

# 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

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

Please choose one of the following:

**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):**

I have a legal duty to protect my tenants identity due to the nature of the offence he was found not guilty of by reason of insanity.

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))?

Partially opposed

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

I support the broad aim of the legislation as it will prevent tenants having sudden rent increases imposed on them that they may not be able to afford, however I have reservations about its implementation and adverse effects on people receiving benefits.

## 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)

## 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 supportive

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

As an RICS surveyor I support the collection of rental information as that will improve the quality of the valuation decisions made by rent officers and the First Tier Tribunal.

## 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.**

If rent increases are restricted and landlords profits are reduced then many landlords may choose to sell rather than continue renting causing the existing tenants to become homeless.

## 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.**

The proposed legislation should reduce rent levels over the long term and would reduce landlord's profits but that would decrease the amount landlords are willing to pay for maintenance and improvements leading to falling housing standards in the private rented sector.

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

*No Response*

## 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.**

I rent a property to a young adult with a lifelong mental health condition. They are classed as extremely vulnerable and can be easily persuaded by others to undertake anti-social and criminal acts. I purchased a property for them in agreement with the local authority for them coming out of residential care as normal council housing was not a suitable environment. Currently they receive housing benefit for a one bedroom flat due to having a dedicated care team but due to their progress the care package is being reduced. Due to their age they would ordinarily only be entitled to a room in a shared property housing benefit rate. When they are next reassessed for PIP, their housing benefit could be reduced making their rent unaffordable. As a landlord I currently have the option to temporarily reduce the rent to prevent making them homeless and then increase it when their benefits increase. Under the proposed legislation I would not be able to reduce the rent as if I did so then I would not be able to increase it back to market level either when their benefits increase or when letting it to a new tenant as rent increases would be restricted to CPI+1% of an artificially lower rent. Landlords need to be able to apply to the rent officer for a higher or market rent in circumstances where the landlord has reduced the rent for their tenants benefit to take account of changes in the tenants social and financial circumstances (temporary unemployment, benefit cuts, bereavement etc.).

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

Allow landlords to apply to the Rent Officer for a higher or market level rent where the landlord has reduced the rent in order to make the rent affordable for an existing tenant when either the property is re-let to another tenant or the existing tenants financial circumstances improve.

## 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?

Yes

## General

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

Under the Scottish Model Private Sector Rental Agreement landlords and tenants are free to agree reductions in the rent and the landlord can increase it to a higher or market level when desired. The proposed legislation would effectively remove the option for landlords to agree temporary rent reductions to enable tenants to be able to continue renting at a lower rent as a landlord that did reduce the rent would not be able to increase it again to a realistic level. As the proposed legislation stands tenants would be made homeless as landlords would not be able to artificially reduce the rent to assist tenants changed financial circumstances. Given the legislation is intended to improve tenants' rights and reduce homelessness, unless amended there will be adverse unintended consequences.