

REPORT OF THE REVIEW OF THE PRIVATE RENTED SECTOR TENANCY REGIME

May 2014

FINAL REPORT

Executive Summary

The Group has one recommendation to make to Scottish Ministers, namely, that the current tenancy for the Private Rented Sector (PRS), the Short Assured Tenancy (SAT), and the Assured Tenancy (AT) be replaced by a new private tenancy that covers all future PRS lets.

This change is considered necessary in order to allow the rights and responsibilities inherent in the legal agreement between tenants and landlords to be clearly stated and to ensure that the implications of the agreement for both parties are understood. This recommendation for legislative change was unanimously agreed by the Review Group, which drew its membership from a comprehensive cross section of PRS interests (see Annex One).

Groups Remit

The Scottish Government's strategy for the PRS, *A Place to Stay, A Place to Call Home* (Scottish Government, 2013), made a commitment to review the suitability and effectiveness of the current PRS tenancy regime. Thus the following remit was issued to the Review Group:

- To examine the suitability and effectiveness of the current PRS tenancy regime, considering legislative change where required.
- To develop recommendations to the Scottish Government on how the current regime might work better and/or the options for taking reform forward.

The Group was also asked to consider two key issues identified by the PRS Strategy Group, in relation to what the tenancy regime can offer tenants and landlords:

- security of tenure: a tenant's right to remain in a property and the circumstances in which the landlord may seek to regain possession of their property, subject to the terms of the tenancy agreement: and
- the length of tenancy: how long the tenancy agreement is for.

The group meet on four occasions, between October 2013 and February 2014, and participated in the commissioning of a major piece of empirical research involving both tenants and landlords to inform its work.

Context for this Report

The PRS has grown both in terms of absolute numbers, and as a proportion of Scottish housing tenure, more than doubling its share, from 5% to 11%, over the last decade (Scottish Government, 2012b). Out of an estimated total of 2,483,000 dwellings in Scotland in March 2010, 273,000 were within the PRS, compared to 161,000 in March 2001. This dramatic growth in supply is largely accounted for by the advent of readily accessible Buy-to-Let mortgage products in 2002, which revived a tenure long considered to be in terminal decline.

In large part, the increased demand for the PRS reflects the changed prospects for owner occupation within the Scottish housing market. Initially, the dramatic rise in house prices up until the 2008 financial crisis, plus the advent of Buy-to-Let mortgages, effectively froze out potential first-time buyers on low incomes. Then, following the crisis, lending restrictions were imposed on those seeking to enter owner occupation: constraints on mortgage availability and the scale of deposits demanded of first-time buyers. Similarly, the social rented sector has been in long-term decline, a consequence of which has been a marked reduction in new social lets becoming available, and with this tightening a higher proportion of all new lets now going to those experiencing homelessness (Anderson and Serpa, 2013). So currently, the PRS accommodates as many households as are housed by the local authority and housing association sectors respectively, and its role is expected to increase.

This dramatic shift in tenure, and the repercussions for long-held housing policy presumptions, primarily the sustained and continuing growth of owner occupation, has led to the PRS becoming the focus of much recent policy and legislative activity. Compulsory registration of landlords with local authorities was introduced as part of the Anti-Social Behaviour etc (Scotland) Act, 2004, while the mandatory licensing of houses in multiple occupation came in through the amendment in 2000 of the Civic Government (Scotland) Act, 1982 and was subsequently incorporated into the Housing (Scotland) Act, 2006. Under the Private Rented Housing (Scotland) Act, 2011, the definition of what constitutes a 'fit and proper person' for such registrations was further refined and extended, and this Act also introduced a requirement to issue a pre-tenancy information pack, covering all the material demanded of the tenancy, along with the tenancy document. The legal and contractual obligations on private landlords to ensure that the property they let meets a minimum physical standard, as defined by the Repairing Standard, was also set down within the Housing (Scotland) Act, 2006. This reflects the fact that housing condition within this sector have always been significantly poorer than in other tenures: 61% of private rented dwellings in Scotland failed the Scottish Housing Quality Standard¹ in 2010 (Scottish House Conditions Survey 2010). While this was a fall from 75% in 2004/05, indicating an improvement in overall quality, the sector still performs badly. Energy rating is the main cause

