A Trade Unionist and Socialist Coalition (TUSC) briefing:

Campaigning on rent controls and council house building after the Renters' Rights Act

The Renters' Rights Act 2025 took effect for most purposes on 1 May 2026, bringing in the most significant changes to private renting in England since 1988.

While the headline is the abolition of section 21 evictions, the Act deliberately left rent levels to the market, and it does not build a single home. Yet at the same time it has created a set of levers that organised tenants, trade unionists and socialist councillors can now pull: a rent tribunal stripped of its risks to the tenant; a new legal duty on every council to enforce against landlords; civil penalties of up to £40,000; rent repayment orders of up to 24 months' rent; and the first stages of a Decent Homes Standard for private renting backed by fines.

Used collectively and at scale, these tools can raise the real cost of landlord profiteering, win money back for tenants, and build the organisation and confidence that a fight for rent control and a council house building programme requires. They are means of struggle, not a settlement.

What the Renters' Rights Act has changed

Since 1 May 2026, section 21 no fault evictions are abolished and almost all private tenancies have become periodic assured tenancies. Rent review clauses are void. A landlord can now raise the rent only through the section 13 procedure of the Housing Act 1988: prescribed form, at most once every twelve months, with at least two months' notice. The tenant can refer the proposed increase to the First-tier Tribunal (Property Chamber) for a £47 fee, and the tribunal can no longer set a rent higher than the landlord proposed, which under the old rules it could, and did in roughly 9% of cases. The increase does not take effect until the case is determined, the tribunal can defer it a further two months for hardship, and the difference in the meantime is never backdated. Rental bidding above the advertised rent is banned, more than one month's rent cannot be demanded in advance, and discrimination against tenants with children or on benefits is unlawful.

The enforcement side of the Act also matters for how campaigners can use the new position. Maximum civil penalties for Housing Act 2004 offences rise from £30,000 to £40,000, with a new penalty of up to £7,000 for first or less serious breaches of landlord legislation. Rent repayment orders, under which a tenant claims their rent back from an offending landlord, double from a maximum of 12 to 24 months' rent and now reach superior landlords and company directors, closing the loophole confirmed in Rakusen v Jepson. Statutory guidance sets national starting points of £17,000 for operating unlicensed Housing in Multiple Occupation (HMO) properties and £12,000 for an unlicensed property under selective licensing. Councils have held new investigatory powers since 27 December 2025, including access to tenancy deposit, council tax and benefit data. Importantly, as a campaign lever, the Act converts enforcement from a power into a duty: every local housing authority in England is now legally required to enforce landlord legislation in its district.

The Act's remaining stages are timetabled in the government's implementation roadmap. A national Private Rented Sector Database opens from late 2026, with every landlord required to register and safety certification attached to the record. The Housing Health and Safety Rating System, the 'hazard assessments' behind council inspections, is being consolidated from 29 hazard categories to 21 from June 2026. The reformed Decent Homes Standard will bind private landlords for the first time, and Awaab's Law, which sets fixed deadlines for landlords to deal with dangerous damp, mould and other hazards and began phasing into social housing in October 2025, is due for consultation on its extension to private renting by the end of 2026.

What it has not changed: why the headline demands stand

The Act's whole answer to unaffordable rent rises is the tribunal, and the tribunal tests one thing: whether a proposed rent matches the local open market. It does not ask whether anyone can afford it. SHAC, the Social Housing Action Campaign, put it plainly in July 2026: tribunals "do not evaluate whether a rent hike is morally fair or affordable; they only check if it aligns with local open-market prices. If the entire local area has experienced an astronomical surge, this will just be reinforced by the Tribunal".

The tribunal is not rent control; a statutory limit on what can lawfully be charged, set by reference to affordability rather than to a runaway market, and applying between tenancies as well as during them.

It does not even reach the position that applies in Scotland. Under the Housing (Scotland) Act 2025, Scottish government ministers can designate rent control areas in which increases are capped at CPI plus 1%, to a maximum of 6%, applying between tenancies as well as within them; councils must assess rent conditions in their areas and report from 31 May 2027; and information powers compelling landlords to disclose rents have been in force since 1 April 2026.

And nor, of course, does the Act build anything. The demands for councils to be given explicit rent control powers along with a mass building programme of eco-friendly affordable council housing remain.

The new terrain for organising tenants

Two changes, however, do transform what tenants can safely do. Firstly, challenging a rent rise now carries no downside. The tribunal cannot exceed the landlord's own figure, the increase is deferred until determination and never backdated, and deferral alone is worth money. Z2K's research found that renters who challenge end up on average £1,140 a year better off than those who accept.

Resist Rent Rises, the campaign training tenants to use the tribunal, adds the collective argument: every accepted increase becomes a comparable that justifies the next landlord's demand, so organised mass challenges push down the recorded market rate itself, to the benefit of tenants who never go near a tribunal, including social tenants whose rents are benchmarked against it. A tribunal campaign run street by street with the renter unions, and funded by councils as a casework and advice service, would convert an individual right that almost nobody uses into a practical brake on rents across a whole area.

