



# Regulatory Changes Affecting Letting Agents and Landlords

— 2022

# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

## Introduction

---

With the UK still in the grip of the Covid-19 pandemic as we begin 2022, there is some mystery over what the year will look like. While we have exact dates for some legislative changes, others are yet to be confirmed, and we can only speculate that they will happen at some point in near future.

Read on to discover what landlords can expect from 2022, as well as what else, though unconfirmed, could be on the Government's agenda.

*DISCLAIMER: This ebook is intended for information only and does not constitute legal advice. If you have any questions related to issues in this ebook, we strongly advise contacting a legal professional.*



## Key legal changes at a glance

---

### MARCH

- Changes to eviction process end (Scotland)

### APRIL

- Making Tax Digital for VAT
- Temporary Covid-adjusted right to rent checks end (England)

### MAY

- Twelve-week eviction notice period ends (Northern Ireland)

### JULY

- Renting Homes (Wales) Act 2016 comes into effect

### OCTOBER

- Short-term let licensing schemes to be established (Scotland)

### MORE CHANGES ON THE HORIZON

# Regulatory Changes Affecting Letting Agents and Landlords in 2022

## March

31 MARCH 2022

### Changes to eviction process end (Scotland)

Under the [Coronavirus \(Scotland\) Act 2020](#), in most cases, landlords must give occupiers six months' notice to evict. Most eviction grounds are discretionary, meaning the landlord must provide evidence for why the eviction is reasonable. This law is set to expire on 31 March 2022, but as with many pieces of legislation related to coronavirus, this could be subject to further extension. Scottish Parliament has the power to extend the measures by six months to September 2022 if they deem it necessary. Alternatively, the measures could be ended early if deemed no longer necessary.

When this law expires, notice periods will revert back to how they were pre-pandemic, which for the majority of cases was 28 days (one month) when less than six months into a tenancy, and 84 days (three months) after six months.



# Regulatory Changes Affecting Letting Agents and Landlords in 2022

## April

1 APRIL 2022

### Making Tax Digital for VAT

Since April 2019, VAT-registered businesses with taxable annual turnover above £85,000 have been required to keep digital tax records and submit their VAT returns using software. [On or after 1 April 2022](#), for all VAT-registered businesses with a taxable turnover of below £85,000 will be required to do the same.

5 APRIL 2022

### Temporary Covid-adjusted right to rent checks end (England)

[Temporary changes to the right to rent checking process](#) during Covid-19 have allowed occupiers to show their original documents over a video call and to share scanned copies or photos of these documents instead of the originals with their landlord or agent between 30 March 2020 and 5 April 2022. If the occupier has a current Biometric Residence Permit or Biometric Residence Card or has been granted status under the EU Settlement Scheme or the points-based immigration system you can use the [online right to rent service](#) during the video call—provided they have granted you permission to view their details.

You do not need to carry out retrospective checks on occupiers who had an adjusted check. The Government has said new right to rent guidance will be issued before 6 April 2022.



# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

## May

4 MAY 2022

### Twelve-week eviction notice period end (Northern Ireland)

Since May 2020, the [Private Tenancies \(Coronavirus Modifications\) Act](#) has required landlords in Northern Ireland to give 12 weeks' notice to evict occupiers for any reason. This requirement is currently due to end on 4 May 2022. Judging from previous extensions, this date may be reviewed four weeks before the deadline.

## July

15 JULY 2022

### Renting Homes (Wales) Act 2016 comes into effect

On 12 January 2022, [Julie James, Minister for Climate Change](#) announced that [The Renting Homes \(Wales\) Act](#) is to be implemented on 15 July 2022. This law aims to make it simpler and easier to rent a home in Wales and to increase protections for renters. The Act makes many changes to tenancy laws in Wales, including how tenancy agreements work. Most tenancies, including assured shorthold, assured and secure tenancies, will be replaced with either a secure occupation contract or a standard occupation contract, depending on whether the property is owned by a private landlord, council, or housing association.



# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

In a bid to protect renters from retaliatory evictions, the Act also removes the ability for a landlord to issue a possession notice if the Court is satisfied that the notice was issued in response to a request for repairs.

Another significant change for agents and occupiers is to no-fault evictions (Section 21). The minimum notice for no-fault evictions will be extended from two months to six months. Notices will not be allowed to be served before six months into the tenancy, and their validity will depend on the landlord complying with obligations around licensing, deposit protection and registration. This means that renters in Wales will have a minimum 12-month secure tenure from the day they move into a new rented home, longer than that in other parts of the UK.

The [new guidance on the Act](#) will be available online from 14 January 2022 onwards.

## October

1 OCTOBER 2022

### Short-term let licensing schemes to be established (Scotland)

Under [plans drawn up by Scottish Parliament](#), all local authorities will need to establish licensing schemes for short-term lets by October 2022. Operators of short-term let accommodations will have until 1 April 2023 to apply for a licence for each of their properties, with all short-term lets in Scotland required to be licensed by 1 July 2024. England and Wales are also looking into ways to regulate holiday lets; see the next section for information on this.



# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

## More changes on the horizon

Some announced changes like the new Regulation of Property Agents (RoPA) framework have yet to have a definite implementation schedule. They may be picked up this year, or they may not. Keep an eye out for our updates on these topics.

