



Goodbye to no fault evictions

Jane Talbot

Goodbye to no fault evictions?

The long debated Renters Reform Bill was included in the Queen's speech which will, if it makes it through the legislative stages, remove the power to evict an assured shorthold tenant using the s21 (Housing Act 1988) expedited route for possession.

The purpose of the Bill, as set out in the Lobby Pack which sets out the detail contained in the Queen's speech, is to "fulfil the manifesto commitments to abolish so-called "no fault" section 21 evictions and strengthen landlords' rights of possession, delivering on the levelling up mission to halve the number of non-decent rented homes by 2030 and create a rental market that is fairer and more effective for tenants and landlords." It was reported in Inside Housing on 23 May 2022 that the number of "no fault" evictions issued in the first 3 months of 2022 was up 41% on the same period in 2020.

The main elements of the Bill are:

- Removing s21 Housing Act 1988;
- Reforming possession grounds and introducing new and stronger grounds for repeated incidences of rent arrears and reducing notice periods for anti-social behaviour;
- Introduce a new Ombudsman for private landlords so that disputes can be resolved without requiring proceedings in court;
- Introduce a property portal to help landlords understand their obligations, give tenants performance information to hold their landlord to account as well as aiding local authorities.

The Bill will apply to England only. A White Paper is expected that will set out more detail. In answers to Parliamentary questions, housing minister, Eddie Hughes also hinted at the Bill giving tenants the right to challenge rent increases in a more effective method than provided currently by recourse to the Tribunal. He said "This will prevent tenants from being unfairly evicted and empower them to challenge unreasonable rent rises".

What will be the real impact on the housing market?

From a tenant's perspective, how does making it easier to evict for non-payment offer them any comfort when the country is in the midst of a cost of living crisis with inflation hitting 9%? Many families are struggling to meet their rental payments, will there be some safeguards built into the "stronger grounds"? Will they be discretionary or mandatory in nature? On the flip side, how will this affect private landlords who provide millions of homes collectively but may own only one or two properties and have

faced tax increases, reduction of mortgage interest tax relief and recent additional regulation. It may dissuade them from renting their properties and reduce availability of rental properties overall at a time when there are not enough homes to meet demand. There is a careful and delicate balance to be struck.

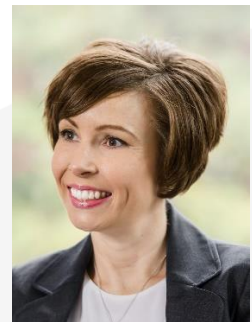
It is also strange to see reference to reduced notice periods for anti-social behaviour when possession sought pursuant to the Housing Act 1985 Schedule 2 grounds 2, 2ZA, 2A and the Housing Act 1988 Schedule 2 grounds 14, 14ZA and 14A may be begun as soon as a notice seeking possession has been served already.

Other proposed housing reform

Other housing related matters announced in the Queen's Speech were a Social Housing Regulation Bill intended to increase tenants' rights to better homes, an intention to reform leasehold and level up homeownership. The Speech and associated Press Release are light on detail. A further article will be published when the White Paper is made available.

At this stage, it is political rhetoric with no real detail. The Press Release detailing the proposed abolition of s21 and the other housing reform proposal can be found at:

<https://www.gov.uk/government/news/government-to-deliver-new-deal-for-renters>



Jane Talbot
ST IVES CHAMBERS

Law is correct as at 24 May 2022

Whilst every effort has been taken to ensure that the law in this article is correct, it is intended to give a general overview of the law for educational purposes. Readers are respectfully reminded that it is not intended to be a substitute for specific legal advice and should not be relied upon for this purpose. No liability is accepted for any error or omission contained herein.

www.stiveschambers.co.uk | +44 (0)121 236 0863 | @StIvesCivil

St Ives Barristers Ltd t/a St Ives Chambers: Registered Office Address: 1-3 Whittall Street, Birmingham,
B4 6DH: Company Registered in England No: 13730994: Registered for VAT No: 397 020 883