

## Second 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

The Highland Council

Title Mr  Ms  Mrs  Miss  Dr  Please tick as appropriate

##### Surname

Ward

##### Forename

Gail

#### 2. Postal Address

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#### 3. Permissions – I am responding as...

Individual

/

Group/Organisation

Please tick as

- (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 response 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

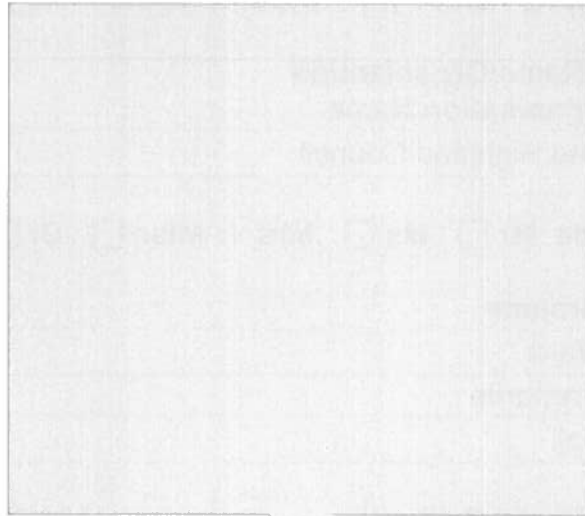
Yes, make my response, name and address all available

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 the Scottish Government to contact you again about this consultation exercise?

**Please tick as appropriate**

**Yes**

**No**

**CONSULTATION ANSWER FORM**

Question 1a: Do you agree that there should be an initial tenancy period during which a tenant and landlord would be unable to give notice unless one of the specified circumstances existed?

Yes  No  Don't know

Please explain your answer.

Yes, we agree that there should be an initial tenancy period where either party would be unable to give notice.

Question 1b: Do you agree that after the initial period a tenant or landlord may serve notice at any time with the relevant notice periods?

Yes  No  Don't know

Please explain your answer.

Yes, we agree with this proposal

Question 2: Do you agree that Notice to Quit and Notice of Proceedings should be combined into one Notice to Leave?

Yes  No  Don't know

Please explain your answer.

Yes, adopting this approach will prevent confusion for both the landlord and the tenant.

Question 3: Do you agree with the proposed notice periods a landlord should give a tenant?

Yes  No  Don't know

Please explain your answer.

Yes, we agree with the proposed notice periods that a landlord should give to a tenant. The proposed notice periods will allow sufficient time for tenants to seek appropriate advice and information should they be issued with a notice to vacate the property.

Question 4a: Do you agree that a landlord may serve a Notice to Leave when a tenant has been in rent arrears for two consecutive months?

Yes  No  Don't know

Please explain your answer.

Yes, we agree that a landlord may serve a notice to leave under these circumstances.

Question 4b: Do you agree that when a tenant has reached three consecutive months of rent arrears, a landlord should be able to refer a case to the First-tier Tribunal?

Yes  No  Don't know

Please explain your answer.

Yes, we agree that a landlord should be able to refer a case to the First-tier tribunal when a tenant has reached three consecutive months of rent arrears. However, we feel that it is necessary to set in guidance realistic timescales in relation to the tribunal process.

Question 5a: Do you agree that the list of repossession grounds now covers all reasonable circumstances where a landlord may wish to recover possession?

Yes  No  Don't know

Please explain your answer.

Yes, we agree with the proposed list of repossession grounds.

Question 5b: Do you agree that the First-tier Tribunal should have an element of discretion in grounds 6, 7 and 8?

Yes  No  Don't know

Please explain your answer.

We agree that an element of discretion needs to be applied in relation to grounds 6, 7 and 8.

We have particular concern in relation to ground 6. Although the proposals include failure to pay rent due to delays in housing benefit, it does not make reference to tenants in receipt of Universal Credit. All Universal Credit recipients are required to wait at least 35 days for their first Universal Credit payment which will always be paid a month in arrears. It would therefore be feasible that a tenant may regularly have rent arrears which equate to at least one full month's rent. The guidance relating to ground 6 needs to be amended to reflect the changes to the welfare benefit system.

We feel that it is necessary to set in guidance realistic timescales in relation to the First-tier tribunal process to ensure that cases on the basis of repossession grounds are dealt with in a timeous manner.

Question 6: From the details provided, do you agree that each of the following repossession grounds will work effectively?

Ground 1: The landlord is selling the home.

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Yes  No  Don't know

Please explain your answer.

We agree with the change or wording from 'wanting to sell' to 'is selling' for this repossession ground.

Ground 2: The mortgage lender is selling the home because the landlord has broken the loan's conditions.

Yes  No  Don't know

Please explain your answer.

We agree with the amendment to the wording for this ground of repossession.

Ground 3: The landlord or a family member of the landlord wants to move into the property as their principal home.

Yes  No  Don't know

Please explain your answer.

We agree to this ground and the guidance relating to the terms that will be specified in the Notice to Leave.

Ground 4: Refurbishment.

Yes  No  Don't know

Please explain your answer.

We agree with the conditions of this ground of repossession

Ground 5: Change of business use, e.g. from home to shop (from residential to non-residential).

Yes  No  Don't know

Please explain your answer.

