

Your rights under the new Private Housing Bill



The Private Housing (Tenancies) (Scotland) Bill was introduced to the Scottish Parliament last month and it will make significant changes to the regulation of private lets.

Although it has not yet been passed as law, ESPC are expecting this to happen in early 2016 once further scrutiny has taken place.

ESPC Lettings manager Orlaith Brogan explains the changes that could affect both tenants and landlord. She said:

“November is normally a quiet time in the world of lettings but this year has seen a lot of activity as more details of the new housing bill are announced.

“In recent years we have seen a growth in the number of people renting in the private rented sector. Some parts of the sector have experienced housing shortages, increased market rents, lack of security of tenure and poor quality of housing available. Although this is not a fair representation of the market as whole, change was deemed appropriate to protect those tenants who needed it most.”

The objective of the bill is to:

- Replace the Short Assured Tenancy and Assured Tenancy by introducing a new single tenancy for the private rented sector which the Scottish Government considers will improve security of tenure for tenants and provide appropriate safeguards for landlords, lenders and investors. Safeguard tenants against excessive rent increases and provide more predictability in relation to rents. Rent increases will be restricted to no

more than one in a 12 month period with the landlord required to provide three months' notice to the tenants to enable them to budget accordingly.

- Allow local authorities the opportunity to implement rent controls in 'hotspot' areas where there are excessive rent increases and a concern over the impact on the wider rental market.

- Offer more progressive grounds for repossession where there are rent arrears and new grounds for repossession introduced for landlords where they wish to sell or move back into their property. This new tenancy will see the removal of the 'no fault' ground currently in place.

Orlaith added: "The new housing bill will take some time to get used to for both tenants and landlords alike, but a new tenancy agreement will mean that landlords must have a specific reason for ending the tenancy other than it is the natural lease end date.

"The new tenancy provides both mandatory and discretionary grounds for terminating the lease. In my experience, the majority of leases are terminated by the tenants. In the rare occasions where landlords issue notice it is usually because they are selling it or moving back into it (a mandatory ground under the new legislation).

"However, sometimes you may have problematic tenants who do not pay their rent on time all the time and are not a right 'fit' for the landlord and property."

Orlaith concludes:

- Treat the rental property as an investment that is there to provide a long term home for tenants. Realise that with this comes responsibilities to maintain the properties and distance yourself from the property.

- Have a clear idea of the type of tenants they want and present and market your property so it appeals to this target market.
- Credit check and reference check your tenants to ensure that they can afford the rent and have been good tenants in the past.
- Keep open lines of communication and remedy maintenance issues quickly. Look after your tenants as they are looking after your investment property.
- Choose your agent wisely and opt for those that can secure the rent you need to cover your costs for the duration of the tenancy (until it is increased).

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