

Consultation on a new tenancy for the private rented sector



RESPONDENT INFORMATION FORM

Please note: this form **must** be returned with your response to ensure that we handle your response appropriately

1. Name/Organisation

Organisation Name

Glasgow University Students' Representative Council

Title Mr Ms Mrs Miss Dr Please tick as appropriate

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3. Permissions - I am responding as...

Individual

Group/Organisation

Please tick as appropriate

(a) Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

Please tick as appropriate

Yes No

(b) Where confidentiality is not requested, we will make your responses available to the public on the following basis

Please tick **ONE** of the following boxes

(c) The name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

Are you content for your **response** to be made available?

Please tick as appropriate

Yes No

Yes, make my response,
name and address all
available

or

Yes, make my response
available, but not my
name and address

or

Yes, make my response
and name available, but
not my address

(d) We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Please tick as appropriate

Yes

No

CONSULTATION ANSWER FORM

Question 1: Do you agree that the no-fault ground for a landlord to repossess their property should be excluded from the new tenancy system?

Yes No Don't know

Please explain your answer.

We feel that the no-fault ground is less favourable or equitable for tenants who may find that they are asked to leave their homes without any particular reason being provided by the landlord as to why this is necessary. A no-fault ground is not equitable, and instead we believe that all grounds should be discretionary and considered on their merits.

Question 2: Do you agree that the ability to roll over tenancies on a monthly basis should be excluded from the new tenancy system?

Yes No Don't know

Please explain your answer.

Glasgow University Students' Representative Council is a body which represents the student population comprising a diverse cross-section of society, many of whom are from overseas. Although some students are seeking longer term leases, many seek shorter ones to coincide with the academic session dates, i.e. September until June. This duration varies on average from 10 months to a full year.

Our response to this question is therefore mixed. On the one hand, abolishing roll overs can feasibly create more security for the tenant, but on the other hand, as we represent students who tend to prefer short-term tenancies, the flexibility can benefit those tenants who oppose to being bound-in to a longer term each time the tenancy is renewed.

One concern is that if the tenancy was renewed on a six-month basis, tenants wishing to leave early could face claims of unpaid rent from landlords if they were unable to negotiate an early release from the contract.

Question 3a: Do you agree that the new type of tenancy should have a minimum duration of six months?

Yes No Don't know

Please explain your answer.

We agree that a six month minimum is reasonable, but often student tenants are seeking shorter leases, so we would also be in favour of a mechanism which permits shorter tenancies, provided that the rights and protections remain the same as other longer tenancies.

Question 3b: Do you agree that the tenancy should have no maximum period?

Yes No Don't know

Please explain your answer.

We didn't have strong opinion as to why a maximum is necessary.

Question 3c: Do you agree that a tenant should be able to request a shorter tenancy?

Yes No Don't know

Please explain your answer.

Many students including overseas students are visiting the UK for a short period of study, for example Erasmus exchange students who visit for one semester only (3 months). They generally struggle to obtain University accommodation and have in the past found it very difficult to obtain accommodation in the private sector without being left considerably out of pocket by having to fund a minimum 6 month tenancy. These students would benefit considerably from a more flexible approach to lease duration.

Question 4a: Do you agree that the notice period should be linked to how long the tenant has lived in the property?

Yes No Don't know

Please explain your answer.

Yes notice periods and duration of tenancy should be correlated.

Question 4b: Do you agree with the four proposed notice periods?

Yes No Don't know

If you do not agree with all four of the notice periods, please tell us which ones you disagree with and why.

Although we agree that the landlords should give a minimum notice period as proposed according to the four notice periods, by contrast, it could feasibly be disadvantageous to tenants if they are bound by the longer notice periods. We propose that if a tenant is given four months' notice, then as it is likely that the tenant is going to have to find alternative accommodation fairly quickly, being bound in for four months could be a disadvantage. Instead, we propose that the tenant should be permitted more flexibility, and be able to provide a minimum of two months.

Our reasoning is that once issued with notice, longer-term tenants may not necessarily wish to be bound to stay in the property, and continue to pay rent, for another 16 weeks, if for instance, they manage to find suitable alternative accommodation during the notice period.

Question 5a: Do you agree that all the proposed repossession grounds should be mandatory?

Yes No Don't know

Please explain your answer.

This is the area which we felt most strongly could potentially cause

unfairness for tenants.

We feel that if all the grounds were mandatory this would significantly reduce the existing rights of tenants. We argue that all grounds should be discretionary.

We feel that tribunals should be allowed to hear arguments as to why someone should or should not lose their home, rather than rubber-stamp something which may not actually be reasonable, on a mandatory basis.

Question 5b: Do you agree with the proposed list of new repossession grounds?

Yes No Don't know

Please explain your answer.

We strongly recommend that much more explanation is required for all the grounds, and what they mean, with particular reference to factors the tribunals should consider when deciding cases brought before them.

Namely:

The use of the word 'refurbishment' in Ground 4 is ambiguous. We recommend more clarification, so as to include only major refurbishment, or exclude trivial redecoration, and suggest more wording such as is extant in existing Ground 6. In addition, we note that the existing Ground 9, which asks landlords to provide alternative accommodation for cases of substantial refurbishment, has been excluded, so we propose that this ground become incorporated within the new Ground 4;

Ground 7 'anti-social', we recommend that more detail is required, as views on what constitutes 'anti-social' behaviour will vary. Will the definition be on a par with nuisance or annoyance in existing Ground 15.

