

A landlord's guide to the Renters' Rights Act 2025

Student Accommodation

REAL ESTATE

What are the changes?

The Renters' Rights Act 2025 seeks to provide greater flexibility and security for residential tenants in England by abolishing the 'no fault' ground of possession under section 21 of the Housing Act 1988 (HA 1988), as well as imposing additional restrictions and obligations on private landlords.

Going forward, tenancies of student accommodation will fall into two categories:

1. Exempt tenancies (which can take effect as fixed-term common law tenancies) where either:
 - a. the provider is a specified educational institution
 - b. the provider, or a party appointed by the provider to act on its behalf and/or discharge management functions in respect of the building, is a member of (and remains in compliance with) either the ANUK/Unipol or UUK/Guild HE housing management codes of practice.
2. Assured periodic tenancies (APTs) to which the Act applies – restricting the provider's ability to demand payments in advance, increase rent or regain possession.



SIMON FOSTER
PARTNER

+44 (0)3700 868 786
simon.foster@shoosmiths.com

We anticipate that the increased administrative burden posed by the Act will result in individual landlords leaving the market – meaning opportunities for professional operators to capitalise.

For non-Code member landlords navigating the changes made by the Act, understanding your rights and the process to be taken when ending APTs of student accommodation will be crucial in order to ensure vacancies for the following academic year.

All operators will also need to be aware of increased regulation being introduced later down the line, such as the Private Rented Sector Ombudsman and Database, and the Decent Homes standard.

Shoosmiths has a dedicated PBSA Real Estate team who can help you review your portfolio or advise on a case-by-case basis and issue any notices and possession claims required.



Exempt tenancies

Where a right of occupation is granted to students by a specified educational institution, or by a provider which is a member of (and remains in compliance with) either the ANUK/Unipol or UUK/Guild HE housing management codes of practice, the tenancy can take effect as a common law tenancy – meaning that the changes made by the Renters' Rights Act 2025 will not apply.

This also applies where a party appointed by the provider to act on its behalf and/or discharge management functions in respect of the building is part of one of the two approved management codes of practice.

Exempt tenancies can therefore continue to:

- Be granted for a fixed term
- Include a contractual break right
- Require payment of more than one month's rent upfront
- Require rent to be paid in lump sums
- Include contractual rent review provisions (if appropriate for the duration of the tenancy)

Exempt landlords will also not be required to join the new landlord database, and will be exempt from registering with the new complaints ombudsman.

Before an assured periodic tenancy is granted



Advertising your accommodation

The Act bans landlords and their agents from inviting, encouraging or accepting multiple months' rent in advance of an assured periodic tenancy being agreed. However, they can require a holding deposit to be paid by prospective tenants.

Rent up front

Once a letting agreement of private student accommodation has been signed, landlords will be permitted to ask for the initial payment of rent upfront.

Unless the tenancy falls outside the Act, it will always be a rolling periodic contract, meaning that this initial payment will be limited to a maximum of one calendar month's rent (or 28 days where the rental period is less than one month).

Landlords are therefore likely to continue requiring a deposit as a condition of granting a student APT. The Tenant Fees Act 2019 caps these deposits at five weeks' rent (or six weeks' rent where the annual rent is £50,000+).

Alternatively, or in addition, landlords may choose to put in place other measures such as rental deposit protection or (if appropriate) requiring a guarantor.

Consequences of breach

The sanctions for breach of any of these prohibitions are severe – fines of up to £7,000 for a first offence, increasing to £40,000 for serious, continuing or repeated breaches.

Other administrative requirements

Before the tenancy is granted, landlords must provide the tenant with a written statement (which can form part of the letting agreement).

The statement must:

1. set out the key terms of the tenancy
2. include specific information about the landlord's statutory obligations under, for example, fitness for human habitation and electrical/gas safety regulations.

Notice relating to possession grounds

Where the property is let as an HMO to full-time students who meet a particular test, landlords can recover possession at the end of the academic year so long as the new tenancy is also to be granted to full-time students.

