

# Fair Rents (Scotland) Bill

## Introduction

A proposal for a Bill to protect private sector tenants by introducing measures to limit rent increases and to increase the availability of information about rent levels. The consultation runs from 15 May 2019 to 6 August 2019. All those wishing to respond to the consultation are strongly encouraged to enter their responses electronically through this survey. This makes collation of responses much simpler and quicker. However, the option also exists of sending in a separate response (in hard copy or by other electronic means such as e-mail), and details of how to do so are included in the member's consultation document. Questions marked with an asterisk (\*) require an answer. All responses must include a name and contact details. Names will only be published if you give us permission, and contact details are never published – but we may use them to contact you if there is a query about your response. If you do not include a name and/or contact details, we may have to disregard your response. Please note that you must complete the survey in order for your response to be accepted. If you don't wish to complete the survey in a single session, you can choose "Save and Continue later" at any point. Whilst you have the option to skip particular questions, you must continue to the end of the survey and press "Submit" to have your response fully recorded. Please ensure you have read the consultation document before responding to any of the questions that follow. In particular, you should read the information contained in the document about how your response will be handled. The consultation document is available here: [Consultation document](#) [Privacy Notice](#)

I confirm that I have read and understood the Privacy Notice attached to this consultation which explains how my personal data will be used

## About you

Please choose whether you are responding as an individual or on behalf of an organisation. Note: If you choose "individual" and consent to have the response published, it will appear under your own name. If you choose "on behalf of an organisation" and consent to have the response published, it will be published under the organisation's name.

an individual

Which of the following best describes you? (If you are a professional or academic, but not in a subject relevant to the consultation, please choose "Member of the public".)

Member of the public

**Optional: You may wish to explain briefly what expertise or experience you have that is relevant to the subject-matter of the consultation:**

I have a small studio flat which is now let to a postgraduate student

Please select the category which best describes your organisation

*No Response*

Please choose one of the following:

I would like this response to be published anonymously

**If you have requested anonymity or asked for your response not to be published, please give a reason (Note: your reason will not be published):**

The landlords have been the subject of controversy in media recently and I am not convinced I would like my friends know that I am a landlord.

Please provide your name or the name of your organisation. (Note: the name will not be published if you have asked for the response to be anonymous or "not for publication". Otherwise this is the name that will be published with your response).

Please provide details of a way in which we can contact you if there are queries regarding your response. Email is preferred but you can also provide a postal address or phone number. We will not publish these details.

## Aim and approach - rent cap

Q1. Which of the following best expresses your view of capping private sector rent increases annually across Scotland at one percentage point above inflation (measured according to the Consumer Price Index (CPI))?

Neutral (neither support nor oppose)

**Please explain the reasons for your response.**

I was quite impressed how effective the New Scottish tenancy was when introduced in 2017. I recently had a change of tenant and the whole process was so much easier and clearer when before 2017. However, I used to live in Germany and I've seen how difficult it is to find a rental accommodation when there is very limited supply on the market. There is some risk that rent caps may lead to shortage of rented accommodation especially to people who need it most: students, new job starters etc. It will discourage the mobility and will suppress wages in long term. There is also a chance that some landlords would switch to Airbnb style of rentals, certainly as an owner of a studio flat I would consider this option if the rent would not cover the expenses rather than selling.

## Rent level appeals

Q2. Which of the following best expresses your view of providing that, when tenants appeal their rent, rent officers and the First-tier Tribunal would be able to either lower or maintain the rent but not increase the rent?

Neutral (neither support nor oppose)

**Please explain the reasons for your response.**

I think very few tenants would actually bother applying. The small group of tenants will try to explore this avenue and reduce rent but generally at least in Glasgow the rental market is quite fluid. Very few

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landlords would increase rents in fear of losing good tenant. What I oppose is an extra layer of complexity and additional overhead cost (the rent officers need to be paid). The positive thing is that it may prevent some landlords (extremely small minority) from increasing rents dramatically. My view that this Bill will have minor impact but generate a lot of media attention for something not really a problem. With few parts of Edinburgh and tiny pocket of Glasgow West End I don't think there is a way for a landlord to increase rent substantially on sitting tenant without them simply moving somewhere else.

