Private Housing (Tenancies) (Scotland) Bill

Submission to the Infrastructure and Capital Investment Committee

PRS 4 Scotland – Supplementary Submission

You will be well aware of the debate generated by the Scottish Government’s Private Housing (Tenancies) (Scotland) Bill and the questions raised during Stage 1 scrutiny by both the Infrastructure & Capital Investment Committee and the Finance Committee.

It was clear from that process that more information on the views of tenants themselves would be useful to MSPs as the Bill proceeds through the Parliamentary process in the weeks ahead.

That’s why, last month, PRS 4 Scotland commissioned Why Research Limited, a leading independent market research agency based in Scotland, to undertake a large-scale tenant survey of Scotland’s Private Rented Sector (PRS). Its objective is to help policymakers assess whether the new open-ended Private Residential Tenancy proposed in the Bill meets the needs of key tenant groups such as the student population, which are at risk of being disadvantaged by the proposals.

The in-depth survey, which was carried out between 9th and 20th December, achieved a total of 1,535 responses, 363 of which were from students who are currently renting in the PRS or looking to rent next academic year. The remaining 1,172 were completed by other PRS tenants who have rented, are renting, or are looking to rent in the private sector. A full copy of the research findings can be accessed at http://j.mp/PRS4TenantSurvey.

The results show that:

- While the option of an open-ended tenancy is popular, a large majority of tenants responding (75%) wanted to retain flexibility and said that a limited ‘standard’ tenancy would fail to serve the interests of many in the PRS.

- Students have particular interests and needs, and these risk being compromised by the inflexibility of the proposed single tenancy. Nearly 40% of undergraduates responding would prefer to keep fixed term tenancies – which will be abolished under the Bill.

- Moreover, 64% of students felt keeping rental costs down was important, even if it means time out of the property during the summer holidays. Summer tourist and conference lets for HMO and Purpose Built Student Accommodation (PBSA) properties are at risk from the current drafting of the Bill.

- Almost all the students who responded (92%) said that being able to secure accommodation for the next academic year as early as possible was important. The open ended tenancies proposed in the Bill will make this very difficult.
When we last wrote to you, on 17 December with our Student Tenancies Briefing paper, we explained that open-ended tenancies would preclude landlords from the early advertising of properties, a system that currently enables students to secure their accommodation well in advance of the start of a new academic year. Whilst the Bill team suggest that the provision of early ‘notices to leave’ by tenants to landlords will mitigate the problem, when students were specifically asked whether they would be happy to agree with their landlord early in their tenancy when they would leave the property (by giving the landlord a ‘notice to leave’) only 29% indicated that they would be happy to do so.

This survey focused solely on the needs of tenants and it is clear that landlords’ views should also be taken into account in ensuring continued investment in Scotland’s vitally important PRS. However, the findings from tenants would indicate that a single open-ended Private Residential Tenancy, whilst meeting the needs of many, would fail to meet the needs of significant proportions of tenants.

We would once again urge MSPs to consider bringing forward a ‘student tenancy’ that gives students all of the same rights as other PRS tenants under the bill but allows for the flexibility needed to make the student housing market work effectively. This independent research indicates that this is a suggestion that serves the interests of students in Scotland and which would be favoured by a majority of them.

We look forward to engaging further in the weeks ahead with all parties to ensure that the Bill ultimately creates a sustainable PRS for all tenants in Scotland.

PRS 4 Scotland
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