

**NUS SCOTLAND**  
**WRITTEN SUBMISSION**

**Introduction**

Given the continued increase in tenants living in the private rented sector, NUS Scotland is keen to see legislation introduced which results in empowered tenants, better landlords and increased housing quality.

The issue of disrepair in the private rented sector, and the inability of tenants to act upon it through lack of knowledge, or fear of eviction, is a significant problem. We feel that in order to drive up quality in the private rented sector, students, and indeed all tenants, should have easy access to information about their rights, and how they can act upon them without fear of sanction.

Furthermore, NUS Scotland is keen to see legislation which would improve the safety and energy efficiency standards of accommodation, as this would make private rented sector housing safer and more affordable.

We also recognise that while housing quality is important to student tenants, many students struggle with rising rental costs. We encourage the Scottish Government to act to reduce rental costs in areas where they have risen to an unreasonable level.

**Areas of support**

NUS Scotland particularly supports three of the bill's main provisions, namely:

1. Introduction of a private rented sector tribunal
2. Introduction of mandatory letting agent registration
3. New powers for local authorities to tackle poor conditions in the private rented sector

**Areas for improvement**

Although we believe each of these new provisions will empower tenants, there are a number of areas where we believe the Bill falls short of its goal to "safeguard consumer interests, support improved quality and deliver better outcomes for communities."

We believe that amendments should be made to the Bill at Stage 2 that will deliver the following outcomes:

1. Reduced rental costs
2. Extension of powers to challenge rogue landlords
3. Improved energy efficiency electrical safety in Private Sector Housing

## **Private rented sector tribunal**

NUS Scotland supports the provision in the Bill that would back the creation of a new tribunal that would have the power to resolve civil disputes within the private rented sector.

As highlighted in previous consultation responses, tenants rarely assert their statutory rights in court, as many are reluctant to take action for fear of repercussions from their landlords, and a lack of successful prosecutions for illegal eviction, charging premium fees and acting as an unregistered landlord.

We believe this new provision to transfer the Sheriff Court's existing jurisdiction to deal with matters relating to private rented housing to a new Private Rented Sector Tribunal will empower tenants to take action; it will be less formal and more accessible to tenants, as they will not need legal representation to challenge an unfair act by their landlord.

The Bill provides scope to charge a fee for parties to bring a case before the tribunal. However, the tribunal would require an exemptions policy for those who could not afford to pay. Free legal assistance should also be provided to vulnerable tenants and those on a low-income. This would ensure that everyone is able to navigate and understand the new dispute resolution process.

Furthermore, efforts should be made to engage tenants in the work of the panel. We believe that this engagement could encourage tenants to assert their rights in the future.

## **Letting agent registration**

NUS Scotland welcomes the introduction of regulation for letting agents, and the establishment of a dispute resolution process for landlords, tenants and agents, and the requirement for all letting agents to register and adhere to a statutory code of practice.

NUS Scotland is supportive of this approach, as it has the potential to reduce elements of poor practice among letting agents in Scotland, such as illegal 'premium' fees, the failure to register and failure to carry out safety checks.

It is crucial, however, that the new regulation be implemented in a meaningful way. The code of practice, which will be developed in consultation with stakeholders, must set a high standard for letting agents. We believe that the code should be clear on what constitutes a breach of good practice, and on what actions tenants who have suffered from poor conduct on the part of letting agents can take.

Furthermore, NUS Scotland encourages the Scottish Government to ensure that tenants are informed of this new dispute resolution process and that the information is easily accessible.

It is also crucial that the process is free for vulnerable tenants and those who are on a low income. This is particularly important considering cases where a tenant has suffered financial loss due to the poor conduct of a letting agent.

## **New powers for local authorities**

NUS Scotland supports the proposal in the Bill that will allow third party reporting to the Private Rented Housing Panel (PRHP) on disputes concerning repairing standards.

However, we believe the process could be strengthened by expanding the number of third parties involved, and by taking action beyond the reporting process in order to improve security of tenure in the Private Housing Sector.

Currently, in order to enforce repair standards, a tenant must report their landlord to the PRHP themselves. Evidence suggests that some tenants are unwilling to take enforcement action, as this may put their tenant/landlord relationship, and their tenancy, at risk.