A warning notice must be given before the tenancy is entered into, and the agreement must be granted not more than six months before the students can take up occupation i.e. for a 1 July start, the agreement cannot be granted before 1 January.

Note that landlords will not be able to rely on this ground if the tenants occupy smaller flat- or house-shares, even if they are full-time students. Instead, other grounds may apply.

Being aware of timing and administrative requirements will be key in order to maintain a well-managed portfolio

Obtaining possession of student accommodation

In order to end an assured periodic tenancies, the landlord must serve notice under section 8 of the HA 1988, which requires you to make out a ground for possession – and which can be challenged by the tenant, resulting in potential delay.

We set out below the grounds which are likely to be most relevant to landlords of student accommodation which falls within the APT regime.

GROUND	NOTICE PERIOD	COMMENTS
4: Student accommodation	Two weeks	Certain educational institutions (typically universities, colleges or other publicly funded further or higher educational institutions) can serve notice to end an APT where, in the twelve months before the start of the tenancy, the property was used to house students. Tenancies granted to students by those institutions will already be exempt, so this ground will usually be used e.g. where short-term lets of student rooms are granted outside term time .
4A: Student let (where the provider is not able to grant exempt tenancies)	Four months, ending 1 June-30 September (note transitional arrangements reduce this to two months where a warning notice was served before 31 May 2026)	Where the property is let as an HMO to full-time students who meet a particular test, landlords can recover possession at the end of the academic year so long as the new tenancy is also to be granted to full-time students. A warning notice must be given before the tenancy is entered into , and the agreement must be granted not more than six months before the students can take up occupation. Note that landlords will not be able to rely on this ground where the tenants are full-time students in smaller flat or house-shares.
6: Property required for redevelopment	Four months	The landlord intends to demolish or substantially redevelop the property, and the works cannot be done with the tenant in situ. Certain conditions apply, notably that the notice cannot expire within the first six months of the tenancy.
7A: Antisocial behaviour	Immediate, but the possession order can only take effect at least 14 days after service of the notice	Available where certain conditions are met such as the tenant being convicted of a serious offence, an anti-social behaviour offence or has been found in breach of an anti-social behaviour injunction.
8: Serious rent arrears	Four weeks	Available where, at both the date the notice is served and the date of the hearing, the tenant's arrears are either: • more than three months' worth of rent (where rent is paid monthly) • more than 13 weeks' worth of rent (where rent is paid weekly) When calculating arrears, if the tenant is entitled to receive universal credit for housing under Part 1 of the Welfare Reform Act 2012, any amount unpaid only because the tenant has not yet received the payment of that award is to be ignored. Note that there are also discretionary grounds 10 and 11 (relating to any or persistent rent arrears) which may be pleaded in the alternative.



What else has changed?

Tenant notice period

Tenants are only required to give two months' notice to end their tenancy, unless a shorter period has been agreed with the landlord.

Advance/lump sum payments

Tenants can only be required by their tenancy agreement to pay rent on a weekly or monthly basis (although they can choose to pay any amount of rent early).

Consent to pets

Tenants have a right to request to keep a pet at the property. The landlord cannot unreasonably refuse the request, and any refusal can be challenged.

Rent review

In order to increase the level of rent under an APT, landlords will need to serve two months' notice pursuant to section 13 of the HA 1988, and can only do so 52 weeks after the last increase.

Tenants can challenge (and thereby delay) the increase by applying to the First-tier Tribunal for a determination of the correct open market rent.