¹ SHQS is an aggregation of pass/fail all dwelling measures covering: above the statutory Tolerable Standard; free from serious disrepair; energy efficient; with modern facilities and services; and healthy, safe and secure.

of failure. The sector is three times more likely to have a 'poor' National Home Energy Rating (Scottish House Conditions Survey 2010). This is a particular problem in the rural areas given the prevalence of hard to heat properties. The greater overall age of the housing stock within the PRS is a major contributory factor (Scottish House Conditions Survey 2010). Finally, in a complementary, but separate legislative initiative, under the Tenancy Deposits Scheme (Scotland) Regulations, 2011, a compulsory tenancy deposit scheme was established, involving three independent third parties, as a means to better protect tenants deposits until they are due to be repaid. So overall, for over a decade, Scottish Government policy in relation to the PRS has been driven by the desire to see the rights of tenants protected, and the respective rights and responsibilities of tenants and landlords made clear and transparent, while at the same time encouraging future investment given the marked dearth of alternative housing options. It is also the case that despite these policy challenges the research evidence also indicates a high degree of satisfaction with the tenure (Scottish Government, 2007).

The rapid growth in the PRS altered its tenant profile and social composition. Recognised as a diverse sector with a broad tenant base, it has long contained a number of distinct 'niche markets', catering for particular groups such as students, young professionals, recent migrants and people in receipt of Housing Benefit (Scottish Government, 2007; Pattison et al, 2010). Given the aforementioned changes within the owner occupied market, the proportion of 16-34 year olds in the PRS has rapidly expanded: from 13% in 1999 to 33% by 2010. Although owner occupation still remains the most important tenure for this age group, its share decreased by 10% to 43% in 2010. Within the PRS, therefore, over half the tenants (57%) are in the 16-34 age group, 36% are aged 35-64 and 6% are aged 65 and over (Scottish Government, 2012b). This means that the PRS has a higher share of lower and middle-income groups, and a smaller proportion of those within higher incomes, compared to the population as a whole.

Lower income households are thus housed within the PRS either through choice, to access a greater variety of properties or neighbourhoods, or out of necessity, given they are now neither in a position to access owner occupation nor likely to be allocated social housing (Strachan and Donohoe, 2009).

One-fifth of all PRS households in Scotland are in receipt of Housing Benefit but, as a proportion, this represents a decline from around one-quarter in 1999, reflecting the growth in higher income tenants. Around three-quarters of private tenants are in employment or full-time education. While low-income groups in employment can receive partial Housing Benefit to support their housing costs, those who are students, with a few exceptions, cannot. Interestingly, just 14% of PRS tenants are in further or higher education. So while the proportion of PRS tenants in receipt of Housing Benefit is markedly smaller than in the social rented sector, the actual amount of Housing Benefit paid out to PRS landlords has not only increased significantly, and given the higher rent charges made, as a proportion of the entire Housing Benefit budget, it has also grown (Serpa and Taylor, 2012).

A significant proportion of homelessness applications come from the PRS, and over recent years the scale of applications from this tenure has also risen (Scottish Government, 2012b). The PRS has also become more significant in accommodating homeless households, given regulation changes introduced 2010 which allowed local authorities to negotiate SATs with private landlords as one means of addressing their homeless housing obligations. This has had its problems, given the lack of security of tenure when compared to the social rented sector, the higher rents charged and a lack of landlords willing to rent to those on Housing Benefit (Scottish Government, 2012b).

While the core demand for private rented housing traditionally comes from households requiring transitional accommodation (Strachan and Donohoe, 2009), and living within the sector has long been recognised as a life-cycle stage for many people (Ball, 2010), that traditional occupancy pattern is now changing as the tenure repercussions of the financial crisis of 2008 continues to be played out across the housing market. For more and more people the PRS has become a permanent housing solution, but this is often achieved through a series of short-term lets. That said, there has long been evidence of longer tenancies, and thus longer occupation periods in rural areas.