Ground 6 'failure to pay three full months' rent'. Existing Ground 12 'The sheriff must take into account whether the rent that is unpaid should have been paid by housing benefit,' so this would seem much less equitable if it were to be made a mandatory ground?

Ground 8 what kinds of breach are contemplated, and how would a serious breach be distinct from a trivial one? If the landlord adds clauses to the model tenancy agreement, will a breach of these clauses be considered grounds for repossession? If so then who will determine whether these additional clauses are fair and binding, or unfair/unenforceable against the tenant? In order to achieve a balance in the landlord – tenant relationship, what remedy will be open to the tenant in the event that the landlord breaches a clause in the agreement – will the tenant be able to exit the agreement early if that is their wish?

We believe that by making all the grounds discretionary, if there is disagreement between landlords and tenants, housing panels will be able to distinguish each case according to its individual circumstances.

Question 5c: Are there other repossession grounds we should include in the list?

Yes No Don't know

Please explain your answer.

Question 6: Do you agree that landlords should be able to recover possession of their property with a 28-day notice period in the circumstances proposed?

Yes No Don't know

Please explain your answer.

Question 7: Do you agree that landlords should no longer have to issue pre-tenancy notices to recover possession of their property?

Yes No Don't know

Please explain your answer.

We think this would simplify matters, as long as the process is clearly explained in the model lease or accompanying documents.

Question 8: Do you agree that the notice period for all proceedings should be four weeks?

Yes No Don't know

Please explain your answer.

Yes, this seems reasonable.

Question 9: Do you agree with the proposed timescales for a tenant giving notice to a landlord to leave the property?

Yes No Don't know

Please explain your answer.

We recommend that the required notice period is correctly and clearly explained to tenants. We have been familiar with many cases where the tenant was not fully aware of the process of providing notice, and have had to pay extra rent to the landlords as a result.

Question 10: Do you agree that a model tenancy agreement should be introduced?

Yes No Don't know

Please explain your answer.

Yes, and we would like more clarification as to whether the model tenancy agreement would be i) mandatory; and if so ii) what enforcement measures would be taken to enforce this, and we would wish to see a draft version, so that we are able to comment on the proposed agreement

Question 11a: What are your views on rent levels in the private rented sector in Scotland?

We agree that more measures should be taken to ensure that rents are reasonable.

Our organisation is primarily concerned with student tenants, many of which are largely dependent for income on their SAAS student maintenance loans. The lowest rate of student loan currently for Scottish students is £475 per month, and this sum is awarded to cover monthly living costs as well as rent. The likely income levels of students should be considered when assessing rent levels.

We understand that many landlords have 'Buy to Let' mortgages, and we understand that some rents may be proportionate to monthly mortgage payments made by the landlord. However, this cannot be the sole criterion to determine rent levels, even if it means the landlord may be operating at a loss. We therefore propose that responsible landlords should ensure they have the financial means so as to cushion the effect of unlet properties, or late or missed rental payments, or any other serious problem with the tenancy.

Question 11b: What action, if any, should the Scottish Government take on rent levels in the private rented sector in Scotland?

Please explain your answer

We suggest that more work is undertaken by the government in this area, to research into achieving a balance between setting reasonable rates to encourage responsible letting by landlords, to include not only commercial landlords with multiple properties, but also single ownership 'accidental landlords' with buy-to-let mortgages, while at the same time offering a choice of housing with competitive and affordable rates for tenants, who may have to pay rent out of low incomes such as student loan instalments or housing benefit payments.

Question 11c: What rent review conditions, if any, should the new tenancy system include?

Please explain your answer.

We propose that more should be done to ensure that any increases in rent at the end of tenancy periods are reasonable, especially for longer-term tenants who stay on in the property. We propose that any rent increases are regulated incrementally and methodologically, for example, tied to cost of living increases, or rising according to inflation, and not just a random increase dictated by the landlord.

Question 12: Overall, do you feel that the proposed new tenancy system strikes the right balance between the interests of landlords and tenants?

Yes No Don't know

Please explain your answer.

In general we welcome any simplification and clarification of the law regarding housing. However, our main concerns are two-fold, that more is needed to explain the grounds of eviction, or possible mitigating factors, or exceptions to the rule, and also the model tenancy agreement and its supporting documents would need to be viewed before we can settle on an opinion.

Question 13: Do you have any (other) suggestions/comments on the new tenancy system for the private rented sector? If so, please tell us.

Our main summary is as follows:

The no-fault ground should be dispensed with as being disadvantageous to tenants;

Roll-over tenancies can provide flexibility for short-term tenants, when reaching the end of their tenancy period;

We propose that tenants should be allowed to request shorter than the six-month minimum, and that landlords can consider abridging the duration of the lease;

More flexibility should be built into tenancies with longer notice periods requiring four months, so that tenants may negotiate to be released within a shorter notice period if this is appropriate;

The proposed new grounds for eviction need to be much more explicit and clear, and we propose they should be discretionary instead of mandatory;

We strongly recommend that the proposed model tenancy should be made available for public comment before it is finalised, and that there should be further discussion as to whether or not it should be mandatory, and what enforcement measures would exist for not providing tenants with all the correct documentation;

That if rent levels are to be assessed, that the low incomes of many tenants should be taken into account, and that any increases in rent (if any) should be predictable and consistent with other relevant costs;