## Landlord registration scheme

Q3. Which of the following best expresses your view of expanding the landlord registration scheme so that landlords must input the rent that they charge when they register, and update the system when the rent changes?

Fully opposed

**Please explain the reasons for your response.**

This is just another unnecessary layer of complexity and more overhead cost which could be put to better use, for example, educating both landlords and tenants - the recent newsletter from Glasgow council is great but too infrequent. The truth is that the number of areas where rents are rising are tiny (mostly Edinburgh and tiny pockets of Glasgow's West End). Why every landlord need to add extra paperwork for something not a problem in 99.99% of properties in Scotland I struggle to understand.

## Other options - Rent Pressure Zones

Q4. Which of the following best expresses your view of tackling the problem of rents rising significantly faster than inflation by making it easier for a local authority to apply to create a Rent Pressure Zone (RPZ)?

Neutral (neither support nor oppose)

**Please explain the reasons for this response.**

I agree with this approach. There are few areas in Scotland where rents rise rapidly for range of factors. It is of course a trade off if rents are capped few tenants would move around causing shortage in certain areas. I personally would benefit from RPZ policy as my flat is on the border with potential RPZ in Glasgow and that means more tenants for me.

## Financial implications

Q5. Taking account of both costs and potential savings, what financial impact would you expect the proposed Bill to have on:

	Significant increase in cost	Some increase in cost	Broadly cost-neutral	Some reduction in cost	Significant reduction in cost	Unsure
<b>Government and the public sector</b>		X				
<b>Businesses (including landlords)</b>		X				
<b>Individuals (including tenants)</b>		X				

**Please explain the reasons for your response.**

All magic comes at a price: more paperwork for landlords, less choice for tenants and overhead cost for councils employing someone. The largest cost is the lack of mobility with tenants afraid to move from RPZ in fear they miss out on living in expensive area cheaply. Whether they need to live in this area or not that another question. The potential RPZ experience increase in rents for obvious reasons they are popular and the rents are simply tracking house prices. It is not landlords who drive the rent prices but rather the buyers. Higher property prices lead to higher rents.

Q6. Are there ways in which the Bill could achieve its aim more cost-effectively (e.g. by reducing costs or increasing savings)?

As mentioned before the cost must come from somewhere. Generally following the route of RPZ would be the most cost effective as it will allow to focus on small number of areas with genuinely high rents. The proposal with rent register in Page 3 would be the most damaging both for tenants and landlords due to additional paperwork. The cost of maintaining the database could be high as well while all it would do is just mirror the rent prices in rightmove. I am not sure what's the point?

## Equalities

Q7. What overall impact is the proposed Bill likely to have on equality, taking account of the following protected characteristics (under the Equality Act 2010): age, disability, gender re-assignment, maternity and pregnancy, marriage and civil partnership, race, religion or belief, sex, sexual orientation?

Negative

**Please explain the reasons for your response.**

There is 100% that the persons described above will be discriminated when there is a shortage of accommodation. There are plenty examples from Germany where finding a rental accommodation is really difficult. If landlords will have power whom to choose with people being desperate to get rental (as would be the case in RPZ due to accommodation blocking by sitting tenants) the discrimination will take place. Enforcing it will lead to even more cost and even more shortage.

Q8. In what ways could any negative impact of the Bill on equality be minimised or avoided?

Yes, develop areas next to RPZ for a fluid movement of people out of RPZ. The issue of course RPZ are areas with great transport links and generally great places to live..

## Sustainability

Q9. Do you consider that the proposed Bill can be delivered sustainably, i.e. without having likely future disproportionate economic, social and/or environmental impacts?

No

**Please explain the reasons for your response.**

As outlined above the Bill tries to politicise no issue for 99.99% of rental sector in Scotland. I personally as a landlord would benefit if the bill will get passed as it will provide me with more tenants (that means I can charge higher rent) as my property is not in RPZ.

## General

Q10. Do you have any other comments or suggestions on the proposal?

*No Response*