Second, the end of section 21 is the end of the revenge eviction. Until this year, a tenant who reported damp or challenged an increase could be served two months' notice without reason, and that fear, more than any gap in the statute book, clearly affected complaint and enforcement levels. A tenant can now demand repairs, report a landlord to the council and take a rent rise to the tribunal without losing their home for doing so. Every doorstep conversation about a rent hike can end with two concrete actions: challenge the notice, and call in the inspectors.

Enforcement as a lever on rents: the Decent Homes route

So can the new conditions regime be turned on landlords who impose steep rent rises: inspectors at the door, fines, licences under threat and so on, a rent restraint in practice even before direct national legislation on rent control reaches the statute book? The accurate answer is yes, up to and testing certain legal limits which, of course, in turn could be made unworkable by councillors determined to fight and a mass movement backing them, as in the anti-poll tax campaign in the late 1980s and early 1990s.

Start from the state of the stock. The English Housing Survey for 2024-25 found that 22% of private rented homes fail the current Decent Homes Standard, the worst of any tenure; 10% carry a category one hazard, the most serious grading under the Housing Health and Safety Rating System; 10% have damp. A landlord serving a section 13 notice on a home like that is demanding more money for a property that already fails the government's own standard, and more than one landlord in five is exposed in this way before an inspector ever arrives.

The powers councils hold are substantial and growing. Where a tenant complains, the council can inspect under Part 1 of the Housing Act 2004; a category one hazard triggers a duty to act, through improvement notices, prohibition orders or emergency remedial action. The Renters' Rights Act adds a civil penalty of up to £7,000 where a landlord has failed to take reasonably practicable steps to deal with a serious hazard, timetabled to commence from summer 2026, and failure to comply with an improvement notice is a criminal offence for which the Act removes the cap on the fine, with a £40,000 civil penalty available as the administrative alternative.

Electrical and alarm safety are already unconditional statutory duties: every private tenancy needs an electrical installation condition report renewed at least every five years, with penalties of up to £30,000, and carbon monoxide alarms are compulsory in any room with a fixed combustion appliance. The reformed Decent Homes Standard, confirmed in the government's January 2026 response to the consultation, will for the first time bind private landlords to a whole-property standard covering state of repair, facilities, thermal comfort and freedom from damp and mould; enforced by councils, with the energy criterion biting from 2030 through the Energy Performance Certificate (EPC) C requirement and full compliance required by 2035. Awaab's Law will add fixed repair deadlines behind it.

Licensing supplies a second layer. Since December 2024, councils no longer need Secretary of State approval for selective licensing schemes of any size, so licensing an entire borough is now a purely local decision. Operating without a required licence carries penalties of up to £40,000 and exposes the landlord to rent repayment orders of up to 24 months' rent, which council officers can actively help tenants claim. Penalties and orders on the record then feed the 'fit and proper person' test when a licence is applied for or renewed, and from late 2026 the national database will make that record visible to every enforcing authority. And since May, none of this is optional: enforcement is a statutory duty on every council.

What follows for campaigning is a simple public demand on every council: guarantee that every complaint from a tenant facing a steep rent increase triggers a full compliance inspection, covering licence, electrical report, gas safety record, alarms and hazards; penalise every breach found at the top of the scale, not the bottom; help the tenant claim every rent repayment order available; and recycle the penalty income, which councils keep for housing enforcement, into more inspectors.

Nothing in this list fines a landlord for the rent rise itself, and nothing in it requires new law. What it changes is the calculation: a landlord whose property is typical of a sector in which more than a fifth of homes are non-decent faces a real and immediate cost for drawing attention to themselves, while the tribunal holds the increase itself at bay.

This is also where the fight for councillors and councils to refuse to implement austerity enters the housing question, because none of it can be done by a hollowed-out service. In the three years to 2024, over a third of London boroughs did not prosecute a single criminal landlord, and the government's own research on private rented sector enforcement describes a postcode lottery driven by the decade or more of councillors' compliance with cuts to councils' environmental health department budgets. TUSC's standing policy that councils should set no-cuts budgets, using reserves and borrowing powers while leading a mass campaign for proper funding, is what makes a serious enforcement service possible, with the added advantage that enforcement is the rare service that partly pays for itself.

The legal 'limit', clearly, is that an individual, fully compliant landlord could raise the rent to the 'local open-market price', which a tribunal hearing would ratify. Although the 'local market' would obviously be impacted by a rigorously pursued council-wide condition enforcement regime, it is not a substitute for the full rent control powers for councils that a national movement would still need to fight for.

Does Brown v Hyndburn still stand?

Often when licensing has been proposed by TUSC local council candidates as a route to rent restraint, the 2018 Court of Appeal decision in Brown v Hyndburn BC [2018] EWCA Civ 242 has been quoted in reply by Labour, and Green councillors as well, to justify their inaction.

