

NESTSEN

Industry Whitepaper 2026

The Property Manager's New Reality

Why the tools of yesterday can't handle the obligations of tomorrow

2026 · nestsen.com

Executive Summary

The UK private rental sector is undergoing its most significant regulatory transformation in a generation. The Renters' Rights Act, the extension of Awaab's Law to private landlords, and rising tenant expectations are converging at precisely the moment when most letting agencies are still running their operations on a patchwork of email threads, unstructured WhatsApp messages, and software built for a pre-smartphone world.

This is not a technology problem. It is an operational and liability problem — and the technology most agencies currently use is making it worse, not better.

This paper sets out why the lettings industry has arrived at an inflection point, what the new regulatory and operational environment actually demands of property managers, and why the tools purpose-built for this environment look fundamentally different from what came before.

4.7M

PRS households in England

£33bn

UK property management industry turnover 2025

70%

Of deposits registered via letting agents

EHS 2024-25 · EPLS 2024 · Adiuvo

1. The Problem: An Industry Running on the Wrong Infrastructure

Walk into the back office of almost any letting agency in the UK today and you will find the same operational picture, regardless of whether they manage twenty properties or two hundred. A property manager's working day consists of a stream of incoming messages — tenants reporting issues via WhatsApp, email, or phone; landlords asking for updates; contractors going quiet; jobs raised three weeks ago that haven't moved.

The software logs a job. The job sits in a queue. The property manager picks it up when they can. The contractor is contacted by WhatsApp, because that is where contractors actually respond. The update comes back on a personal mobile. It gets mentally noted, sometimes forwarded, occasionally logged. The landlord asks for an update. The property manager has to reconstruct the history from three different apps and their own memory.

This is not a niche failure mode. This is the standard operating model for the majority of UK letting agencies.

77%

Tenants with at least one property issue

44%

Report damp or mould as the most common issue

33%

Report unacceptably long repair times

<50%

Satisfied with how issues are resolved

41%

Avoid raising issues with their agent

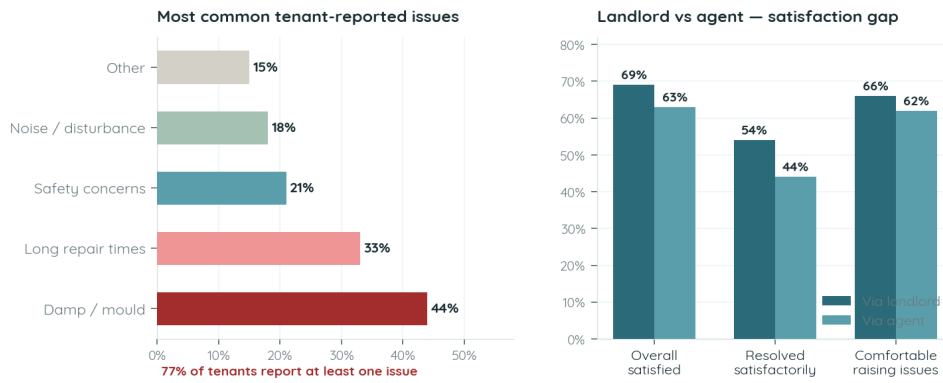
The deeper structural problem is that most property management software was designed around the wrong unit of work. It was designed around the tenancy — the lease, the rent, the renewal, the deposit. Maintenance was fitted into that model as a ticket system. It was never designed around the workflow of actually getting something fixed: the communication, the triage, the contractor coordination, the landlord approval, the follow-up, the evidence trail.

The result is a generation of software that is excellent at generating reports about things that have already happened, and almost useless at helping a property manager manage something that is happening right now.

There is also a deeper misalignment between where communication actually takes place and where the software expects it. Property management platforms universally assume tenants will log into a portal. In practice, the overwhelming majority send a message. This is not a failure of tenants to use the right channel. It is a failure of software to meet people where they are.