We agree with the conditions of this ground of repossession

Ground 6: The tenant has failed to pay the full rent over three consecutive months.

Yes  No  Don't know

Please explain your answer.

We agree in principle to this ground of repossession. However we have concerns regarding the definition which has taken into account delays as a result of housing benefit but does not make reference to tenant's in receipt of Universal Credit. All Universal Credit recipients are required to wait at

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least 35 days for their first Universal Credit payment which will always be paid a month in arrears. It would therefore be feasible that a tenant may regularly have rent arrears which equate to at least one full month's rent. The guidance relating to ground 6 needs to be amended to reflect the changes to the welfare benefit system.

We feel that it is necessary to set in guidance realistic timescales in relation to the First-tier tribunal process to ensure that cases on the basis of repossession grounds are dealt with in a timeous manner.

Ground 7: The tenant has displayed antisocial behaviour.

Yes  No  Don't know

Please explain your answer.

We agree in principle to this ground for repossession however we feel it is necessary to set in guidance realistic timescales in relation to the First-tier tribunal process to ensure that cases on the basis of repossession grounds are dealt with in a timeous manner.

Ground 8: The tenant has otherwise breached the clauses of their tenancy agreement.

Yes  No  Don't know

Please explain your answer.

We agree in principle to this ground for repossession however we feel it is necessary to set in guidance realistic timescales in relation to the First-tier tribunal process to ensure that cases on the basis of repossession grounds are dealt with in a timeous manner.

Ground 9: Abandonment.

Yes  No  Don't know

Please explain your answer.

We agree with the conditions of this ground of repossession

Ground 10: The property was let to the tenant because they were employed by the landlord, and the tenant is no longer employed by the landlord.

Yes  No  Don't know

Please explain your answer.

We agree with the conditions of this ground of repossession

Ground 11: The property is normally needed to house a full-time religious worker of a religious denomination, and is required for this purpose.

Yes  No  Don't know

Please explain your answer.

We agree with the conditions of this ground of repossession

Question 7a: Do you agree that rent reviews should take place no more than once a year?

Yes  No  Don't know

Please explain your answer.

Yes we agree that rent reviews should only take place once a year where there is a sitting tenant. However, should the property become vacant during the 12 month period the landlord should be allowed to review the rent. We would propose that rent increases should be limited to the rate of inflation or a fixed percentage.

Question 7b: Do you agree that a tenant should receive 12 weeks' notice in advance of a change in the rent?

Yes  No  Don't know

Please explain your answer.

Yes we would agree to tenants being service with a 12 week advance notice of any change in the rent. This would allow tenants the security of being able to seek advice and assistance as to affordability of the property or allow them to give the proposed 4 week /8 week notice to leave the property.

Question 7c: Do you agree that tenants should be able to refer what they regard as unreasonable rent increases for adjudication?

Yes  No  Don't know

Please explain your answer.

Yes, we agree that tenants should be able to refer cases for adjudication. We feel that guidance as to the definition of 'unreasonable' is required to ensure there is no ambiguity regarding interpretation.

Question 7d: Do you think there is a role for the additional regulation of area-based rent limits?

Yes  No  Don't know

Please explain your answer, setting out what you view as the advantages and disadvantages of such an approach.

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We feel there is a necessity to regulate the level of rent increases in areas that are deemed as "hot-spot" areas.

The advantages to implementing rent regulation would be;

- To provide resident tenants with the security of knowing they would not be faced with excessive rent increases.
- New tenants would be assured that if they entered into a tenancy they would not be faced with unreasonable rent increases
- Landlords would not be able to implement excessive rent increases but would have the confidence and security of knowing that increases could cover the cost of improvements and investment.

The disadvantages to implementing rent regulation would include:

- The timescale required to designate an area a 'rent pressure area'. Unless new development, expenditure and growth is planned/expected in a specific area it could be difficult for Local Authorities to collect and present evidence in time for an area to be designated particularly if such measures are deemed short term solutions.
- The local authority would be required to gather, collate and analyse data relating to the private rented sector unless this could be provided by the Rent Service. This could add an additional burden on local authorities.
- The additional burden placed on the First-tier tribunals if a landlord disputes the restriction. Assurances would need to be put in place that additional tribunals will be put in place to meet the demand of additional appeals. Delays in the tribunal process could impact on the sector particularly if the measures to implement 'rent pressure areas' are time restricted.

We would propose that rather than introducing additional rent regulation that rent increases should be limited to the rate of inflation or a fixed percentage rate.

Question 7e: If we were to legislate for this proposal, what types of evidence should local authorities have to present to Ministers when applying to designate an area as a 'rent pressure area'?

Please explain your answer.

In order to designate an area as a rent pressure area, it would be necessary to provide information in relation to;

- Economic activity, income growth and inflation.
- Development Plans
- Evidence of rent increases in the specified area.
- Referrals and rulings in respect of tribunals on the grounds of unreasonable rent increases;



- Evidence of presentations to the Council for homelessness/potential homelessness.

Question 8: Do you have any comments on the partial Equality Impact Assessment?

Please explain your answer.

None

Question 9: Do you have any comments on the partial Business and Regulatory Impact Assessment?

Please explain your answer.

None