Without rehearsing here the arguments about what a selective licence "for regulating the management, use or occupation of the house concerned" empowered a council to insist upon or not, on its facts the Court of Appeal ruling is now largely a dead letter. Both conditions it struck down in 2018 have since been imposed on every private landlord directly by parliament: electrical installation condition reports by the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020, enforceable by penalties of up to £30,000, and carbon monoxide alarms by the Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022. The Decent Homes Standard completes the change: under the January 2026 government response to the DHS consultation and the Renters' Rights Act framework, the standard will bind private landlords directly, enforced through council improvement notices and civil penalties, with no licence condition required. Everything Hyndburn borough council in the 2018 case was trying to achieve through licence conditions, and a great deal more, is becoming direct statutory duty.

Of course, there is no guarantee that however a council pushes its licensing and enforcement powers to their 'lawful' edge won't draw legal challenges from disgruntled landlords and a judicial pushback. But again, the point made earlier in relation to the anti-poll tax struggle remains. What extra 'legal powers' would have enabled Thatcher to have imposed something that a mass movement rendered inoperable? The reality is that the only reason for Labour and Green councillors not to act now but to timidly 'wait for Westminster' is a lack of political will to do so.

Council house building: the other half of the demand

There is no legal obstacle to councils building at scale. The Housing Revenue Account has been self-financing since 2012 and the cap on housing borrowing was abolished in 2018. The Public Works Loan Board's discounted housing rate, at 0.4 percentage points over gilts, runs to the end of March 2027. Right to Buy receipt flexibilities have been extended, councils retain the share previously returned to the Treasury, and from 2026-27 receipts can be combined with grant funding; the Social Housing Bill introduced in May 2026 raises Right to Buy eligibility to ten years and exempts newly-built council homes for 35 years, so the excuse for inaction of 'the stock draining away' has gone.

On land, compulsory purchase under section 226 of the Town and Country Planning Act 1990 can proceed at existing use value where a direction under section 14A of the Land Compensation Act 1961 removes 'hope value' – what might be expected from alternative development on the site – directions the Planning and Infrastructure Act 2025 widened while allowing authorities in some cases to confirm their own orders. Empty Dwelling Management Orders and escalating council tax premiums deal with homes left empty.

On delivery, direct labour organisations building, repairing and retrofitting on trade union rates are squarely within existing powers – and are the explicit policy of Unite the Union – and neighbouring councils can form joint housing companies with nothing more than the general power of competence in the Localism Act 2011 and borrowing under the Local Government Act 2003.

The politics are as open as the law. Andy Burnham has twice promised "the biggest council house building programme since the post-war period", on 29 June 2026 and again in his first Downing Street speech on 20 July. Councils should take him at his word: start building on land they already own, on the scale the unions demand – of the order of 100,000 social rented homes a year nationally – and send central government the bill for the promise it made, mobilising tenants and the labour movement to make refusal politically impossible.

A council that begins that fight, rather than administering the housing crisis politely, would transform the terms of local and national politics.

The 2027 local election policy platform

For a number of years TUSC had the demand ● *Use councils' powers to begin a mass building programme of eco-friendly affordable council homes to tackle the housing crisis* as part of its local elections core policy platform, the minimum commitment that is demanded from prospective candidates to be authorised by the steering committee to use one of the TUSC registered descriptions on the ballot paper.

As we explain, the core policy platform is not the limit of the demands a candidate may include in their campaign but is the minimum that voters should know that any councillor elected under the TUSC banner would support in the council chamber.

For the 2025 local elections, however, the 2025 TUSC core policy platform did not include a housing pledge; because firstly almost all of the councils with elections that year were not housing authorities, and secondly a minimalist ‘six pledges’ approach was felt to be more conducive to encouraging those looking to the then still tentative discussions for a new party involving Jeremy Corbyn to consider using a clearer working class trade unionist and socialist description on the ballot paper rather than the ‘Independent’ label.

For May this year, 2026, the steering committee decided to continue with just six pledges and housing, once again, was not included. But with the new situation, both in relation to the housing campaign possibilities and the current situation in terms of working class political representation, it would probably be a missed opportunity to repeat this for the 2027 elections.

In this context pledges that the steering committee could consider for when we come to drafting a new platform for 2027 include:

- Use councils’ powers to compulsorily register private landlords and enforce Decent Homes Standards for private rented homes, and set-up council-run lettings agencies, as the means to tackle repair standards, high rents, over-occupancy and extortionate letting fees, with fully staffed, unionised in-house enforcement teams.
- Guarantee a full compliance inspection whenever a private-sector tenant facing a steep rent rise complains, with maximum penalties and rent repayment orders pursued and publicised, and fund the work of renter unions to build a tenants’ movement to challenge rent rises.
- Build council homes now. Use councils’ borrowing powers for capital spending to immediately begin a mass building programme of eco-friendly affordable council homes, establishing direct labour organisations on trade union rates with apprenticeships for young people.

Clive Heemskerk
TUSC National Election Agent
9th September 2026

Prepared with research assistance by Oscar Parry