EXPLANATORY MEMORANDUM TO

THE FIRST-TIER TRIBUNAL (PROPERTY CHAMBER) FEES (AMENDMENT) ORDER 2026

2026 No. 485

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Ministry of Justice and is laid before Parliament by Command of His Majesty.

2. Declaration

2.1 Minister Davies-Jones, Parliamentary Under Secretary of State for Victims and Tackling Violence Against Women and Girls (VAWG) at the Ministry of Justice confirms that this Explanatory Memorandum meets the required standard.

2.2 Rawfiah Choudry, Deputy Director for Tribunals, Fees and Irregular Migration, at the Ministry of Justice confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Chloe Upton at the Ministry of Justice email: mojfeespolicy@justice.gov.uk can be contacted with any queries regarding the instrument.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This instrument establishes fees for applications in the Property Chamber of the First-tier Tribunal to appeal against financial penalties for new breaches and offences that will be introduced by sections 16, 40, 57, and 58 of the Renters' Rights Act 2025. The relevant provisions in the Renters' Rights Act will commence on 1 May 2026. These changes are explained in more detail at paragraphs 5.19-5.22.

4.2 This instrument will also introduce fees for market rent appeal applications made under the Housing Act 1988 which will be amended under sections 6 and 7 of the Renters' Rights Act 2025. Fees will also be introduced for applications to the Tribunal to challenge new terms proposed to an assured tenancy, which arises by virtue of succession rights under the Rent Act 1977 (section 39 of the Housing Act 1988, inserted by Schedule 2, paragraph 32 of the Renters' Rights Act 2025). In addition, the Renters' Rights Act expands the scope of landlord offences for which a Rent Repayment Order can be applied for. New types of Rent Repayment Orders introduced by the Act will incur fees that are currently applied to existing types of these Orders. These measures will also commence on 1 May 2026. These changes are explained in more detail at paragraphs 5.12-5.18 and 5.23-5.24.

4.3 This instrument makes amendments to fees in the First-tier Tribunal (Property Chamber) Fees Order 2013 ("The Fees Order 2013").

Where does the legislation extend to, and apply?

4.4 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales only.

4.5 The application of this instrument (that is, where the instrument produces a practical effect) is in the Property Chamber of the First-tier Tribunal for proceedings related to property in England only.

5. Policy Context

What is being done and why?

The current structure of the Property Chamber

5.1 The Property Chamber deals with a wide range of property-related disputes across three divisions: Residential Property, Land Registration, and Agricultural Land and Drainage. The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 sets out the applications that may be brought, some of which have been categorised as either a "residential property case", "leasehold case", "land registration case", "tenant fees case", "agricultural land and drainage case", or "unresponsive grantor case". Other types of application have no categorisation.

5.2 Under the current fee framework, only applications with specific categorisations attract a fee. Residential property cases, leasehold cases, and certain power of entry applications under the Local Government Finance Acts 1988 and 1992, all attract a £114 application fee and £227 hearing fee. Under the Mobile Homes Act 1983, specific applications regarding determinations of pitch fees and owner improvement costs also charge a fee. These applications do not attract a hearing fee, but a £23 application fee is payable. All other applications are not charged a fee.

Introduction of a new fee structure in the Property Chamber

5.3 Currently, of the approximately 250 types of application that can be brought to the Property Chamber, only 145 attract a fee. Where fees are currently charged, the rate is a standard flat £114 application fee and a £227 hearing fee.

5.4 In addition, where fees are payable, they are currently set below the cost of service, and as a result the tribunal is significantly under-recovering the cost of providing its services. To improve levels of cost recovery in the Property Chamber, whilst also ensuring that access to justice is maintained for applicants where affordability may be a concern, the Government intends to deliver a wide programme of reform which will extend fees (outlined below) to most types of cases in the Residential Property division and is considering other reforms in the Agricultural Land and Drainage division of the Property Chamber.

5.5 These reforms will introduce a new fees structure to ensure a consistent approach to fee applications and amounts and align the fees framework of the Property Chamber with other courts and tribunals.

