

# YOUR GUIDE TO THE PROPOSED CHANGES TO SECTION 21 AND SECTION 8

The "A Fairer Private Rented Sector" white paper outlines the government's plans to outlaw section 21 and "replace section 21 'no fault' eviction notices with a modern tenancy system". This includes strengthening grounds for section 8.

#### **WHAT IS SECTION 21?**

Landlords can currently evict their tenants under section 21 of the Housing Act 1988 by providing them with two month's notice, and usually wouldn't allow the tenancy to be ended before the end of the fixed term.

Landlords aren't required to provide their tenants with a reason for eviction, hence the term "no-fault" eviction.

#### WHAT'S CHANGING FOR SECTION 21?

Section 21 eviction notices will be abolished, meaning that landlords will no longer be able to claim possession of the property without giving a reason or having grounds for a claim.

The abolition of section 21 would coincide with a transition of all tenancies to periodic, to create longer tenancies.

#### WHEN WILL SECTION 21 BE ABOLISHED?

The government has confirmed that the Renters' Reform Bill, including these measures to abolish section 21, will be introduced in the 2022/2023 parliamentary session.

## HOW MUCH NOTICE WILL LANDLORDS GET BEFORE SECTION 21 IS ABOLISHED?

The government will transition to the new system in two stages, with at least six months' notice of the dates that they will take effect, and at least 12 months between the two dates.

- Stage one will transition all new tenancies to periodic, governed by the new rules
- Stage two will move all existing tenancies to the new system





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#### **WHAT IS SECTION 8?**

A Section 8 notice allows the landlord to seek possession of their property for a number of reasons, but is most commonly used where the tenant is in rent arrears or there has been another breach of the tenancy agreement.

Grounds under section 8 can be either mandatory, meaning the court must grant possession if the ground is made out; or discretionary, where it is at the courts discretion whether to grant possession or not.

#### WHAT NEW SECTION 8 GROUNDS WILL BE INTRODUCED?

### A ground to move into the property

- The government will introduce a new ground to allow landlords and their close family members to move into a rental property.
- Landlords won't be able to use this ground in the first six months of a tenancy similar to the existing restrictions on when section 21 can be used.

### A ground to sell the property

- The government will introduce a new section 8 ground for possession for when the landlord wants to sell a property.
- Landlords will not be able to apply this ground in the first six months of a tenancy.

### A ground for repeated serious arrears

- Eviction will be mandatory if a tenant has been in at least two months' rent arrears three times within the previous three years, regardless of the arrears balance at hearing.
- This will support landlords, but also reassure tenants that they can't be evicted based on "one-off financial shocks that occur years apart".





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#### **HOW WILL EXISTING SECTION 8 GROUNDS CHANGE?**

- Notice periods on the existing rent arrears eviction ground to increase
- The notice period for existing rent arrears eviction ground will increase to four weeks.
- The current mandatory threshold of two months' arrears at time of serving notice and hearing will not change.
- Tenants that receive scheduled welfare payments which may fall outside this threshold will be given more protection from eviction.
- Changes to evictions for antisocial behaviour
- For criminal or serious antisocial behaviour, notice periods will be lowered.
- The government will look into issuing further guidance to help landlords and tenants resolve any issues at an earlier stage.

The information contained in this document is intended as a guide only and does not constitute legal advice. For more information, please visit <u>gov.uk</u>.

