

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 would like this response to be published anonymously

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.

A rent cap can be appropriate in some circumstances but not as a global solution to increasing housing costs. If demand in an area is such that capital values increase, so must the rents. Otherwise landlords will sell these properties and a shortage of rental properties available will arise. Also the idea of a rent register is surely against all privacy laws, or basic concept of privacy. Never mind landlords not wanting to disclose their income, many tenants do not want people to know what rent they are paying.

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.

The rent should reflect the market rent, not some artificially suppressed level. Rent officers and the Tribunal should be able to increase as well as decrease rents. Landlords are already being hit by increased taxation (with BTL mortgage interest relief against tax being restricted); many landlords are already divesting and leaving the property sector. If it is mismanaged, the private rental sector will greatly reduce and the public/social sector will have to take up the slack.

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 a matter of personal privacy for the tenants and landlords. And it is just more red tape for landlords, just more of an administrative burden which has already been increasing year by year.

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)

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 | | | | |

Please explain the reasons for your response.

The government & public will presumably need to pay for the implementation and monitoring of this. I would also expect them to have to cover a shortage in rental properties should landlords divest due to uncommercial practices and onerous admin burdens. Business will no doubt face increased admin costs, whether by government passing it on or by increased admin work. And landlords will seek to immediately maximise the rent achieved now to create as high a starting point as possible, should CPI based increases be implemented, thus costing tenants more.

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

Rather than artificially control the private sector, the public sector should compete with private landlords. If a tenant can obtain a competitively priced home from the council, private landlords will keep rent levels down because of market forces, not because of expensive monitoring and enforcement schemes.

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)

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

No Response

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.

No. One of the basic tenets of the UK is that it is a free market economy. This seeks to interfere with that and could have huge negative impacts on the Scottish economy and housing availability in the future. Landlords are likely to divest if their return on investment falls below a certain minimum. The housing market could become oversupplied with properties for sale, depressing house prices while reducing the availability of rental stock.

General

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

The private rental sector is not the problem. Lack of other affordable housing stock is.