5.6 This structure, which we intend to introduce across a series of instruments, will consist of:

- A standard fee of £200 for applications and £300 for hearings (where the £200 application fee applies);
- Fees of £114 for applications and £227 for hearings (where the £114 application fee applies) for other case types where it has been assessed that lower fees strike a

more appropriate balance between the principles of cost recovery and access to justice;

- A fee of £47 for applications to appeal a rent increase (with hearing fees in such cases waived); and
- A set of targeted fee exemptions for application types where fees may create significant affordability or futility risks, or where urgent safety interventions are sought.

5.7 The Help with Fees remission scheme will remain available to support applicants on lower incomes who are less able to reasonably afford a fee.

5.8 The intention is for this new tiered fee structure to apply to all relevant application types across the Tribunal. The new structure will be introduced in phases through a series of statutory instruments. A phased introduction of the fee changes ensures that the policy is implemented in a manageable way for the Property Chamber to update its systems and reduces operational risk.

Introducing fees for applications amended or introduced by the Renters' Rights Act 2025

5.9 This instrument represents the first stage in delivering the new fee structure. It introduces fees for new types of financial penalty appeals and rent appeals that can be brought to the tribunal under the Renters' Rights Act 2025.

5.10 The Renters' Rights Act 2025 ("the Act"), which received Royal Assent in October 2025, introduces reforms that aim to enhance tenants' rights, with some of these measures - for the private rented sector - taking effect from 1 May 2026. Under the reforms introduced by the Act, several new types of application that can be brought to the Property Chamber will be introduced.

5.11 Tenants will have extended rights to apply to the Property Chamber to request a determination of the rent amount that should be payable in accordance with market rent levels. The Act also introduces new civil breaches and criminal offences for which a civil penalty can be imposed by a local authority, which can be appealed by the landlord or letting agent in the Property Chamber. In addition, the Act will expand the list of landlord offences for which a tenant or local authority can apply for a Rent Repayment Order.

Rent appeals

5.12 Currently, in assured tenancies and agricultural occupancies, a landlord can serve a prescribed notice under section 13 of the Housing Act 1988 on their tenant proposing a rent increase. The tenant has the right to apply to the tribunal for a determination of the rent. In an assured shorthold tenancy, a tenant can also apply for a market rent determination within the first six months of the tenancy. These applications are dealt with by the Property Chamber; and a fee is not charged.

5.13 On 1 May 2026, the amendments made by sections 6 and 7 of the Act to the sections of the Housing Act 1988 ("the 1988 Act") which provide the basis for market rent applications, will come into effect. Applications by private rented sector tenants to challenge a proposed rent increase will be made under the new section 14(A3) of the 1988 Act and applications to challenge the rent payable under the first six months of the tenancy will be made under new section 14(A1).

5.14 To support improved cost recovery, this instrument introduces a fee for all rent appeals brought under the Housing Act 1988, for private rented sector tenancies. The fee will apply to applications brought under new sections 14(A1) and 14(A3) of the

Housing Act 1988, which come into force on 1 May 2026. However, in cases where a rent increase was proposed by a landlord before the commencement of the Act, an appeal will not attract a fee even if the application is brought to the tribunal after that date. Reflecting the fact that affordability may be a concern for tenants, rent appeals will attract an application fee of £47 and will be exempt from any hearing fee.

5.15 As this statutory instrument only applies to rent appeal cases which will be introduced or amended by the Renters' Rights Act 2025, other applications to challenge rent are unaffected at this stage. This includes applications to register a fair rent under the Rent Act 1977, and applications make in respect of the ending of residential tenancies under the Local Government and Housing Act 1989. The new fees structure will apply to these cases at a later date.

5.16 Fees for these application types have been set below fees for most others to strike a more appropriate balance between cost recovery and access to justice. Given that these cases are particularly consequential for the applicant and should they be unable to challenge a rent increase they may be vulnerable to housing instability and economic hardship, we have been particularly mindful of affordability concerns. This is particularly the case as the rent appeal right is substantially different to what existed before, and so our confidence on the effect of a fee on people's behaviour is lower than normal.

Applications to challenge new terms proposed to an assured tenancy which arises by virtue of succession rights under the Rent Act 1977

5.17 Currently, section 6(2) of the 1988 Act provides that, in a statutory periodic tenancy which arose at the end of a fixed term tenancy, a notice can be served on either party proposing different terms to those in the formed fixed term tenancy, including an adjustment to the rent. These notices can be referred to the tribunal under section 6(3) of the 1988 Act, and a fee is not charged.

