

## **Private Housing (Tenancies) (Scotland) Bill**

### **Written submission to the Infrastructure and Capital investment Committee**

#### **The Property Store**

As a letting agent with 16 years history in the market place and representing the landlords of 500 properties, we feel we must write to advise you on our views of the proposed changes in the bill.

There are parts of the bill which we welcome in particular the single tenancy proposals which we believe will provide clarity for all concerned. The overwhelming feeling of ourselves as agents and many of the landlords we represent is that the bill in introducing heavy handed legislation in areas where it is not required and will have a significant effect on the market resulting in a loss of potential homes which are in increasing demand.

#### **Indefinite tenancies**

Our experience shows that landlords do not choose to end tenancies for no reason preferring to keep tenants in situ as long as possible to avoid loss of income due to void periods and refurbishment costs. The removal of the no fault ground we believe will make it harder for tenants who have less than perfect histories or credit scores to access decent properties leaving them open to the worst types of landlords and low demand properties. Landlords will be rightly nervous and cease to take the "risk" on a potential tenant where they know they will have difficulties in gaining possession should things go wrong. It is also likely to have an effect on lenders who are likely to impose further conditions on buy to let mortgages and lead to investors choosing other avenues for their investment.

We have had over 30 landlords withdraw from the market in the past 12 months as they are now subsidising their tenants housing costs due to the number of conditions imposed on landlords who wish to remain compliant and conduct themselves properly. Initial conversations with our landlords show that many are waiting to see how the bill progresses but if the no fault ground be removed this would be a risk too far and they would intend to withdraw from the market and sell their properties.

As reputable agents we have welcomed many of the changes such as EICR reports but the government must understand that landlords are not responsible for social housing and have choices, if this persecution continues of decent landlords they will simply remove themselves from the market.

#### **Rent controls**

We are also concerned as to why ministers feel the need to interfere in a free market economy through rent controls. Letting is a business like any other, sellers offer their goods and buyers choose which to buy and at what price. If ministers think it is acceptable to intervene in this process do they intend to do this in other sectors? Our experiences show that rents have remained very stable in recent years despite landlords costs increasing. Landlords in the areas we manage have been unable to

increase rents due to a good supply and choice for tenants in recent years, if the supply were to reduce due to a heavy handed approach tenants will have fewer choices and if rents are capped landlords will have less incentive to invest in their properties which is surely not the intention.

### **General concerns**

Ground 9 - abandonment is already difficult for agents to deal with and tenants often leave without notice **especially when they have issues in their tenancies such as rent arrears, damages etc.** Landlords need to be able to gain possession of their properties without unnecessary delays in these circumstances

We welcome the mandatory ground for possession where a tenant has a month's rent due and is late in paying for 3 months. Many of the proposed changes are likely to lead to landlords income being lost where tenants take advantage of the time it takes landlords to gain possession and do not pay rent lawfully due by them. This will lead to real financial problems resulting in a rise in repossessions from lenders where the landlord is unable meet their payment obligations due to tenants not meeting theirs.

Overall our view is that the proposed changes greatly enhance the rights of tenants whilst doing nothing to ensure they comply with their responsibilities. An increasingly common comment from our landlords is "what about our rights" the Scottish government should not be pressured by groups like shelter to ignore the views of landlords and agents. **You have a responsibility to all your citizens please take cognisance of our views**

**Lorraine Robb  
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