

RESEARCH INTO THE PRIVATE RENTED SECTOR IN ARGYLL AND BUTE

1.0 SUMMARY

- 1.1 This report and the annexed briefing paper summarise the findings of a research study into the Private Rented Sector (PRS) in Argyll and Bute; and also sets this in the context of the Scottish Government's Strategy for the Private Rented Sector in Scotland.

2.0 RECOMMENDATIONS

- 2.1 To note the findings of the research study and the implications for the Argyll & Bute Local Housing Strategy.

3.0 DETAIL

- 3.1 The Private Rented Sector is currently a high priority on the housing policy agenda at both local and national levels. It has an increasingly important contribution to make in addressing local housing need and supporting economic growth. In May 2013, the Scottish Government published the national strategy "A Place to Stay, A Place to Call Home" which set out an overarching vision for a PRS which: ***"provides good quality homes and high management standards, inspires consumer confidence, and encourages growth through attracting increased investment"***.
- 3.2 The national strategy highlights the increasing importance of the sector in achieving and maintaining affordable, high quality housing in Scotland. To deliver this national strategy as well as the aims and objectives of the Argyll & Bute Local Housing Strategy, a number of key issues must be addressed:
- tackling the minority of landlords and tenants who act unlawfully or antisocially, and have a disproportionate impact on vulnerable communities and the reputation of the sector overall;
 - creating a regulatory framework that works for both tenants and landlords – one that is effective, proportionate and sets standards to ensure quality but is also affordable and does not constrain growth;
 - ensuring that the sector meets the growing demand for private rented housing from a range of different household types;

- encouraging tenants to think of themselves as consumers who can drive improvement within the sector; and supporting landlords to deliver improvements;
- taking account of the needs of vulnerable tenants, particularly in light of the UK Government Welfare Reforms;
- attracting more investment to increase the supply of private rented housing and to improve physical quality, against a backdrop of challenging economic times; and
- responding to the need for improved energy efficiency in PRS properties.

3.3 Research into the PRS in Argyll & Bute: Final Report

The PRS plays a key role in the Argyll & Bute local housing system, given the rural location and shortage of affordable housing, where many local residents have few options but to rely on private renting. It is essential therefore that the Council and its strategic partners have robust and credible evidence on the current operation and potential for growth in the sector to ensure that policy interventions can be programmed to enhance the PRS' contribution to meeting housing need at a local level.

3.4 To this end, in October 2012, Argyll & Bute Council commissioned Arneil Johnston to carry out an extensive and innovative study into the current and future role of the sector. The final report brings together the outcomes and findings from a range of research activities and extensive consultation with stakeholders across the sector. The study provides:

- A credible evidence base on the size, profile, quality, condition, management, affordability and turnover of the sector (based on both primary and secondary datasets);
- A detailed profile of private rented sector tenants and landlords within Argyll & Bute (based on the outcomes of an extensive primary research programme);
- An assessment of the demand for and affordability of private rented accommodation in the context of the intermediate housing sector; and
- A recommended programme of policy interventions for inclusion with the local housing strategy to improve the operation, management and growth of the sector (developed in consultation with local stakeholders).

4.0 CONCLUSION

4.1 The research study generated an extensive evidence base for Argyll and Bute as a whole and the data is also broken down by administrative area. The key results are summarised in the annex to this report.

4.2 Based on the study findings, four high level strategic aims have been developed for inclusion within the Local Housing Strategy. Under each aim, a range of action points have also been developed

to guide the allocation of resources, partnership activity and policy development via the LHS:-

AIM ONE: To improve the affordability of the private rented sector to local households
Explore the feasibility of delivering mid-market rent options with investors & developers
Target income maximisation and welfare rights services to private tenants
Ensure the PRS features in the fuel poverty strategy for Argyll & Bute
Promote budgeting and financial management advice to private tenants
Ensure the PRS features in the developing welfare reform strategy
AIM TWO: To improve tenancy management in the private rented sector
Target multi-disciplinary enforcement activity on disreputable landlords (i.e. housing, building control, environmental health and landlord registration)
Provide training and support to private landlords on tenancy management
Enhance partnerships between the Council, lettings agents and private landlords to identify and eradicate bad practice
Promote mediation service to landlords, tenants and owners
AIM THREE: To improve the condition of properties in the private rented sector
Improve the knowledge of landlords and tenants on the repairing standard
Develop owner associations & the use of property factors to encourage common repair
Support landlords to develop & budget for long term maintenance plans
More enforcement activity to target poor property condition
AIM FOUR: To improve the operation of the private rented sector
Promote new 'Renting Scotland' website and encourage use of best practice materials
Assist landlords to access tenancy sustainment services
Encourage landlords and tenants to negotiate longer term tenancies following an initial successful term
Work in partnership with private landlords to streamline the payment of LHA
Encourage consumers to make informed decisions on private renting through housing options advice
Promote the sharing of good practice through encouraging landlords to link into professional networks
Establish local private landlord forum to promote sharing of good practice
Review the private sector leasing scheme

5.0 IMPLICATIONS

- 5.1 Policy – Research findings will inform future updates of the Local Housing Strategy and housing policy at a local level.
- 5.2 Financial – Ultimately, there will be resource implications for the improvement and growth of the Private Rented Sector.
- 5.3 Legal - None
- 5.4 HR - None
- 5.5 Equalities - None
- 5.6 Risk - None
- 5.7 Customer Service - None

6.0 APPENDICES

- 6.1 Research into the PRS in Argyll & Bute: Briefing Paper

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