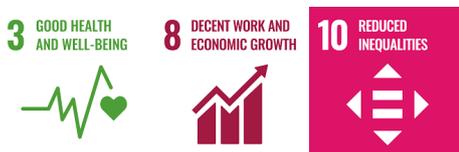
- 8.1 Notification of New Burden funding for 2025/26 to 2028/29 has been received equating to £101,252.

- 8.2** The Act is designed to be enforcement focussed with the expectation that it will be financially sustainable in 3 years, aligning with Local Government Reorganisation.
- 8.3** On 14 November 2025, MHCLG wrote to the Chief Executive. Part of this letter refers to new burden funding and states (emphasis added):
- ‘In line with legislation, we are undertaking a new burdens assessment and are committed to funding the net cost to local councils of our reforms. For this financial year 2025/26, local housing authorities will receive an additional £18.2 million, **to fund familiarisation and preparation costs and staff recruitment**. Funding allocations are based on the number of private rented sector properties in each local authority area using 2021 census data. We expect to confirm the new burdens funding allocation for 2026/27 in early 2026, ahead of the first phase of our measures being implemented.’
- 8.4** In order to ensure that the Council accommodates the new Renters Rights Act 2025 appointment to officer roles to undertake the delivery will utilise the new burden funding.
- 8.5** As the Renters Rights Act is enforcement focussed and there is the expectation of self-funding (within 3 years) there will be income to off-set the officer costs.
- 8.6** There will be a requirement for training for both existing and new staff. There are a number of free training resources available at present, however further bespoke training may be required as and when further clarity regarding the new regime is received.

## **9. Major Risks & Mitigation**

- 9.1** The main risks arising from this report are:
- 9.1.1** Inability to recruit into posts - all Councils have received funding for recruitment, which will inevitably lead to a shortage of supply of available officers in an already challenging recruitment sector.
- 9.1.2** The proposed resources do not match the demand for services.
- 9.1.3** The new burden funding received in 2026/27 and future years is insufficient to meet the legal duties, powers and demands for service.
- 9.1.4** The proposed self-funding financial model is not realised.

## **10. UN Sustainable Development Goals (UNSDG)**



**11. One Council**

Please confirm that consideration has been given to the following programmes of work:

**One Commercial Council**

*We will make investment to diversify our income and think entrepreneurially.*

**One Digital Council**

*We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.*

**One Sustainable Council**

*We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle*

**12. Key Decision Information**

**12.1** This is a key decision as it will affect all wards.

**13. Earlier Cabinet/Committee Resolutions**

**13.1** None.

**14. List of Appendices**

**14.1** Appendix 1 – Housing Authority Enforcement Policy 2026

**14.2** Appendix 2 – Civil Financial Penalty Policy 2026

**15. Background Papers**

**15.1** Renters Rights Act 2025 and associated guidance.