

# 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 8 August 2019 (extended from 6 August). 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 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)

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).

Carolyn Davies on behalf of Savills UK Limited

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.

email

## 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.**

By setting a national framework it is likely to encourage more reviews at the set rate, this may therefore bring better parity across the whole of Scotland rather than addressing the current "problem areas". It is also the wrong way to decide on a rent review because those tenants who stay long term in the PRS are more than likely to end up paying more than the market rent for a property.

## 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.**

A tenant should not be able to appeal a mandatory rent increase if set using a mechanism laid down in statute. A tenant has no right of appeal in a RPZ to appeal a rent. To not allow any rent increase would lead to every tenant appealing every rent increase.

## 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?

Partially opposed

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

Not all houses on the landlord registration scheme are used in the conventional sense within the PRS - eg: farm tenancy cottages, tied accommodation and landlords could be penalised if the property was to come back into the normal PRS in the future and then be unable to set a market rent if they must use formulas set in stone by this proposal.

## 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.**

This was legislated for in 2016, at that time everyone was consulted and if such fears were raised they should have been dealt with at that time. Scottish Government approved the methodology and it is wrong to state 3 years later it is not fit for purpose. If a local authority does not know what its rents are they have a database where they could contact every single PRS tenant and get this information. This paper once again puts the spotlight only on landlords, if tenants think there is an issue they need to follow the correct procedure for dealing with rent increases.

## 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 RoS registration scheme is a badly designed format which is far less user friendly for a landlord than the original online landlord scheme platform set up in 2006. As a result we would object to using the format

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

until it was redesigned to be user friendly. At the current time cost implications are being transferred onto Local Authorities particularly now that the online discount has been removed there is no incentive to engage with system and landlords are automatically passing more work to the local authorities, eg easier to submit paper applications again.

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

Unlikely.

## 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 are likely to be areas of society who will not engage and therefore they could be negatively impacted.

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

Better understanding of housing law within the community. Most tenants have very little understanding of how the law works, they just want a house without looking at the full picture, even with all the information currently available.

## 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.**

There are likely to be significant economic impacts if this bill as delivered. Rent control has not previously worked positively in the PRS and if the end result is that the size of the PRS decreases, then automatically supply and demand will change and there could be more demand from the public housing sector.

## General

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

*No Response*