### Building Safety Bill

Any landlord who lets flats should know about the Government's plans for an improved and stricter building safety regime. [The Building Safety Bill](#), currently going through Parliament, sets out to improve the safety of buildings by holding named individuals to account for ensuring a building is compliant and safe at every stage from construction to residency—and imposes stiff penalties on those who do not.

Though the Bill is not expected to come into effect until 2023, there is still plenty of time for Parliament to reshape it through comment and debate. A key question currently being dealt with is who will pay when a building requires remediation work to bring it to standard? On 10 January 2022, the Government [announced plans to introduce a levy](#) on developers of high-rise buildings to help pay for building safety remediation. This is likely to be controversial and could be subject to change.





# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

## Changes to stamp duty on 'mixed-property' transactions (England and Northern Ireland)

Her Majesty's Revenue and Customs (HMRC) is currently consulting on [proposed changes to Stamp Duty Land Tax \(SDLT\)](#) that are designed to promote 'fairness' in taxation. The target is 'mixed-property' transactions such as ground floor shops with flats above them. Currently, despite these flats being residential, only a commercial rate of SDLT would apply to this type of transaction. HMRC seeks to change this so that a fairer rate of residential SDLT would be paid in addition to the commercial rate on the shop. The consultation is due to close on 22 February 2022.

## Minimum Energy Performance of Buildings (No. 2) Bill (England and Wales)

To meet its net-zero emissions target by 2050, the [Government proposed raising the minimum energy efficiency standard in rented homes to 'C' by 2030](#). Following the Government's consultation on the matter, the [Minimum Energy Performance of Buildings \(No. 2\) Bill](#) is currently making its way through Parliament. When it becomes law, an energy efficiency performance (EPC) of at least 'C' will be required for new tenancies from 31 December 2025; in the case of existing tenancies, landlords will have until 31 December 2028 to meet the new standard. (A [similar time frame has been proposed by the Scottish government](#) and the private rented sector will be consulted in 2022 as to its implementation.) As with the current rules, a property could be exempted should it satisfy certain practical and affordability criteria.

Under the [Domestic Minimum Energy Efficiency Standard \(MEES\) Regulations](#), all properties must be rated 'E' or higher to be allowed to be privately let currently.



# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

## Extending regulations on smoke and carbon monoxide alarms (England)

Following a [consultation](#) that ended in January 2021, the Government has committed to bringing forward the following changes to smoke and carbon monoxide legislation in England:

- Social landlords will be obliged to ensure at least one smoke alarm is installed on each storey of their homes
- All landlords will be obliged to ensure a carbon monoxide alarm is installed in any room in their homes with a fixed combustion appliance (excluding gas cookers)
- In any home, when a new fixed combustion appliance (excluding gas cookers) is installed, a carbon monoxide alarm will be required by law
- Landlords will be legally obliged to repair or replace alarms once informed that they are faulty (testing will remain the occupier's responsibility)

No implementation plan has been set, but the Government intends to allow a transition period to give landlords time to comply.



# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

## Regulating holiday lets (England and Wales)

The Government has [pledged to run a consultation](#) this year on the idea of a register for properties used as holiday lets in England, amid concerns that growing numbers of short-let homes are affecting communities and reducing the affordability of local property. In Wales, the Government is looking to tackle this problem by increasing council tax rates for holiday homes. They ran a [consultation](#) in 2021, which we can expect them to respond to this year.



# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

## I Renters' Reform Bill (England)

A white paper preceding the much-anticipated Renters' Reform Bill has been pushed back from Autumn 2021 to some time in 2022, but it is unclear when we could expect it.

We know the Government wishes to discuss the following:

- The removal of Section 21 of the Housing Act 1988— Under Section 21, occupiers can be evicted during a tenancy with no fixed end date or after a fixed-term tenancy ends without giving a reason
- The strengthening of Section 8—Improved and clearer grounds for possession and improvements to the possession process in courts
- Deposit reform—Lifetime deposits, improved deposit protection, the closing of avoidance loopholes and reduction of time taken to resolve disputes
- Requiring all private landlords to belong to a redress scheme and considering the merits of a landlord register to ensure effective enforcement
- Measures to hold bad landlords to account without penalising good landlords

Judging by the current rate of progress, the Bill may be ready by 2023.



# Regulatory Changes Affecting Letting Agents and Landlords in 2022

---

## Introduction of the Regulation of Property Agents (RoPA) framework (England)

The [working group report](#) for the Regulation of Property Agents (RoPA) framework was published back in 2019. It is not clear when we may hear more on this, and it's likely been pushed back as a result of other more pressing matters such as coronavirus legislation.

## Energy price cap increases

The energy price cap, which limits how much an energy supplier can charge for their default tariffs, is expected to rise significantly in April 2022. As a result of this, prospective renters may be more sensitive to the energy efficiency of their next rented home. Aside from providing an EPC on online listings, agents and landlords may find disclosing the average running costs for the properties an effective tactic to match with suitable renters more quickly.



# The best care for your property!

We have invested in a 24/7 online repair reporting service to help protect your property around the clock and save you money.



On average a property needs **3.67** repairs per year\*



Each repair costs an average of **£194.46** \*\*



Our repair reporting software resolves **11%** of issues through built-in advice\*\*\*

$$3.67 \times £194.46 \times 11\% = £79$$

This means, on average...

We will save you **£79** per property, per year



For 2 properties you would save an average of **£157** per year



For 3 properties you would save an average of **£236** per year



For 5 properties you would save an average of **£393** per year

