Latest Coronavirus Act 2020 Changes for Landlords and Tenants

Since the start in March 2020 of the lockdowns due to the Coronavirus pandemic, landlords have had to deal with <u>47 different legislative changes</u> to landlord & tenant regulations. From eviction bans to tightening of mortgage lending to landlords, this is a period of time many landlords would likely rather forget. In this article, we take a look at some of these changes for landlords and outline what a landlord needs to do to serve notice on a tenant.

The first change for landlords in March 2020 was the indication of changes to the legislation surrounding evictions in the form of a 3-month ban. The Master of the Rolls announced that any ongoing (and new) evictions would be halted for 90 days, with a warning of an extension if the Coronavirus pandemic was ongoing. A second change then came in the form of an extension to the ban, announced by the then Secretary of State for Housing, Robert Jenrick. This took the halt on evictions to the end of August 2020.

Under <u>The Housing Act 1988</u>, a tenant on an Assured Shorthold Tenancy could be served with an eviction notice under either Section 8, Section 21 or both. Pre-COVID, under a Section 8 (for most reasons) and a Section 21 notice, a tenant must be given at least 2 months' notice to leave a property. However, due to changes under the Coronavirus Act 2020, the periods of time that must be given were extended.

Section 21:

- If you gave your tenant notice between 26 March 2020 and 28 August 2020, the notice period must have been at least 3 months.
- If you gave your tenant notice between 29 August 2020 and 31 May 2021, the notice period must have been at least 6 months.
- If you gave your tenant notice on or after 1 June 2021, the notice period must be at least 4 months.

Section 8:

- If you gave your tenant notice between 26 March 2020 and 28 August 2020, the notice period must have been at least 3 months.
- If you gave your tenant notice between 29 August 2020 and 31 May 2021, the notice period must have been at least 6 months.
- If you gave your tenant notice on or after 1 June 2021, the notice period must be at least 4 months.

These notice periods could also be shorter in some cases, examples of which include evicting tenants for antisocial behaviour or 'serious' rent arrears.

The Coronavirus pandemic presented a difficult situation for both landlords and tenants – if a tenant could no longer afford to pay rent due to loss of income, the landlord in turn must suffer loss of rental income, likely with a mortgage to pay on the rental property. In January 2021, <u>Lord Greenhalgh dealt landlords</u> a further blow by stating that the Government's indirect support of landlords in a financial sense was enough, thus removing any hope of further support. Not great news for landlords already financially crippled by the crisis. This is likely especially difficult for 'Let Only' landlords, collecting rent themselves with no property management backing.

With lengthening eviction notice periods, financial pressures were extended for many landlords. Although from 1st October this year, eviction notice periods returned to pre-Covid time periods, with

the <u>National Residential Landlords Association</u> (NRLA) emphatically stating this as 'an important step in ensuring the sector's recovery', the Government have applied a backstop. Legislation has been amended to allow a reapplication of the extended notice periods until 25 March 2022, should the pandemic worsen again. Another period of tricky uncertainty for landlords to have to navigate but we are here to help.

Uncertainty can be removed with schemes such as Northwood Guaranteed Rent guaranteeing a landlord a fixed rental income each month – over 10,000 landlords already enjoy this each month – or entrusting us with the management of your property under our Fully Managed Service. Draw upon our extensive knowledge of the rental market and current legislation and professional, awardwinning service.