

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

Public sector body (Scottish/UK Government/Government agency, local authority, NDPB)

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).

South Ayrshire Council Corporate and Housing Policy Team

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.

Whilst in some areas, there has been an increase in rental costs, introducing a cap and a regulation defining what a rent increase is and when applicable, may have an unintended consequence on long term tenants who have never seen a rent rise. Introducing a rent increase with a cap may have an unintended consequence in driving rent prices up further in areas where this has not been prevalent, especially in instances where long term tenants may never have seen a rent increase.

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?

Partially opposed

Please explain the reasons for your response.

In terms of parity across the Landlord/Tenant sector, if a determination is being made on an appeal of rent, then the rent officers and the First-tier Tribunal should have the right to either, lower, maintain or increase the rent should that increase be measured and be reasonable.

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.

Whilst we understand the reason for this suggestion, as it is a central database where Landlords are required to provide prescribed information relating to their registration and ensuring this information is kept to date, there would be a lack of robustness around the data provided. Firstly, for a landlord to be obliged to enter this information, it would require to be prescribed in regulation/legislation. There could then be a question of the accuracy of the data, for example, if the rent is entered at the point the landlord is registering, then this proposed rent may not be the actual rent realised. The expectation from the proposed bill is that the landlord would then require to update their registration to reflect this, however, how would it be tracked for accuracy. The bill proposes that Landlord Registration teams would be responsible for this, however the current resources available simply would not allow for effective tracking of this. We are also unsure how expanding of the current penalty system would allow for effective enforcement of the 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 supportive

Please explain the reasons for this response.

At this point, no Local Authority has pursued the application of a RPZ in their area, it is clear that work is required on the gathering and collating of information to help support the proposal of a RPZ and any tools or assistance to aid the application of one, where there is justifiable evidence could have a positive impact.

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 |
|---|------------------------------|-----------------------|----------------------|------------------------|-------------------------------|--------|
| Government and the public sector | X | | | | | |
| Businesses (including landlords) | | | X | | | |
| Individuals (including tenants) | | X | | | | |

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

Please explain the reasons for your response.

With reference to Government and Public Sector, there would be significant cost implications. Assuming that it would become a mandatory expectation of Landlords to provide this information, the current Landlord System would require to be amended, which would come with a cost of doing so. The scrutiny and compliance of this has been suggested to fall within Landlord Registration Team remits, which would have a resource implication for ensuring compliance, as well as any enforcement coming from noncompliance. There will also require being a marketing, advertising and information produced to share with Landlords explaining this new obligation and what their requirements would be. If this is implemented, Local Authority teams would require assistance with resourcing to achieve the goals suggested within the Bill. For Landlords and Businesses, there could be some reduction in cost to them, if allowed or have a prescribed rental increase that can be applied on an annual basis, however any positive could be offset by either the rent then becoming unaffordable which could lead a tenant to moving out which would then result in the landlord having to turn around a property which may still have been occupied. For tenants, this could present a negative impact to them in some instances where the cost of living may actually increase, if a landlord, who may never have raised their rent before, is given a prescribed rate in which they could then do so and should be considered carefully.

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

No further comment

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?

Neutral (neither positive nor negative)

Please explain the reasons for your response.

No further comment.

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

No further comment.

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?

Unsure

General

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

No further comment.