MHCLG PRS Tenants Research Report, Dec 2025

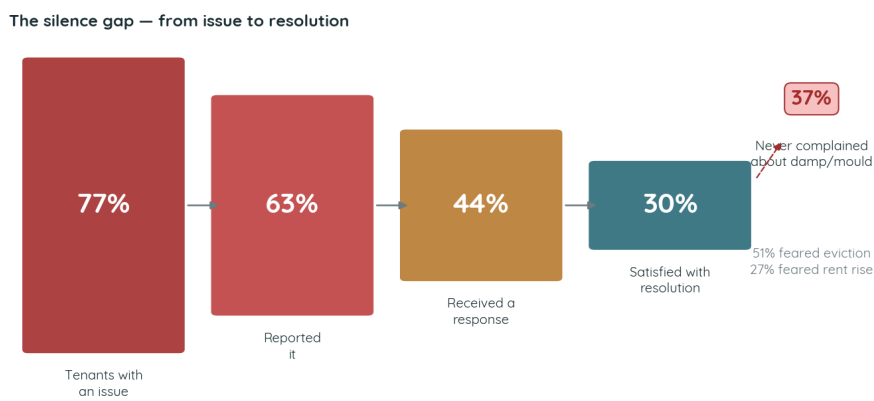
The maintenance problem — issues reported and satisfaction levels



Source: MHCLG PRS Tenants Research Report, Dec 2025 (n=1,517)

Source: MHCLG Private Rented Sector Tenants Research Report, December 2025 (n=1,517) · English Housing Survey 2024–25

The silence gap — from issue to resolution



Source: MHCLG PRS Tenants Research Report, Dec 2025 · Citizens Advice, June 2024

Source: MHCLG PRS Tenants Research Report, Dec 2025 · Citizens Advice, June 2024

2. The Regulatory Tipping Point

The operational fragility described above has always carried risk. What has changed in 2024 and 2025 is that the regulatory environment has made that risk explicit, quantified, and — crucially — personal.

The Renters’ Rights Act

The Renters’ Rights Act represents the most substantial rebalancing of landlord and tenant obligations in the private rented sector since the Housing Act 1988. The abolition of Section 21 no-fault evictions — effective 1 May 2026 — is the headline, but for property managers the operational implications run considerably deeper.

Agencies now operate in an environment where tenants have significantly strengthened grounds for complaint, where the relationship with the tenant must be demonstrably managed with appropriate care and responsiveness, and where the ability to evidence that care — not just assert it — has become a practical operational requirement.

Awaab’s Law

Awaab’s Law came into force for social housing on 27 October 2025, with extension to the private rented sector progressing through the Renters’ Rights Act framework. The core principle is already clear: tenants have a right to safe, healthy housing — and landlords will be held accountable for delivering it within specific, evidenced timescales.

AWAAB’S LAW
RESPONSE CLOCKS

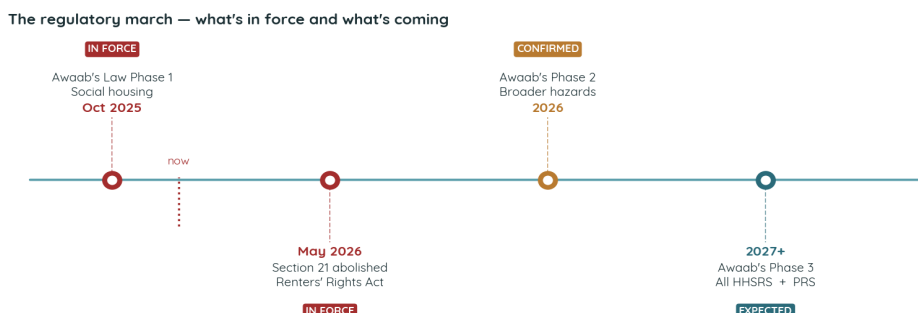
24 hrs
Emergency hazard: investigate & begin remedial work

10 days
Significant damp/mould: complete investigation

5 days
Begin remedial work after investigation confirms

Social housing timescales · PRS in consultation

The legislative march — what’s in force and what’s coming



Source: Awaab's Law Regulations 2025 · Renters' Rights Act Implementation Roadmap, Nov 2025 · Shelter England

Source: Awaab's Law Regulations 2025 · Renters' Rights Act Implementation Roadmap, Nov 2025 · Shelter England · Goodlord

The compliance gap is not about policy awareness. Most agents know what's coming. It's about operational infrastructure. Most agencies have no reliable way to prove when they were told, when they responded, and what they did.

