

# **Written submission from the Scottish Association of Landlords, 9 February 2026**

## **Submission to the Local Government, Housing and Planning Committee for consideration at its meeting on 17th February 2026**

### **Investigation and Commencement of Repair (Scotland) Regulations 2026 (“Awaab’s Law”)**

Landlords in Scotland are already required under the Repairing and Tolerable Standards to repair damp and mould problems in their properties. What this new law will do is introduce clear timescales in which they must do this. Whilst the timescales set out in the regulations will be a challenge to comply with in many situations, we are satisfied that the wording of the regulations allows sufficient flexibility for the timescales to be extended where required.

Whilst the timescales set out in the regulations envisage a quick resolution of damp and mould defects within a property, we are concerned that enforcement through the tribunal will not be swift. As we have raised on many occasions with government officials and MSPs, it is clear the tribunal doesn’t have sufficient capacity and streamlined processes in place to handle its current caseload in a timely manner, with eviction cases taking well over 8 months on average to process from point of application to decision. With Awaab’s Law introducing more requirements to landlords’ Repairing Standard duties, along with greater tenant awareness, we can expect an increase in application volumes on an already strained system. It is vital that the tribunal is sufficiently resourced to handle all cases in a timely manner.

The wording of the government guidance which will accompany the regulations will be really crucial in helping landlords, tenants and stakeholder organisations understand exactly what is expected of all parties and how the regulations should be applied in practice. It is crucial that it explains how tenants should look after a property to prevent condensation, which in our experience is a bigger cause of mould growth in properties than property defects. We look forward to working with the government on the development of the guidance.

### **Exemptions from rent control areas introduced by the Housing (Scotland) Act 2025**

The majority of our members do not operate in the mid market rent (MMR)/build to rent (BTR) sectors covered by these exemptions and so other stakeholder organisations who have more of a focus on the MMR/BTR sectors would be better placed to advise the committee on these regulations.

### **Energy efficiency standards in the private rented sector**

Our comments are based on our response to the government’s consultation which included draft regulations. The key points we raised in were:

## **Principle of PRS MEES**

- We have concerns that the introduction of MEES will exacerbate the country's housing crisis and increase homelessness, as landlords choose to exit the PRS or increase rents because of the legislation, or are forced to keep their properties empty for prolonged periods while they undertake assessments and work to meet the new standard. A SAL landlord member survey conducted in December 2024 showed that 53% of respondents were planning to reduce their portfolio size over the next 5 years, with 42% of those citing concerns about complying with PRS MEES as one of the reasons why they intended to withdraw properties from the sector.
- We believe that mandating action (as opposed to encouraging voluntary action) increases the risk of inappropriate energy efficiency measures being installed in a property, as landlords in many cases will be under pressure to install measures in a hurry during a vacant period with little opportunity to pre-plan the most appropriate work as tenants are able to give just 28 days notice to end their tenancy, with the change of tenant then triggering the requirement to comply with PRS MEES.
- We are also concerned that the government's figures set out in the consultation paper significantly underestimate the cost of improvement works. The consultation suggests the average cost of installing loft insulation, cavity wall insulation, suspended floor insulation and draught proofing the external door of a property would be just £1400. It also implies windows could be double glazed for a further £1300. These figures do not reflect the reality of actual costs charged by contractors for this work, which are typically at least double the amounts quoted. So the actual cost to improve the 144,000 PRS properties that the government believes are below EPC C could be more than £600 million. Based on the government's published emissions figures SAL has calculated that this expenditure would reduce the country's greenhouse gas emissions by only 0.04%. With these proposals the government is risking exacerbating the current shortage of properties in the PRS and increasing rents and homelessness for a tiny improvement in the country's emissions. We argue that a better approach is to encourage voluntary action through grant and loan funding.

## **Timing of PRS MEES**

- Given that new EPCs won't be available until the end of 2026, and the new HEETSA assessments won't be available until around 2028, we consider that 1/4/28 is far too early to introduce MEES. We would suggest it is pushed back to 2030, and if there are any delays in introducing the new EPCs or HEETSAs then this date should be pushed back further to ensure a full two years for landlords to obtain a new EPC and HEETSA and select/plan/install improvements before MEES comes into force. Failure to allow sufficient time for landlords to prepare risks inappropriate measures being installed or properties having to sit unoccupied for prolonged periods as they can't be let until improvements have been considered/selected/planned and installed. We

expect a huge demand for new EPCs once they become available as many landlords will want to commission one urgently to see if they are required to carry out improvement work to meet MEES. Pushing the 2028 date back to 2030 will allow more time and reduce the risk of landlords being unable to obtain an EPC due to excess demand. If there are any further delays with the introduction of reformed EPCs or HEETSAs then this date should be pushed back further.