5.18 Section 6 of the 1988 Act will be repealed by paragraph 24 of Schedule 2 to the Act. All new private rented sector tenancies will be assured periodic tenancies with no fixed term. However, schedule 2 of the Act makes special provision, by amending section 39 of the 1988 Act, to enable tenants or landlords to challenge the terms of an assured (periodic) tenancy which succeeds from a regulated tenancy under the Rent Act 1977. This is currently prescribed by section 6 of the 1988 Act.

5.19 In line with the approach taken for other rent appeals brought under the 1988 Act, this instrument introduces a fee for these cases. To reflect affordability concerns, these applications will also attract an application fee of £47 and will be exempt from any hearing fee.

Financial penalty appeals

5.20 When landlords or other responsible persons are issued with civil financial penalties by a local authority for committing certain breaches of statutory duty or offences, such as failing to obtain a licence where required or failing to comply with an improvement notice, they have the right to appeal the decision to award a penalty and/or the amount of the penalty to the Tribunal.

5.21 The Act creates new duties and offences along with local authority powers to impose financial penalties for breaching duties and committing offences. This will create additional appeal routes for these penalties, some of which will commence on 1 May 2026. Local authorities will be able to issue civil penalties for breaching the requirements of the assured periodic tenancy regime (for example, failing to provide a

written statement of terms to the tenant or misusing the new tenancy grounds), discriminating against a tenant because they have children and/or are in receipt of benefits, not stating the proposed rent in a written advertisement, and/or inviting or encouraging offers which exceed the proposed amount of rent. The Act also extends the use of civil financial penalties to the offence of unlawful eviction or harassment under the Protection from Eviction Act 1977.

5.22 Local authorities will also be able to impose civil financial penalties for a breach of section 6A of the Housing Act 2004, where a landlord fails to comply with requirements to resolve a serious Category 1 hazard contained within a property. As section 6A of the Housing Act 2004 will come into force after 1 May 2026, fees applicable for financial penalty appeals related to this provision will not have an effect until a later date, when section 6A of the Housing Act 2004 comes fully into force.

5.23 Applications to appeal civil financial penalties will attract a standard application fee of £200 and hearing fee of £300. This instrument only applies to appeals against civil financial penalties which will be created by the Act as listed above.

Rent Repayment Orders

5.24 In instances where a landlord has committed a specified housing-related offence, such as failing to comply with an improvement notice or breaching a banning order, a tenant or local authority can apply to the Property Chamber for a Rent Repayment Order, to claim an amount in respect of rent paid from a landlord. A £114 application fee and £227 hearing fee is currently charged for these applications.

5.25 The Act will expand the list of landlord offences for which a tenant or local authority can apply for a Rent Repayment Order, some of which will commence on 1 May 2026. The new offences for which a Rent Repayment Order can be sought are where a landlord: knowingly or recklessly uses a ground on which they are not entitled to rely; lets or markets the property within the restricted period after using the grounds for moving into or selling the property; and/or commits a continuing breach of tenancy reform requirements. Given that affordability may be a concern for tenants, fees for these types of application will attract a lower fee and will remain as they are currently stated under fee 1.1 of the Fees Order 2013, with a £114 application fee and £227 hearing fee.

What was the previous policy, how is this different?

5.26 Prior to this instrument, fees were only payable for the limited categories set out in the Fees Order 2013 and have been previously set at a rate that is significantly below cost. To improve levels of cost recovery and to align with Managing Public Money principles, we are increasing standard application and hearing fees to £200 and £300 respectively, to ensure that they are closer to cost recovery. Although, this will improve levels of cost recovery for the Property Chamber, it will remain heavily subsidised by the taxpayer.

5.27 With this instrument, a tiered approach to fees will be introduced to improve levels of cost recovery and to mitigate risks of applicants being prevented from accessing justice. Where fees have previously been set for all users at a flat rate, alongside a standard rate fee, lower application and hearing fees set at £114 and £227 respectively will apply to types of application where it has been assessed that lower fees strike a more appropriate balance between principles of cost recovery and access to justice. Furthermore, fees to challenge a rent increase will be lower still and will be set at £47 for an application and hearing fees will be waived.