7,082

Ombudsman determinations
2024-25

+30%

Year-on-year increase in
determinations

120

Landlords with >75%
maladministration rate

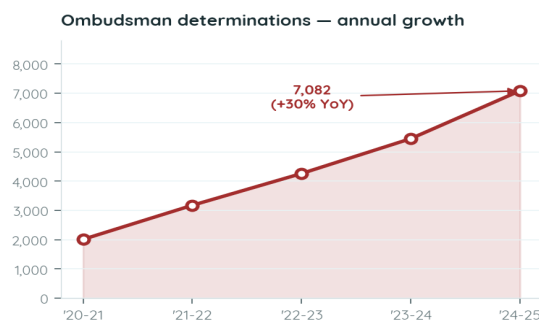
The complaint escalation risk

The Housing Ombudsman made 7,082 determinations in 2024-25 — a 30% increase year-on-year — with repairs and maintenance consistently identified as the primary category requiring improvement. 120 landlords were found to have a maladministration rate above 75%.

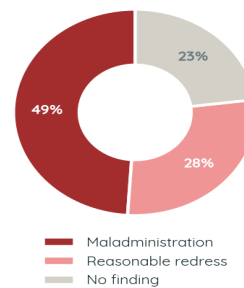
This is social housing data. The private sector Property Ombudsman faces equivalent pressure as PRS obligations tighten. Complaint volumes are rising. Enforcement is tightening. The cost of being found on the wrong side of a determination — financial, reputational, and professional — is increasing.

Housing Ombudsman Annual Review 2024-25

Complaint volumes and outcomes — Housing Ombudsman 2020-25



Complaint outcomes 2024-25



Source: Housing Ombudsman Annual Complaints Review 2024-25

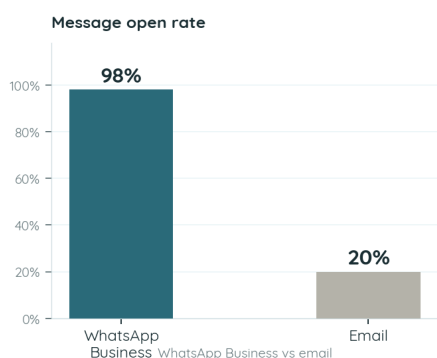
Source: Housing Ombudsman Annual Complaints Review 2024-25

3. The Communication Problem Nobody Has Solved

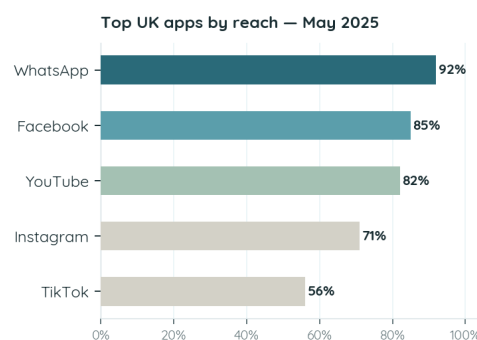
There is a fact about communication behaviour in the UK that the property management software industry has spent fifteen years trying to work around, and which it would be more productive simply to accept: tenants communicate on WhatsApp.

Not occasionally. Not as a preference among several channels. As the default, expected, lowest-friction way of getting in touch with anyone — including their letting agent or property manager.