### **Proposed exemptions**

- The 6 month exemption for properties where there is a change in ownership does not give the new landlord (particularly in the case of an unexpected inheritance of the property by someone who is not familiar with landlord duties) sufficient time to consider/select/plan and install improvement works.
- We feel that the 5 year lifespan of the consent and negative impact exemptions should be extended to 10 years to prevent landlords having to undertake the time consuming and costly work of seeking consents/professional surveys and registering exemptions with supporting paperwork on too regular a basis.
- The draft regulations don't seem to include exemptions to cover some situations where a property is permitted to be let with an EPC below C (namely when there are no relevant energy efficiency improvements, where all relevant energy efficiency improvements have been installed but the property is still sub-standard, and where improvements aren't "relevant improvements" because the landlord has been unable to get government funding to cover the cost). This means that there would be no easy way for tenants or enforcement bodies to establish whether the landlord is breaching the regulations or the property is permitted to be non-compliant because there are no (or no more) relevant energy efficiency improvements that can be installed. It would seem sensible from an enforcement/transparency point of view for all properties which don't have an EPC rating of C or above to be noted on an exemptions register along with the reason for them being below the MEES.
- With regards to the proposed £10,000 cost cap, this is a huge expenditure and one that many landlords will not be able to afford without putting up rents. While we appreciate there is a loan scheme available, its repayment terms are onerous (loans need to be repaid within 8 years) which will result in unaffordable repayments for many landlords. A SAL landlord member survey carried out in December 2022 revealed that 65% of respondents were dependent on the rental income from their PRS properties for their own day to day living costs. Half of respondents were retired and 25% of reported that they were in financial difficulty due to issues related to their PRS properties. We would suggest a cost cap of £5,000 or one that is related to the property's value which would be fairer than expecting landlords with high value properties to pay the same as those with low value properties. We would also urge the government to amend the PRS Landlord Loan terms to extend the

repayment timeframe from 8 years to at least 15 years – this would allow for more affordable repayments.

- Landlords were previously assured by the Scottish Government that expenditure from 1 October 2019 would count towards the cost cap in the withdrawn 2020 regulations, and many undertook work on the back of those assurances which it seems will now not count towards the cost cap. We consider that this is unfair and that any expenditure on relevant energy efficiency improvements since that date should count. At the very least we would suggest a 24 month lead in time period for works to contribute to the total cost cap to encourage landlords to arrange works further than one year in advance. This is particularly important as landlords often only get 28 days notice that their tenants are vacating the property, which is insufficient time to consider/select/plan and install improvement works. For this reason many will want to ensure their property is compliant well in advance just in case their tenants give notice.
- It is not clear what would count towards the cost cap and we believe that the following should be included:
  1. The cost of a HEETSA if one is undertaken
  2. The cost of rehousing tenants in alternative accommodation if the property is tenanted and the required improvement works can't be done with the tenants in occupation.
  3. The cost of putting the property's furnishings (belonging to the landlord and any current tenant) into storage if work can't be done with the furnishings in the property.
  4. If the property needs to be vacant for work to be planned/carried out, council tax and utility costs for the vacant period, along with any increase in insurance premiums due to work taking place at the property.
  5. The cost of any ancillary work e.g. the cost of removing/reinstating fittings in a room and replastering/repainting walls when internal wall insulation is installed, or the cost of replacing floor coverings if they cannot be re-laid after being lifted to install floor insulation.

### **Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2026**

SAL represents those who let properties to tenants who occupy them as their main residence. Those properties would not be regarded as second homes under council tax legislation and would rarely be empty long term unless they are undergoing very major refurbishment work, are being marketed for sale/rental or have been recently purchased from someone who had left them empty long term.

We consider that a council tax premium on second homes which can be set at a rate determined by the local authority is appropriate to discourage property owners from withdrawing properties from the private rented sector to use as holiday lets in areas where there is a shortage of homes. However, it is important that clear guidance on when discretion should be considered is set out in statutory guidance for local authorities and homeowners, to ensure fairness and allow for some consistency between local authorities. Such discretion could be applied to, for example, properties which are not suited to being used as a main residence let.

We also consider that a council tax premium on long term empty homes which can be set at a rate determined by the local authority is appropriate to discourage property owners from leaving properties empty long term. However, it is important that clear guidance on when discretionary exemptions should be awarded is set out in statutory guidance for local authorities and homeowners, to ensure fairness and allow for some consistency between local authorities. Such discretion could be applied to, for example, cases where the owner has died or has been seriously unwell, where protracted major repair works are being undertaken and where the property is uninhabitable due to an issue which is beyond the control of the owner e.g. serious and ongoing anti-social behaviour from a neighbour or a communal issue that the owner has been unable to get agreement for from other joint owners. It is important that the current exemptions from the premium continue to apply, most notably for properties which are being actively marketed for sale or rental.

It is vital that where a property is sold, the clock is reset for council tax exemption/discount purposes. We would like to see this put into legislation rather than left to the discretion of the council. At present a property can be purchased from a previous owner who has “used up” unoccupancy exemptions/discounts meaning that the new owner is immediately levied with a premium on the council tax which we consider to be unfair. Although we understand local authorities have discretionary powers to reduce amounts due, our experience is that this isn’t fairly or consistently applied.