The rapid expansion of the sector has also helped to diversify its landlord profile, with recently a more 'cottage industry' identity emerging given the substantial growth in single property owning landlords. The last survey evidence of landlords highlighted the large number of individuals, couples and families who operate as small-scale landlords, mainly on a part-time basis (Crook et al, 2009). This group had increased significantly since the early 1990s, with the landlord survey then indicating they owned 84% of PRS dwellings in Scotland, with just 14% owned by a company, partnership or property trust and only 2% owned by an institution (Crook et al, 2009).

As a result, average landlord portfolios have fallen (Crook et al, 2009). Very few of the individual or couple landlords had portfolios with more than 20 dwellings, just 3%, while one-quarter of companies, partnership or property trusts, and nearly 40% of institutions owned more than 20 properties. Most individual or couple landlords own either one (44%), or between two and four dwellings (36%).

The decision by these smaller operators to become landlords was primarily driven by a perception that property had long outperformed other investment products, and that the property market was easier to enter than other investments (Crook et al, 2009). Favorable economic conditions, which have included historically long lasting low interest rates, a period of sustained economic growth right up to the financial crash and thus ever rising property prices were the key drivers (Pattison et al, 2010). As previously noted, the advent and ready access to 'Buy-to-Let' mortgages, helped encourage relatively easy entry into this market (Ball, 2010). The landlords emphasis on seeking investment growth from rising house prices, rather than income returns, was evident in that half the sampled landlords in the Scottish Government Review thought that their rents were sufficient to cover their

costs and provide a reasonable return, whereas a quarter were not looking for a return and another quarter said that rents were insufficient to cover costs (Crook et al, 2009).

This emergent 'cottage industry' ownership pattern also explains why there has also been a parallel policy emphasis on enhancing landlord knowledge and awareness of rights and responsibilities through supporting a variety of landlord training events and the promotion of good practice through landlord accreditation schemes. While many landlords choose to operate their own management arrangements, a significant proportion opt to use the services of property agents, who have also seen considerable business growth over the last decade. It is estimated that there are now around 500 letting agent businesses operating across Scotland, processing more than 150,000 private lettings a year (Scottish Government, 2012a). Again there have been a number of legal clarifications in relation to tenant charges, or 'premiums', and good practice matters that have arisen within this emergent business sector. The Scottish Government has also stated its intention to legislate to regulate agents operating within the PRS.

What ensures this growing market for private rented property functions on a day-to-day basis is the tenancy regime. The SAT has become the norm for residential letting right across Scotland, allowing tenants to rent a property for a minimum duration of six months. Introduced under the Housing (Scotland) Act, 1988, Assured Tenancies represented the core element in the de-regulation of all private rentals, given that rent regulation had been in place in one form or another since 1915. The Assured Tenancy thus allowed for the free negotiation of rent between landlord and tenant, while giving landlords certain statutory protections and freedom of action when letting their properties for a defined time period.

Assured Tenancies allow landlords to determine the tenancy period, whereas the SAT is for a minimum period of six months. So for a SAT to come into being, a formal notice, the Form AT5, must be served on the prospective tenant prior to the start of the tenancy. This ensures that the tenant has only limited security of tenure and that the landlord can seek possession of the premises, with appropriate notice, on a number of prescribed grounds, as set out in the Housing (Scotland) Act, 1988, or once the six month contractual agreement reaches its end, the 'ish' date. The minimum length of the initial SAT tenancy is six months, but if the initial term is less than six months, or the AT5 is not served prior to the tenancy, then regardless of the paperwork, it is legally an Assured Tenancy.

Part of the reason for this complexity was that, in 1988, it was assumed most landlords would use Assured Tenancies, and not SATs. But at that time private landlords were but a minor policy consideration, given the Assured Tenancy regime was devised to accommodate all new housing association tenancies, as they were then legally to become part of the private sector. That legal status was short-lived, and private landlords were somewhat reticent to test the re-possession grounds in Court. Those few that did attempt repossession for breaches found the process both lengthy and thus costly.