92% WhatsApp reach — UK adult smartphone users	#1 Most-used smartphone app in the UK by reach	98% Business message open rate vs ~20% for email	35.9M Daily active UK users (76% of all users)
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Source: Ofcom Online Nations Report, May 2025 · WhatsApp / Infobip



Source: Ofcom Online Nations Report, May 2025 · WhatsApp / Infobip

The problem with unstructured WhatsApp is not that it exists. The problem is what happens to the information that flows through it. A tenant message that arrives on a property manager’s personal mobile is invisible to the rest of the organisation — it creates no record, triggers no workflow, generates no notification if it goes unanswered for 48 hours.

Channel comparison

Channel	UK reach	Op ra
WhatsApp Business API	92%	98
Personal WhatsApp	92%	~9
Email	~85%	~2
Tenant portal	Low	Vc
Phone / voicemail	All	—

Source: Ofcom 2025 · Infobip · Nestsen analysis

Stop treating WhatsApp as a problem to be managed. Do it as a channel it already is — but in a way that builds a record

The WhatsApp Business API changes this equation. It enables organisations — not individuals — to receive and manage WhatsApp conversations at scale, with messages captured, stored, and visible to the whole team. Combined with structured

workflows and AI triage, it transforms WhatsApp from a liability into the most effective communication channel an agency can have.

4. What AI Actually Changes

The word ‘AI’ has done considerable damage to productive conversations about technology in professional services. It is worth being specific about what it actually changes in a property management context — and what it does not.

Intelligent triage

AI triage analyses an incoming tenant report against defined criteria — issue type, language used, health or safety risk indicators, history of similar issues at that property — and makes an initial classification. Urgent issues are flagged immediately. Issues that might indicate a serious underlying problem are surfaced as risk indicators rather than treated as isolated tickets.

Defensive intelligence

A property manager managing sixty properties is not reviewing all sixty every morning. Defensive intelligence means the system is continuously monitoring the portfolio and alerting the relevant person when something is off: a job raised twelve days ago with no contractor activity; a landlord who hasn’t responded to an approval with a regulatory implication; a property with three moisture-related reports that has never had a formal damp assessment.

Role-scoped intelligence

The signal needs to reach the right person at the right level. A company director needs portfolio-level exception signals, not granular job updates. A property manager needs job-level alerts. Nestsen’s architecture respects the company / office / role hierarchy and scopes intelligence accordingly.

What AI does not do

- Does not replace the property manager
- Does not make landlord relationship judgements
- Does not navigate difficult conversations
- Does not conduct inspections or assess condition
- Does not make legal determinations

What AI does do

- Removes cognitive overhead of triage
- Surfaces what’s slipping before it becomes a complaint
- Makes the audit trail automatic, not retrospective
- Delivers the right signal to the right level

AI in property management doesn’t replace professional judgement. It makes the operational infrastructure around that judgement faster, more reliable, and more defensible — which is precisely what the current regulatory environment demands.

5. The Future of the Property Manager Role

The property manager’s role is in the middle of a quiet but significant transition. For most of the past two decades, it has been primarily an administrative coordination function. The regulatory environment now demands something more sophisticated — the ability to demonstrate compliance, produce an evidential record, and identify risk before it becomes liability.

Consider the difference in the landlord conversation between an agency that says ‘we manage your property’s maintenance’ and an agency that can say ‘here is the real-time status of every open maintenance item, here is the response time record for every issue reported in the last twelve months, here is the documentation trail for the last inspection, and here is a flag we raised last month about a moisture reading that we’ve already investigated and resolved.’

The first is a promise. The second is evidence.

There is also a talent dimension. Good property managers are difficult to recruit and retain. A working environment built around intelligent tooling — where the system handles triage, surfaces priorities, and removes the cognitive load of manually tracking dozens of jobs across different stages — is a more attractive working environment. The operational resilience of an agency not entirely dependent on the memory and availability of its individual property managers is also significantly greater.

