



Scotland's Tenants' Union

A New Deal for Social and Public Tenants

Living Rent policy note

While the Coronavirus pandemic placed considerable strains on Scotland's social and public tenants, in many ways it simply exacerbated existing problems. Whether it was tenants suffering months of lockdown in damp, cold, and poor-quality homes, having little say over rent rises and services, or facing a surge of evictions once protections were lifted, none of these problems felt new for many social and public tenants.

As we recover from the pandemic, the Scottish Government has an opportunity to truly address the fundamental, underlying problems that have made so many tenants' lives a misery - before, during and after the pandemic. Doing so is vital to our national recovery and to building a fairer future for Scotland's tenants.

This policy note from Living Rent, Scotland's tenants' union, is not an attempt to cover in detail everything that needs to change in Scotland's housing, but rather an overview of the priorities that this Parliament must bring to implementing a genuine new deal for social and public tenants, focussing on **regulating existing social landlords** in order to improve the **accountability, affordability** and **quality** of existing social and public housing.

Democracy

In the past, local authorities undertook the building of social and public housing. This ensured that public landlords were directly accountable to tenants, as elected council officials had oversight of the actions of local public housing. Over the past two decades, however, many local authorities in Scotland have divested themselves of their public housing stock, transferring it to Registered Social Landlords. The process initially guaranteed rent freezes, limited rent rises, and local democratic involvement in the decision-making and running of these new social landlords.

However, the democratic accountability of registered social landlords has waned through the years, with an increasing centralisation of local housing associations and little power for the few tenant oversight groups. Most social landlords only nominally consult tenants, often to rubber stamp an option already decided or without tenants being presented with alternative options to the rent increases. Such choices often pit, in a zero sum fashion, basic quality standards versus proposed rent increases.

Tenants should be at the heart of everything that registered social landlords do. To ensure this, the Scottish Government should make **rent consultations statutory**, and their results should be **binding** on registered social landlords.

Affordability

As social housing has seen the rise of large unaccountable and undemocratic landlords, these have increasingly imposed inflation-busting rent increases on households least able to afford it. According to the Scottish Housing Regulator, since 2014, social rents have, *on average*, increased by 2.7% a year representing a real term increase of 6.9%.¹ This is even more the case in specific regions of Scotland. Already in 2019, half of the tenants on a panel run by Social Housing Regulator indicated having experienced difficulties affording rent and 80% were concerned about their ability to pay in the future.²

This situation has only been exacerbated since the pandemic: many tenants have fallen into arrears and were threatened with eviction as many increasingly struggled to pay rent. With interest rates being historically low now for several years, social and public housing is becoming increasingly and prohibitively expensive and, in some areas, can be more expensive than mortgaged housing. The result of this is that it is precisely those people who cannot purchase a house who are being penalised and are suffering.

To address this, the Scottish Government needs to review **its definition of affordability** and create mechanisms for rents to be frozen or to go down in real terms in order to ensure that social and public housing is **genuinely affordable**.

Quality

Despite rising rents, many social and public tenants routinely suffer from water penetration, damp and condensation with associated mould growth. These problems are exacerbated by repairs services which are slow and ineffective, with issues going unrepaired and unresolved for months, sometimes years. In addition, many tenants also live in homes with poor energy performance, leaving too many in fuel poverty, having to choose between heating their home, paying their rent and paying for basic necessities.

Whilst the social and public housing sector does have a regulator in the form of the Scottish Housing Regulator, it has proven to be mostly toothless. What is needed is **firm regulation** which genuinely centres the interests of tenants as well as **legally enforceable housing standards** which are **monitored** and **for which there are penalties for non-compliance**.

There is a need for a **just transition** for our homes, which improves tenants' health, economic situation and well being. Scotland should bring in a bold plan of refurbishment to improve the energy efficiency of social and public housing, cut fuel bills and contribute to reducing Scotland's carbon

¹ See here: <https://www.gov.scot/publications/social-tenants-scotland-2017/pages/7/>

² See here: <https://www.insidehousing.co.uk/insight/insight/scotlands-covid-rent-dilemma-should-rents-be-frozen-or-raised-68506>

footprint. Doing so, the Scottish Government needs to ensure that social and public **tenants are not left to foot the bill** of improved energy performance.