

Rent Repayment Orders

What Landlords must understand

Overview

Rent Repayment Orders (RROs) are legal mechanisms that allow tenants or local authorities to reclaim up to 12 months' rent if a landlord has committed specific housing-related offences. The Renters' Reform Bill proposes expanding and strengthening the use of RROs, making it even more important that landlords understand and follow their legal obligations.

As the private rented sector faces sweeping reforms, landlords who fail to comply with the growing list of responsibilities risk significant financial penalties. This information pack explains what RROs are, how they are changing, the offences that can trigger them, and how Bates & Co Lettings can help protect landlords from costly mistakes.

What's a Rent Repayment Order?

A Rent Repayment Order is a penalty issued by the First-tier Tribunal. It allows either tenants or local councils to recover rent paid during a period when the landlord was in breach of certain laws. The maximum amount that can be reclaimed is up to 12 months' rent per offence under current rules.

Current Offences That Can Trigger an RRO

As it stands, RROs can be issued for the following offences:

- Letting a property without a valid House in Multiple Occupation (HMO) licence
- Illegal eviction or harassment of tenants
- Breaching a banning order
- Using or threatening violence to gain entry
- Failure to comply with improvement notices or prohibition orders

Changes Under The Renters' Reform Bill:

1. More Offences Covered:

 The list of offences will expand to include a broader range of compliance failures, including failing to join the new landlord database, failing to register with the Private Rented Sector Ombudsman, and non-compliance with rent increase rules or tenancy agreement reforms.

2. Extended Timeframes:

- Under the new proposals, tenants may be able to apply for a Rent Repayment Order for up to 24 months of rent rather than the current 12 months.
- Crucially, tenants can make a claim even after they have left the property, making long-term accountability essential for landlords.

3. Local Authority Powers Enhanced:

- Local councils will be encouraged and resourced to pursue more RRO cases, particularly in areas with poor housing standards.
- Fines from RROs will be reinvested into enforcement teams.

4. Burden of Proof Lowered:

 Tenants no longer need a criminal conviction to apply for an RRO. The tribunal only requires evidence of the offence on the civil standard of proof (balance of probabilities), making it easier for tenants to succeed in their claims.

5. Tenants Empowered:

 Tenants will be educated and encouraged to enforce their rights, particularly through the new property portal and Ombudsman scheme, which may direct tenants to seek RROs when wrongdoing is uncovered.

6. Increased Penalties and Public Visibility:

- Tenants may be entitled to full 24-month rent repayments in more circumstances.
- Offending landlords will be listed publicly on the property portal.

Consequences for Landlords

Failing to meet your legal duties may result in:

- Being ordered to repay up to 24 months of rent per tenancy
- Damage to your reputation through public registers
- Enforcement by both tenants and local authorities
- Additional fines and civil penalties
- Ineligibility to evict tenants or regain possession

Examples of RRO Risk Scenarios

- A landlord increases rent without using the prescribed process or serving proper notice.
- A landlord fails to register a property on the new portal or omits required information.
- A landlord evicts a tenant without following the new Section 8 rules.
- A landlord lets out a licensable HMO without a valid licence.

Why This Is a Legal Minefield

With more laws and greater enforcement powers, the risk of unintentionally breaching your duties is high. Even a simple administrative mistake could lead to an RRO. The consequences are expensive and can jeopardise your ability to continue managing rental property.

How Bates & Co Lettings Protects You



Full Compliance Checks: We ensure your property meets all legal requirements before and during every tenancy.



Ongoing Monitoring: We keep you up to date with changes in the law and handle new registrations, licenses, and notices.



Error-Free Management: We serve all documents on time and in the correct format to avoid technical breaches.



Dispute Handling: We act as your representative in disputes with tenants or the council.



Reputation Shielding: We help ensure you stay off the public register and maintain a strong professional reputation.

Experience That Matters With over 20 years of experience, Bates & Co Lettings is the only independent high street letting agent in Hailsham. We offer expert local knowledge, dedicated legal compliance support, and personalised service that protects your investment in an increasingly complex market.

Next Steps: Speak to us today about a Property Health Check to ensure your rental is RRO-proof and fully protected under the new rules.