

Private Housing (Tenancies) (Scotland) Bill

Written submission to the Infrastructure and Capital investment Committee

Alan Farr

I am a Landlord with four student houses, two in Aberdeen and two in Dundee. This is a business I started 15 years ago and have gradually built it up to 4 houses and it is now my livelihood.

On 19th January 2016 I attended a seminar organised by Dundee City Council, convened for the benefit of local Landlords to explain the impact of these changes. At this seminar more than half the questions raised in the Q&A related to Landlord concerns about student tenancies.

Many students have a preference for private temporary accommodation for numerous reasons: e.g. it is generally better value for money; it is available for a full 52 weeks/year allowing them to take a summer job; it provides the opportunity to live in a quiet residential neighbourhood.

This is late January 2016 and I am already receiving enquiries from students wanting to know whether I will have a property available for the next academic year. With the current arrangement of short term assured tenancies I know that each of my properties can be available from 1 August. With the new legislation Landlords will only know of availability when a notice to terminate is received. Therefore, few Landlords would be able to answer positively during the second term. The new legislation will therefore be very frustrating for students trying to plan ahead and find accommodation for the next academic year.

The new students I accommodate often want to enter the property the day after their previous lease expires, allowing them to switch from one property to the next and maintain their summer jobs. This will not be possible when departing tenants have the sole right to choose the exit date.

One of my houses was purchased just two years ago and since then I have been busy renovating it myself, by installing 2 extra bathrooms, hardwired internet to each room, fire doors and smoke alarms, all to HMO licence standards. However, because of the risks posed by the new legislative proposals I have now cancelled the idea of renting to students and so will not be undertaking the improvement works associated with gaining an HMO licence.

Students will be significantly disadvantaged through the reduction of choice that will inevitably occur when Landlords like me abandon this market segment. Landlords that choose to remain will face a high risk of extended void periods. In my 15 years I have never had a single void period. Extended void periods will be inevitable. This will result in a loss of income which can only be compensated for by raising rents and deposits.

This will be necessary to provide a financial buffer to protect Landlords against the risk of extended void periods, and also to protect against the increased risk of students flitting without providing the mandatory 8 week notice.

I believe that within 2 years of this legislation being introduced the private student rental market will be destroyed. Scottish Universities will find that many students will be deterred from studying in Scotland and will instead choose to study in England. This legislation as it stands is not just a threat to students and Landlords; it is also a threat to the Scottish University income base.

The Scottish Government Impact Assessment document states that Landlord losses can be mitigated through an early dialogue with student tenants. This is not realistic as students are often too busy with exams and are often unable to focus on events occurring after the exams. Bear in mind we are dealing here with people in the age group of 19-24. The idea that it can be sorted out in a few short summer weeks is exceedingly naïve.

The solution is simple. This being to allow short-term-assured tenancies to continue to be granted to Tenants that can prove to the Landlord that they are Registered Students.

**Alan Farr
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