They therefore opted *en masse* to use the SAT, for no matter what happened during the tenancy the property would legally be repossessed on conclusion of the 'ish' date. Hence, it's almost ubiquitous use today.

Given the SAT has now been in use for a quarter of a century, and given the unexpected rapid growth of private renting over the last decade, bringing in many new landlords and tenants, it would appear an opportune time to examine both the suitability and effectiveness of the current PRS tenancy regime. Further the possibility of new institutional investment into the sector also encourages such a review (Scanlon et al, 2013). To undertake this task, the Review Group explored a range of different issues that they individually brought to the table, and then having considered core areas for possible legislative reform, tested these assumptions through new research with both tenants and landlords.

Review Groups initial views about possible reforms

Each of the 18 bodies that made up the Review Group was asked a series of questions about their position in regard to the advantages and disadvantages of the current tenancy regime. They were then asked to offer refinements, or suggestions for reform that the Review Group might consider, and then to provide the evidence to justify the changes they proposed. The range of ideas and supporting evidence offered at this initial stage is available at:

<http://www.scotland.gov.uk/Topics/Built-Environment/Housing/privaterent/government/Tenancy-Review/response-compendium>.

Following much debate and discussion, the Review Group narrowed its focus to consider three key areas:

- repossession abilities of landlords
- security of tenure for tenants, and
- timeframes, or the length of tenancy

Each of these three positions was discussed and debated with a Review Group member being asked to set out the case for action under each of the headings: Andrew Cowan explored the grounds for possession, Rosemary Brotchie reviewed security of tenure, and David Sivewright the length of tenancy.

In offering up possible scenarios for the Review Group to consider, one package of reforms, which embraced each of the above key areas, could produce a new tenancy that modernised the somewhat dated grounds for repossession detailed in the 1988 Act; ensure landlords could recover possession timeously following a breach of tenancy; improve security of tenure for tenants; and encourage increasing the length of tenancies, thus allowing tenants scope to action their current statutory rights, given it was felt by some that the current six month tenancy timeframe offered by the SAT limits tenants access to redress.

If such a possible set of options constituted a reform 'max' position, then the Review Group also wanted to consider an alternative, or reform 'lite' option, that focused on modernising the existing SAT provisions to address their known failings in terms of complexity, especially around the use of the Form AT5 and 'ish' dates, as well as weeding out the now redundant grounds for repossession. This position considered any dramatic reform agenda might raise questions with future possible investors, whether via Buy-to-Let, or via new institutional investment.

While the Review Group was happy to explore both the 'max' and 'lite' approach, it was clear that those with landlord interests were keener on the 'lite' approach, while those with a tenant focus favoured the 'max' option. To build on the evidence base, as well as compliment the representation on the Review Group, a major empirical research study was commissioned by the Scottish Government to explore the implications for PRS tenants and landlords of longer term and more secure tenancy options (Robertson et al, 2014). This allowed the missing voices of both tenants and landlords to be heard in these deliberations. It was the findings from this research that helped frame the Review Group's unanimous decision to recommend tenancy reform.

Research evidence on tenant and landlord views on tenancy reform

The qualitative study of the attitudes of tenants and landlords to the current tenancy regime revealed the current system to be both fragile and complex (for full report see Robertson et al, 2014). This, in large part, stems from a basic lack of understanding, on the part of both tenants and landlords, of how the system actually functions. But perhaps more worryingly, it also reflects a lack of trust between the parties, in that landlords are wary of new tenants, and tenants equally cautious of landlords, and the actual condition of the property being rented. As a result, very few appeared willing to consider offering, or accepting anything other than the short 6-month initial period. While offering longer tenancy is quite feasible, and it does indeed occur, it is not considered to be 'custom and practice' within the lettings industry, despite such flexibility holding benefits to both parties.

