

SCOTLAND, U.K.

Organisation: TPAS Scotland

Rapporteur: Lesley Baird, Chief Executive

E-mail: lesley.baird@tpasscotland.org.uk

www.tpasscotland.org.uk

Tenure structure, Housing Statistics for Scotland, 2015

Owner occupied housing: 58%

Social rental: 23%

Private rental: 15%

Others: 4%

Initial rent - free or regulated?

The vast majority of rents in the private rental sector are not regulated - only a small number of pre 1989 tenancies are subject to or can apply for a regulated so called 'fair rent'.

Can the tenant challenge the initial rent?

- tenants with 'short assured' tenancies can challenge the rent, with the Private Rented Housing Panel, where they suspect that their rent is higher than the market rent for similar properties in their locality. No time limits.

- 'assured' tenants cannot challenge the initial rent but can challenge when they have been notified of a rent increase.

How often can the landlord increase the rent?

- If the 'assured' tenancy is for a fixed period of time, such as 6 months or one year, the landlord cannot increase the rent until the fixed period ends unless the tenant agrees to the increase or the lease states that the rent will be increased.

The landlord can only increase the rent once in every 12 months - unless there are exceptional circumstances – using a legal form.

- Landlords of 'short assured' tenancies can increase the rent if they renew the tenancy agreement at the end of the fixed term of the let.

Motives for rent increases?

Landlords do not need to demonstrate a reason though they may seek to increase rent if improvements have been undertaken.

Challenge rent increases?

Tenants can challenge the increase by referring the rent to the Private Rented Housing Panel. The tenant of an 'assured' tenancy can challenge the rent when the landlord serves a notice to increase the rent.

A tenant of a 'short assured' tenancy can challenge at any time.

No costs are involved.

Duration of leases

1. 'Assured' leases can run on after the initial let period e.g. of a month - it continues on the same terms until brought to an end by serving appropriate notice and there is a specific reason for ending the tenancy.

For an 'assured' lease the landlord and tenant could agree the length of the lease period e.g. if lease on a weekly, fortnightly, monthly, three monthly etc., though this is unusual.

2. 'Short assured' tenancies, is a short version of 'assured' tenancies, which has to be for

minimum of 6 months and the landlord can bring it to an end at the end of the period by serving the appropriate notices - no reason is needed to end the tenancy.

Notice periods

- For a 'short assured' tenancy the period of notice is a minimum of 2 months
- For an 'assured' tenancy the length of notice depends on the length of the lease:
28 days if the tenancy agreement is up to 1 month,
31 days if the tenancy agreement is up to 3 months,
40 days if the tenancy agreement is for more than 4 months or more.

Security deposit

The deposit is 1 or maximum 2 months' rent.

Problems for tenant to have their deposit returned? Yes, problems do occur. There is now a tenancy deposit scheme and landlords now have a legal duty to pay the deposits into an approved tenancy deposit scheme. These are independent organisations that protect tenant deposits until they are due to be repaid.

Other information

It is important to note that the law relating to most tenancies in the private sector will undergo a complete change. It is likely to be implemented by the end of next year, in 2017.

This will affect the type of leases granted, the reasons for terminating the tenancy, the length of notice given and rent arrangements.