THE PM ROLE IS CHANGING
<p>PREVIOUSLY</p> <ul style="list-style-type: none"> Administrative coordinator Reactive maintenance handler Compliance box-ticker Relationship conduit
<p>↓ shift underway ↓</p>
<p>NOW</p> <ul style="list-style-type: none"> Risk manager & compliance lead Proactive portfolio manager Evidence-based service provider Landlord advisor & trusted partner

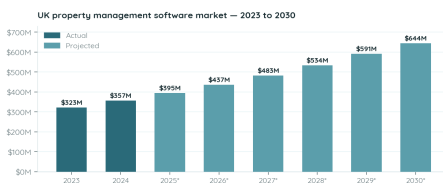
The agencies that build this capability now — when it represents competitive differentiation — will find themselves in a structurally stronger position as evidential record-keeping becomes not a differentiator but a baseline requirement.

6. A New Infrastructure for Lettings

The argument made in this paper is not that property management software is bad. It is that the category was designed for a set of operational requirements that no longer fully describes the environment agencies are working in.

Purpose-built infrastructure for this environment starts with communication — WhatsApp Business API as the primary inbound channel. It layers AI triage and intelligence on top. And it is designed with compliance as an architectural principle rather than a reporting module.

UK software market growth



Source: Grand View Research · CAGR 10.4% (2024-2030)

Source: Grand View Research · CAGR 10.4% 2024-30

UK leads European market

23.3% of regional market share in 2025 — the fastest

Year	Market size	Status
2023	\$322.9M	Actual
2025	\$395M	Current
2027	\$483M	Projected
2030	\$644.3M	Projected

Nestsen has been built from the ground up against these requirements. It is not a legacy platform with WhatsApp added, or a maintenance ticketing system with AI features bolted on.

The architecture reflects the operational reality of how UK letting agencies work today — including specific support for multi-office structures, the two-level lease model that reflects how tenancies are actually structured, and role-scoped intelligence that ensures the right signal reaches the right person.

The audit trail, the response time record, the evidence of investigation and remediation — these are not generated by an additional compliance step. They are the natural output of a system doing its job.

Built for the operating environment agencies what worked in 2016.

7. Conclusion

The UK lettings industry is not facing a technology problem. It is facing an operational problem — one that has been building for several years and has now been crystallised by a regulatory environment that makes the consequences of operational failure explicit.

The agencies that respond to this by treating it as a compliance overhead — more checklists, more training, more reminders — will find themselves continuously catching up. The agencies that recognise this as a structural shift are the ones that will build the capability to compete on the dimension that matters most in a maturing, more regulated market: the quality and defensibility of their service.

The window to build that capability ahead of your competitors, rather than in response to an enforcement action or a professional complaint, is open now. It will not remain open indefinitely.

Find out how Nestsen can help your agency

Purpose-built property management for the modern regulatory environment.

nestsen.com

Appendix: Key Legislative Reference Points

Renters' Rights Act 2025

- Abolishes Section 21 no-fault evictions (commencement: 1 May 2026)
- Introduces Assured Periodic Tenancies for all new and existing tenancies
- Strengthens tenant rights to request repairs and challenge dangerous conditions
- Introduces Decent Homes Standard obligations for the private rented sector
- Establishes a Private Rented Sector Landlord Ombudsman
- Creates a PRS Database requiring landlord registration
- Creates legal framework to extend Awaab's Law to the PRS (timescales in consultation)

Awaab's Law — Social Housing (in force 27 October 2025)

- Phase 1 (Oct 2025): damp, mould, and all emergency hazards
- Investigation deadline: 10 working days from report of significant hazard
- Emergency hazard: investigate and begin remedial work within 24 hours
- Begin remediation within 5 working days of investigation confirming hazard
- Phase 2 (2026): excess cold/heat, fire, electrical, and hygiene hazards
- Phase 3 (2027): all HHSRS category 1 and 2 hazards (excluding overcrowding)
- PRS extension: enabled by Renters' Rights Act; timescales subject to consultation

Property Ombudsman and redress schemes

- All letting agents in England must be members of a government-approved redress scheme
- Cases involving damp, mould, and hazardous conditions subject to heightened scrutiny
- Evidence of response timelines and remediation records increasingly required

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