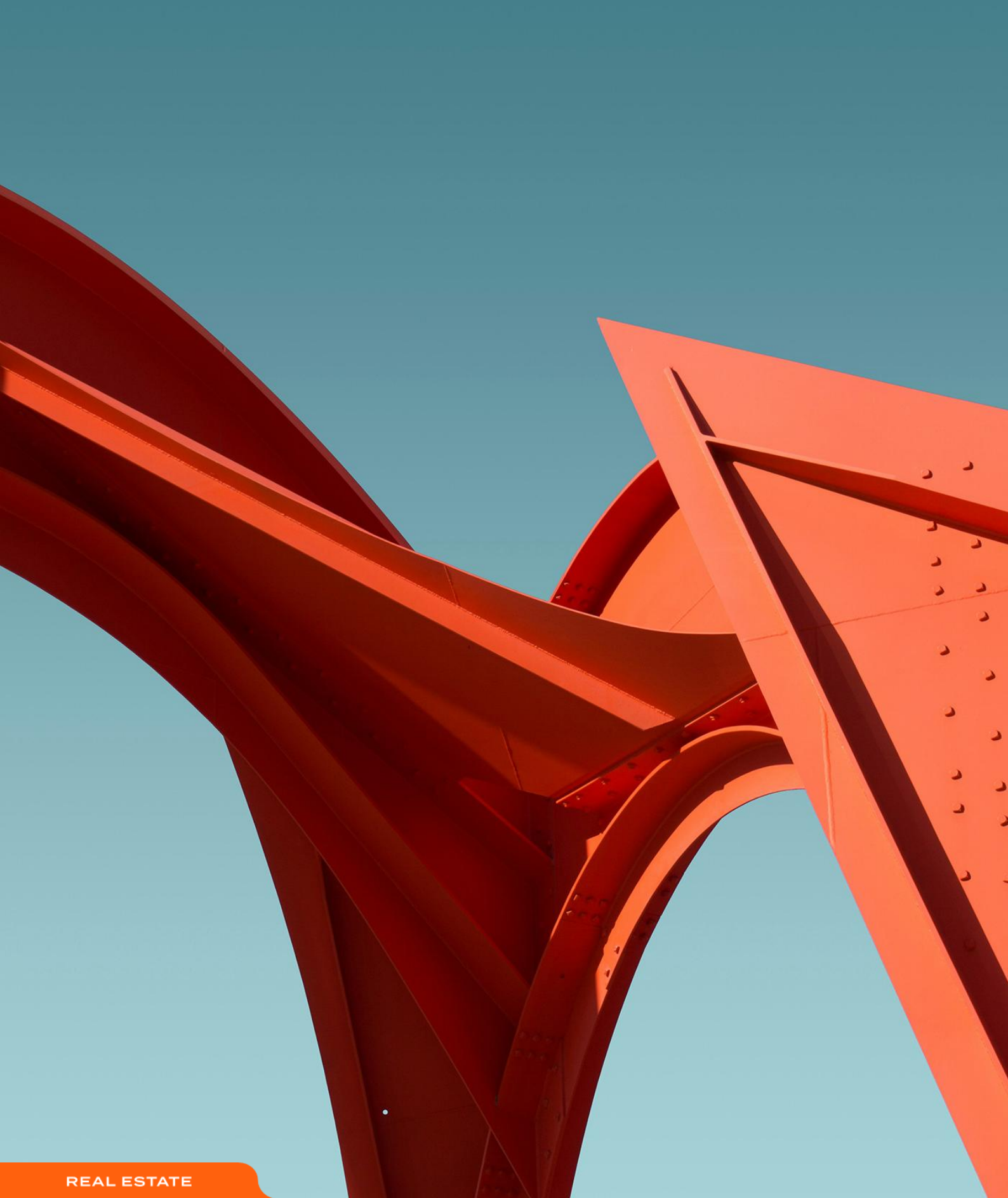
The inevitable delay and administrative burden of these requirements mean that carrying out the review process may only be worthwhile if tenants remain in occupation over several years.

Additional administrative requirements

The Government intends to introduce both a PRS Ombudsman scheme and an online Database from late 2026.

Participation by landlords will be mandatory, and subject to payment of a fee.

Further down the line, the Act also amends the Housing Act 2004 to provide for regulations setting minimum quality requirements for private rented properties (the "Decent Homes Standard").



REAL ESTATE

DISCLAIMER

This information is for general information purposes only and does not constitute legal advice. It is recommended that specific professional advice is sought before acting on any of the information given. Please contact us for specific advice on your circumstances.