Research participants were generated via purposive sampling. For the landlords, the emphasis was to ensure coverage of the varied size of property portfolios'. In total, 43 landlords participated, reflecting an even spread of smaller, medium-sized and larger landlords. The tenant group, numbering 63 participants, included families with children; high and low income working age households; recipients of Local Housing Allowance (LHA); students; and households including members with protected characteristics (including disabled households). Both groups were evenly spread across those living in urban, smaller town and rural locations.

The tenant participants tended to fall into one of two broad groupings. The first group generally considered the PRS to be a short to medium-term housing option, hence it included students and those who had made recent

work-related moves. The other group generally anticipated remaining in the PRS over the longer-term, and it also included some who were 'born and brought up' within the PRS; those who had given up a social rented sector tenancy; and some who had grown up in the social rented sector, but were unable to secure their own social sector tenancy.

The vast majority of the landlords expected to continue operating as landlords for the foreseeable future, including a small number who had initially been reluctant to become landlords but, having now been through the necessary processes, had decided to continue letting out their property rather than seeking to sell.

As anticipated, the vast majority of landlords routinely used a SAT. Equally, the majority of tenants, those clear about the type of tenancy they had, reported that it was a SAT. A significant minority, however, were not clear as to what tenancy arrangement they had. The research also exposed some variations in understanding of the arrangements which underpin the operation of the SAT regime in all parties. For example, not all landlords agreed about when and how an AT5 should be issued. The practice and/or understanding of landlords also differed with regard to the arrangements in place at the end of the initial tenancy term. Tenants, for their part, tended to be less confident about the basic arrangements that should be in place for a landlord to issue them with a SAT. There was for instance, varied understanding, and some confusion, about the arrangements in place once the initial SAT period had expired. Some wrongly assumed a new SAT had come into operation, others mentioned a new month-to-month arrangement, while others were not at all clear as to their tenancy position.

The perceived strength of the SAT regime was its flexibility. Tenants and landlords equated it to being offered or accepting an initial trial tenancy, after which either party could bring the arrangement to an easy and non-confrontational end. Many tenants expressed the view that they valued this initial tenancy period as it gave them a valuable opportunity to assess the different aspects of their new home, such as condition, running costs and whether it was well located for travel to work or schools. Its weakness, from the perspective of landlords, related to the ease of regaining possession of their property should the need arise, although few, if any had actual direct experience of this, but all claimed to know of examples of things going wrong.

Tenants raised significant concerns about how the obligations operated in practice, most noticeably and forcefully in relation to property condition and the difficulties they experienced in getting landlords to carry out necessary repairs and improvements. Some tenants also expressed concerns about the lack of longer-term security afforded by the SAT regime, concerns that tended to be raised by those with experience of the social rented sector. While landlords expressed no desire to see changes to tenancy length, the views of tenants were more varied, shaped by their personal circumstances and plans for the future. Those who saw renting as a short-term, transitional housing option raised few concerns about security of tenure. However, those who expected to be living in the PRS over the longer-term, typically the more vulnerable, generally had a different perspective. For this group the condition

of the property tended to be their over-riding concern, but some also made it clear that they were not in a position to 'take on' their landlords to improve conditions, or challenge any other breaches of tenancy legislation or regulation. While the proposal within the current legislative programme to introduce a power to allow third party referrals to the Private Rented Housing Panel in relation to repairing standard matters may assist here, strikingly, tenants also believed that greater security of tenure would not make them feel any more able, or inclined to pursue their rights.

There was a clear consensus amongst all participants that the documentation associated with setting up a tenancy was both lengthy and complicated. Many supported the idea of some type of model tenancy document, with a number expressing surprise that this had not already been done. Those who broadly supported that idea included most tenants and a number of newer, or smaller landlords.