5.28 We have applied this policy to the four categories of applications outlined in this SI as follows:

Application type	Previous fee	New fees
Rent Appeals	£0	£47 application fee No hearing fee applicable
Succession of assured tenancy rights (including rent disputes)	£0	£47 application fee No hearing fee applicable
Financial Penalty appeals	N/A these are new types of financial penalty appeal applications being introduced by the RRA	£200 application fee £300 hearing fee
Rent Repayment Orders	£114 application fee £227 hearing fee	Fee amounts unchanged but scope of applications extended to cover new offences

6. Legislative and Legal Context

How has the law changed?

6.1 The legislative powers to prescribe fees that are affected by this instrument are contained within section 42(1)(a) and (2) and 49(3) of the Tribunals, Courts and Enforcement Act 2007. Fees which are set using these powers cannot be set above the cost of service.

6.2 As fees are being introduced where fees have not been payable previously, under sections 49(5) and (6)(c) of the Tribunals, Courts and Enforcement Act 2007, it is a requirement for these provisions to be approved by both Houses via an affirmative instrument.

Why was this approach taken to change the law?

6.3 This is the only possible approach to make the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

7.1 The Lord Chancellor has a statutory duty to consult with the Senior President of Tribunals regarding changes to fees in the Property Chamber, as prescribed in section 42(5) of the Tribunals, Courts and Enforcement Act 2007. We consulted with the Senior President of Tribunals and received a direct response. The Senior President had no specific comments on the measures outlined in this instrument.

7.2 A public consultation was not undertaken for any of the measures in this instrument. The introduction of fees in these cases are intended to recover some of the cost of the service provided, which aligns with the general principle of setting fees across Government.

8. Applicable Guidance

8.1 Accompanying guidance setting out the changes introduced by this instrument will be made available by His Majesty's Courts and Tribunals Service by May 2026 on GOV.UK.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument as the financial impact of the measures is minimal. Under the Better Regulation Framework, a full impact assessment for this instrument is not required.

9.2 Regarding the measures outlined in this instrument, due regard has been given to responsibilities under the Public Sector Equality duty, as set out in section 149 of the Equality Act 2010. This includes the need to eliminate unlawful discrimination, advance equality of opportunity, and foster good relations between those with protected characteristics and those without.

9.3 None of the measures in this instrument are considered to result in direct discrimination against any group, as the measures apply in the same way to all applicants, regardless of their protected characteristics. Each measure is a proportionate means of achieving the legitimate policy objective of recovering costs of the services provided by the tribunal to its users.

Impact on businesses, charities and voluntary bodies

9.4 There is no, or no significant, impact on business, charities or voluntary bodies because the fee changes to rent appeals and financial penalty appeals impacted by the Renters Rights Act 2025 are more likely to pertain to individuals.

9.5 The legislation is not expected to have a significant impact on small or micro businesses, as applications for rent appeals are typically brought by tenants, and fees for financial penalty appeals are modest relative to the size of the financial penalty issued.

9.6 There is no, or no significant impact on the public sector because fee changes do not affect the delivery of public services or impose an additional cost on public sector bodies. The policy is expected to have a modest positive net impact, as it will generate additional income, which will contribute to the costs of administering applications that are brought to the Property Chamber and support the financial sustainability of the tribunal.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is to review fees routinely to ensure that they are set at levels that recover the cost of administering the service, whilst also ensuring that fees remain affordable and are not a barrier to justice. The underlying costs of activities for which fees are charged will be reviewed on a yearly basis to identify whether fees are required to be amended.

10.2 The instrument does not include a statutory review clause and, in line with the requirements of the Small Business, Enterprise and Employment Act 2015 Minister Davies-Jones has made the following statement: "In my view the provisions of the

First-tier Tribunal (Property Chamber) Fees (Amendment) Order 2026 have no net cost to business".

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 The Minister has made the following statement regarding Human Rights:

"In my view the provisions of the First-tier Tribunal (Property Chamber) Fees (Amendment) Order 2026 are compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").