

# 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.

on behalf of an organisation

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".)

*No Response*

Please select the category which best describes your organisation

Commercial organisation (company, business)

**Optional: You may wish to explain briefly what the organisation does, its experience and expertise in the subject-matter of the consultation, and how the view expressed in the response was arrived at (e.g. whether it is the view of particular office-holders or has been approved by the membership as a whole).**

Family-run property letting and management company based in Edinburgh since 1996

Please choose one of the following:

I am content for this response to be published and attributed to me or my organisation

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).

DRM Residential Property Letting and Management Ltd.

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.

daniel@drm-residential.co.uk

## 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))?

Fully opposed

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

Further rent control will lead to a further reduction in supply that is already being felt due to other legislation which create a disincentive for buy-to-let. This will lead to many more landlords exiting the market. The current legislation already means that rents can only be increased once a year at most.

## 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?

Fully opposed

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

Landlords wouldn't be able to increase rents even when it is fully justified, simply because a tenant appealed against it. This would be extremely unfair.

## 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 far too much work for local authorities to police and for landlords to maintain. The landlord register is already very poorly enforced.

## 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)?

Fully opposed

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

The PRT tenancy has only recently been introduced and we must wait and see how this affects the market.

## 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.**

As landlords leave the PRS, more social housing will need to be built. Rent rises are a response to increasing demand and decreasing supply and other legislation. Landlords will have little incentive to remain or reinvest in the sector. Rent control does not meet the issue of lack of supply.

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

I feel very strongly that the proposed Bill should NOT be introduced. An alternative might be to have the Local Housing Allowance (LHA) cap lifted to help people from low-income households.

## 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.**

Landlords will always choose the safest option of the most reliable and easy to verify tenant in terms of affordability and track record. Those out of work such as single parents, people with severe disabilities and pensioners will struggle to access the PRS.

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

History has shown that the negative consequences of rent control cannot be mitigated, the Bill should NOT be introduced.

## 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.**

Maintaining the private rented sector will become unaffordable for landlords and the demand for social housing will increase significantly.

## General

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

The proposed Fair Rents Bill will not achieve its aims and MSPs should consider the historical impact of rent control before deciding on the proposed Bill.