The initial impression given by landlords and many tenants was that the SAT works well enough, as the initial fixed period of tenancy is easy-to-understand and now well understood. However, the new evidence also revealed much confusion about arrangements at the end of the tenancy period and, crucially, thereafter. There thus appears to be widespread ignorance surrounding the operation of the tenancy, which is somewhat surprising given it has now been in place for a quarter of a century. There was also evidence that most people, whether landlord or tenant, found tenancy legal arrangements and the associated paperwork and processes unduly complex. And then there were the core quality issues, which have exercised the minds of policy-makers and legislators for over a decade now, namely ensuring private tenants have access to a basic quality of housing and a means of ensuring that any failings can be put right. Whether having a longer tenancy period would improve this situation proved to be a moot point, especially as those tenants with purchasing power do not opt to make a stand, but would rather just move on, while the more vulnerable are unwilling to exercise rights.

So the view initially expressed in the research by landlords and tenants, that the current system works reasonably well, is open to challenge. The SAT may just work because that is all there is. But it is also instrumental in creating the architecture and thus the operational characteristics of the current PRS market as well as the associated support services and its overall financial underpinning. The real problem is that so few people fully understand the contractual terms they may or may not have signed up to, and that fact alone surely makes the lynch-pin of private renting a somewhat peculiar instrument on which to base a business. So to address these failings the Review Group agreed to make the following recommendations.

Component elements of the proposed new residential tenancy

The new statutory private tenancy regime would set down, in a single document, all the current statutory requirements for a private tenancy, as detailed in all the relevant statutes. Each requirement, set down in statute,

would thus be made explicit within this document. This would therefore mean, for example, that the landlord registration requirements, the repairing standard, the defined building requirements / standards, the details of the rights that apply to both parties and how to enforce them, as well as the tenancy pack expectations would automatically be detailed within the tenancy document.

A section for the addition of clauses specific to the property and / or parties involved would also be included, so that landlords can set down any particular requirements and expectations, as long as these do not contradict the statutory requirements.

To help ensure that landlords and tenants clearly understand the provisions of these statutes and specific clauses, there would be an accompanying prescribed statutory guidance note which would be a required part of the tenancy documentation. This would ensure that both parties were aware, right from the outset, of their rights and responsibilities, as well as the operational procedures that govern the tenancy.

The three elements, taken together, would constitute the tenancy. The statutory requirements of the tenancy, the additional property specific clauses and the accompanying guidance notes would be made available to tenants to view, prior to signing the tenancy, and would be formally issued to tenants at the time of signing the tenancy. It should be made possible to sign the tenancy contract electronically.

On security of tenure and length of tenancy, the Review Group makes the following recommendations. The reformed tenancy would need to contain a modernised and simplified right of possession, providing clarity for both tenants and landlords; the removal of out-dated repossession grounds and the accompanying complicated notices, so there would be a need to address the confusion over 'ish' dates, the issuing of pre-tenancy notices, and also the issuing of multiple notices. What would be put in its place, following this modernisation exercise, would be a clear route for landlord re-possession, where the tenant was found to be in breach of the new private tenancy, or following expiry of the agreed tenancy term. This would also make it very clear to tenants what the legal position is in relation to security and re-possession by the landlord.

On length of tenancy, the new tenancy would set a minimum period, as is currently the case. There are a variety of reasons why either party would want a specific minimum term for the tenancy, take for example students, or people letting a home while they are working away. However, the evidence also shows that very few tenants only stay for the current statutory minimum of six months. So the minimum could stay at six months, it is sorting out the roll-over arrangements, or having a requirement to issue a new tenancy, within a defined period, that will be more important to both tenants and landlords. Lenders to the PRS sector, if their confidence in the sector is to be maintained, are also likely to require certainty that they can obtain vacant possession in the event of a default by a landlord. This is particularly so as a

lender has fewer options in Scotland to assist landlords in financial difficulties and consequently their tenants given there is no equivalent of the Receiver of Rent provisions which can apply in England and Wales.