NUS Scotland supports the provision in the Bill that enables local authorities to report on behalf of tenants, which could help protect tenants from eviction, or conflict with their landlord.

However, we believe that enabling a broader spectrum of third parties to report on behalf of tenants would improve the accessibility of this new process. We believe these third parties could include local housing associations, other not-for-profit organisations working in the housing sector on behalf of tenants, and even students' associations.

In order to further protect tenants, NUS Scotland would urge the Government to ensure that the reporting process is implemented in a manner that does not create conflict between landlords and tenants, and that tenants are fully informed of the implications of third-party reporting.

Furthermore, we would like to see the Scottish Government take action to improve security of tenure for tenants in the private rented sector, beyond the proposed provisions.

## **Energy efficiency and electrical safety**

The Bill goes some way to enabling tenants to better enforce statutory standards in private rented accommodation. However, NUS Scotland believes that further regulations to protect tenants from poor quality private sector housing are required.

Despite previous Government efforts, many rented flats and houses in Scotland are expensive and difficult to heat. Poor energy efficiency performance not only has financial and health implications for tenants, it is also harmful for the environment.

As many tenants in private rented housing are on short-term leases, they do not have the opportunity to invest in improving the energy efficiency of their rented accommodation.

Currently, landlords have to produce an Energy Ratings Certificate for the accommodation they are letting. The next possible step we would like to see

is a requirement for landlords to update their properties to perform at a minimum energy efficiency level prior to any lease being signed.

While NUS Scotland recognises that the Scottish Government is supportive of the idea of a minimum energy efficiency standard for all private rented accommodation providers, we are concerned about the timeframe proposed for implementing the standards, and would like to see the Government introduce a minimum energy rating by 2015.

Furthermore, NUS Scotland urges the Scottish Government to consider further electrical safety standards in the private rented sector. The majority of accidental domestic fires in Scotland are caused by electricity, and research from Ipsos MORI suggests that private tenants are more at risk from electrical fires than owner-occupiers.

We believe that the above mentioned risks could be mitigated by legislating for mandatory electrical safety checks in all private rented sector housing, as well as to require the provision of RCD protection in all properties<sup>1</sup>.

### **Reducing rental costs**

NUS Scotland believes that housing is first and foremost a vital right which must be accessible and affordable for all.

In some parts of Scotland, rental costs of private sector housing have risen to an unreasonably high level. For example, Aberdeen has seen a 10% to 15% annual increase in rent in recent years.

High rents can also have severe implications for tenants in private sector housing that are living on a low income or are otherwise vulnerable. Rent levels have a significant impact on the student population in particular, as for many, rental costs take up a large part of their income.

NUS Scotland believes that unaffordable rent levels should be addressed in the Bill, and urges the Scottish Government to introduce measures in the Bill to reduce high rental costs.

Measures to address high rental costs, such as rent controls, have been successfully used in countries such as Germany, Sweden and the Netherlands. Rent controls could, for example, take the form of 'tenancy rent control', whereby a limit is set on the amount of rent increase that a landlord can introduce.

We believe that local authorities could be given the power to implement rent controls in order to ensure that they are tailored to local housing needs.

NUS Scotland recognises concerns that measures such as rent controls could potentially reduce the supply of private rented sector housing by discouraging developers from building new housing stock and landlords from letting out accommodation

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<sup>1</sup> An RCD is a life-saving device which is designed to prevent you from getting a fatal electric shock if you touch something live, such as a bare wire. It provides a level of protection that ordinary fuses or circuit-breakers cannot provide.

We believe that these potential negative consequences could be mitigated, however, by introducing vacancy control on vacant housing stock and by making newly built housing stock exempt from rent controls.

## **Conclusion**

NUS Scotland believes that the Housing (Scotland) Bill will go a long way in empowering tenants, including students, to be able to better assert their rights and access dispute resolution mechanisms. We feel that by acting to regulate electrical safety, energy efficiency and rental costs, the Scottish Government would further ensure that student in Scotland have access to safe and affordable housing.

**NUS Scotland**  
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