

***Welcome to our monthly newsletter for property landlords. We hope you find this informative and please contact us to discuss any matters further.***

## **MTD for income tax: nearly there!**

Making Tax Digital (MTD) for income tax will be mandated for a large group of self-assessment taxpayers from 6 April 2026, with even more individuals being mandated in 2027 and 2028.

If your combined turnover from a sole trade or property business was over £50,000 in the 2024/25 tax year, you will likely be required to comply with the MTD for income tax rules from 6 April 2026.

Reports of various recent surveys indicate that many landlords are not confident that they understand the requirements of MTD for income tax. Many are concerned or worried about the changes.

If you are one of those landlords, do not worry! We can help you switch to MTD-compatible software so you can meet the new reporting requirements.

Over the past year we have successfully helped many of our clients prepare for MTD. If you would like to discuss how you can meet the new requirements, please speak to us – we are happy to help!

## **Renters Rights Act: Tenancy agreements**

The Government has published draft Regulations that set out the information that will be required in new tenancy agreements.

The requirements may change before the final version of the Regulations is published in March, but the draft gives us a strong indication of what tenancy agreements will look like when the Renters Rights Act comes into force on 1 May 2026.

The information required in the tenancy agreement includes:

- The landlord's (or joint landlords', if applicable) names.
- The tenant's (or joint tenants', if applicable) names.
- An address in England or Wales at which notices may be served on the landlord by the tenant.
- The address of the property being let.
- The date on which the tenant is first entitled to possession under the tenancy.
- The rent payable under the tenancy and when it is due.
- A statement explaining that if the landlord makes a new proposal to increase the rent under the tenancy, the landlord must serve a notice on the tenant in accordance with section 13 of the 1988 Act (increases of rent under assured tenancies other than relevant low-cost tenancies).
- Details of any bills that are included in the rent
- Details of any bills payable to the landlord in addition to the rent (i.e. for utilities)
- The deposit amount, if applicable.

The above information is already included in most tenancy agreements, but the draft Regulations include requirements for the following inclusions:

- A statement allowing the tenant to request a pet in accordance with Section 16A of the Housing Act 1988 and that the landlord may not unreasonably withhold consent.
- The minimum notice period a tenant must give to terminate the tenancy.
- A statement that the landlord is required to ensure the property is fit for human habitation.
- A statement setting out the landlord's obligations under Section 11 of the Landlord and Tenant Act 1985 (to keep the property in repair and working order).
- A statement setting out the landlord's obligations under the Electrical Safety Regulations.
- If applicable, a statement setting out the landlord's obligations under the Gas Safety (Installation and Use) Regulations.

The Government has confirmed that landlords will not need to provide new tenancy agreements for existing tenancies, although they must provide tenants with a notice detailing the changes in the Renters Rights Act by 31 May 2026. The contents of this notice are expected to be prescribed by the Government in March.

The draft Regulations, 'The Assured Tenancies (Private Rented Sector) (Written Statement of Terms etc and Information Sheet) (England) Regulations 2026' can be viewed [here](#).

## High expectations for a booming mortgage market

In January, financial information service Moneyfacts published their 'Moneyfacts UK Mortgage Trends Treasury Report' which predicts that the positive activity in the mortgage market seen in 2025 will continue into 2026.

The report shows that in January 2026, borrowers had 7,158 mortgage deals to choose from, 650 more than in January 2025 and the highest number of deals recorded since October 2007.

The average 2-year fixed rate dropped from 5.48% to 4.83% between January 2025 and January 2026, while the average 5-year fixed rate saw a drop from 5.25% to 4.91% over the same period. This improvement to mortgage affordability is due to the multiple cuts to the Bank of England Base Rate seen over 2025.

Rachel Springall, Finance Expert at Moneyfacts, commented "Borrowers and lenders will be in a state of optimism, off the back of a positive 12 months for the mortgage market in 2025. Expectations are high for a booming market in 2026."

First time buyers also have good reason to feel optimistic - the report indicates that the number of low-deposit mortgage deals is at its highest level for almost 18 years, with 489 products at 95% loan-to-value (LTV) and 927 at 90% LTV to choose from at the start of 2026.

For more information, see [here](#).