Taken together, the proposed reforms would put in place a modern, easy to understand tenancy regime which suits the current, varied market situation, and will thus be attractive to future investors as well as tenants and landlords. It would also create stability and confidence within the sector, removing the need to constantly review and change PRS legislation. The current working of the PRS has created an expectation on the part of tenants and landlords of short term lets, with tenants moving on when things do not work out, as evidenced in the high turnover rates noted earlier. Our vision for the future of the sector addresses the role that the PRS is increasingly finding itself playing in meeting housing need. Private renting needs to be underpinned by a more stable, predictable and responsible approach, that works in the interests of landlords and tenants. This encouragement of stability would also have wider societal benefits, not least the uninterrupted education of young children and the encouragement of stable communities.

Summary

The core aims set by the Review Group in proposing this change are – clarity, simplicity, ease of use, and flexibility – each of which are considered essential to meet the requirements of a truly modern private rented sector.

A model tenancy was drafted and considered by the Review Group, but it was concluded that this is a detailed, technical legal task best left to the Scottish Government. The Group did, however, consider that the format adopted when a similar exercise was undertaken in relation to the Scottish Secure Tenancy had great merit. The task of developing a new private tenancy should take a similar path: set down all the relevant statutorily defined tenancy requirements in as clear and simple a manner as possible; develop the required accompanying notes clarifying what the statutes seek to do; offer guidance on landlord tenancy provisions; make suggestions for the modernisation and refinement of out-of-date provisions; and, finally, introduce any new provisions needed to address the current failings, most notably when a tenancy has run on. The Review Group also felt that such an approach, with its emphasis on clarity, simplicity, ease of use and flexibility, would have a direct resonance back to the requirements set out for the Tenants Information Pack. It is also the view of the Review Group that such a comprehensive clarification exercise is also a necessary element in encouraging future investment within the PRS.

Finally, such a reform exercise, and the associated legal clarifications and refinements, across a number of different statutes, is also timely, given it would bring clear benefits for the day-to-day working of the proposed Private Rented Sector Tribunal, shortly to become the specialist forum, with disputes within this sector transferring from the Sheriff Courts to this First-tier Tribunal envisaged under the Tribunals (Scotland) Bill. The Review Group's aims of clarifying, simplifying, modernising and standardising the private tenancy

chime well with the objectives of those charged with taking the Tribunal forward, and are very much supported by the research evidence the group drew upon. The Tribunal would also be the ideal place to ensure the resulting modernised tenancy was kept up-to-date.

Acknowledgements

Can I first acknowledge the hard work and commitment shown by all members of the Private Rented Sector Review Group. Given its broad and diverse membership it was initially felt by some that it would struggle to come forward with an agreed set of recommendations. That has not been the case, showing the value of properly engaging with a broad range of people, giving them space to offer up arguments, ideas and opinions. Building knowledge should mobilise as many 'expert' voices as possible: it is just that too many people hold a narrow conception of what an 'expert' is. Can I also personally thank Robert Aldridge, John Blackwood, Rosemary Brothie, Andrew Cowan, Johnathan Gordon and David Sivewright who willingly put in a substantial amount of extra work supporting the work of the Review Group. Finally, while this report reflects the conclusions and recommendations of the Review Group, to bring about modern simplified tenancy regime, its authorship is entirely my responsibility.

Douglas Robertson

May 2014

References

- Anderson, A and Serpa, R (2013) 'The right to settled accommodation for homeless people in Scotland: A triumph of rational policy-making?' *European Journal of Homelessness*, 7, 1, 13-39.
- Ball, M (2010) **The UK Private Rented Sector as a Source of Affordable Accommodation**. York: Joseph Rowntree Foundation.
- Crook T, Kemp P and Ferrari, E (2009) **Views and Experiences of Landlords in the Private Rented Sector. Review of the Private Rented Sector Volume 3**. Scottish Government.
- Pattison, P, Diacon, D and Vine J (2010) **Tenure trends in the UK housing system: Will the private rented sector continue to grow?** Coalville: Building and Social Housing Foundation.
- Robertson, L, Little, S and Simpson, S (2014) **Qualitative Research to explore the implications for Private Rented Sector Tenants and Landlords of longer term and more Secure Tenancy Options**. Edinburgh: Scottish Government.
<http://www.scotland.gov.uk/Publications/2014/03/2731/0>
- Scanlon, K and Whitehead, C (2011) 'Conclusion – implications for the UK', in K. Scanlon and B. Kochan (eds). **Towards a Sustainable Private Rented Sector: The lessons from other countries**. London: London School of Economics, 139-153.
http://www.lse.ac.uk/geographyAndEnvironment/research/london/events/HEIF/HEIF4b_10-11%20-newlondonenv/prslaunch/Book.pdf
- Scottish Government (2013) **A Place to Stay, A Place to Call Home: A Strategy for the Private Rented Sector in Scotland**. Edinburgh: Scottish Government.
<http://www.scotland.gov.uk/Publications/2013/05/5877>
- Scottish Government (2012a) **Consultation on a Strategy for the Private Rented Sector**. Edinburgh: Scottish Government.
<http://www.scotland.gov.uk/Publications/2012/04/5779>
- Scottish Government (2012b) **Evidence Review of the Private Rented Sector in Scotland**. Edinburgh: Scottish Government.
<http://www.scotland.gov.uk/Topics/Built-Environment/Housing/privaterent/evidencereview>
- Scottish Government (2007) **Firm Foundations: The future of housing in Scotland. A discussion document**. Edinburgh: Scottish Government.
<http://www.scotland.gov.uk/Publications/2007/10/30153156/0>
- Scottish House Conditions Survey (2010) **Scottish House Condition Survey: Key Findings**. Edinburgh: Scottish Government.
<http://www.scotland.gov.uk/Resource/Doc/363471/0123368.pdf>

- Serpa, R and Taylor, M (2012) **SFHA Briefing: Housing Benefit Spending – Busting the Myths**. Glasgow: SFHA.
<http://www.sfha.co.uk/sfha/publications/housing-benefit-spending-busting-the-myths>
- Scanlon, C Whitehead, C Williams, P and Gibb K (2013) **Building the Rented Sector in Scotland: Attracting new sources of funding**. Edinburgh: Homes for Scotland.
<http://www.lse.ac.uk/geographyAndEnvironment/research/london/pdf/RS-Report-v6.pdf>
- Strachan, V and Donohoe, T (2009) **Views and Experiences of Tenants in the Private Rented Sector in Scotland: Review of the Private Rented Sector, Volume 2**. Edinburgh: Scottish Government.
- Scanlon, C Whitehead, C Williams, P and Gibb K (2013) **Building the Rented Sector in Scotland: Attracting new sources of funding**. Edinburgh: Homes for Scotland.
<http://www.lse.ac.uk/geographyAndEnvironment/research/london/pdf/RS-Report-v6.pdf>

Annex One
Review Group on the Private Rented Sector Tenancy Regime

Chair, Douglas Robertson, University of Stirling

Association of Residential Letting Agents - *Ian Potter (Daryl Macintosh)*

Association of Local Authority Chief Housing Officers - *Jim Hayton (Liz Dickson)*

Chartered Institute of Housing - *Sue Shone (Nicola Clark)*

Citizens Advice Scotland – *Fraser Sutherland*

Confederation of Scottish Local Authorities - *Silke Isbrand*

Council of Mortgage Lenders - *Kennedy Foster*

Edinburgh Private Tenants Group - *Liz Eley (Jon Black)*

Hillhead Community Council - *Jean Charlsey*

Homeless Action Scotland - *Robert Aldridge*

Royal Incorporation of Chartered Surveyors - *Johnathan Gordon*

Scottish Association of Landlords - *John Blackwood*

Scottish Land and Estates - *Sarah-Jane Laing (Ailsa Anderson)*

Scottish Federation of Housing Associations - *Lorna Wilson (Alison McDermod)*

Scottish Property Federation - *David Sivewright*

Shelter Scotland - *Rosemary Brochie*

Sustainable Communities - *David Middleton*

T C Young Solicitors - *Andrew Cowan*

University of Glasgow - *Nigel Sprigings*

Names in brackets acted as substitutes at a single meeting.