



SPICe Briefing Pàipear-ullachaidh SPICe

The Cost of Living (Tenant Protection) (Scotland) Act 2022 - rent increase cap and evictions pause

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This briefing explains the detail of the rent increase cap and evictions pause contained in the Cost of Living (Tenant Protection) (Scotland) Act 2022.This briefing updates the previous SPICe briefing SB 23-15 on the topic.

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Summary

The Cost of Living (Tenant Protection) (Scotland) Act 2002 ('the Act') introduced a rent increase cap in rented housing and a pause on some evictions. The measures were intended to protect tenants during the the cost of living crisis.

The Act initially applied to the end of March 2023 with the option to extend by six months on two further occasions.

Some changes have been made to the Act and some provisions were extended to 30 September 2023. The following describes the current position (which the **Scottish Government plans to extend again to 31 March 2024**):

- **in-tenancy rent increases are capped at 3%.** Private landlords need to give their tenants notice before they increase the rent. For a private residential tenancy, rents can only be increased once in every 12 months. The cap does not apply to new tenancies
- private landlords can also apply to Rent Service Scotland for a higher rent increase, of up to 6%, to help cover certain cost increases incurred in the preceding six months
- the rent cap for college and university halls of residence and **Purpose Built Student Accommodation** is suspended
- there is a **temporary pause of up to six months on the enforcement of some eviction orders** (some evictions can still go ahead)
- there are **increased damages for unlawful evictions** to a maximum of 36 months' worth of rent.

The Scottish Government has confirmed its intention to extend the above changes to the end of March 2024. Draft regulations, which will need to be approved by Parliament, have been laid to enact the extension. The main provisions in the Act will expire at the end of March 2024.

The Act originally included a rent cap for social rented tenancies. This provision has been expired following a voluntary agreement with social landlords. Social landlords have applied below inflation rent increases for 2023/24.

In addition to these legislative changes, the Scottish Government has also introduced other measures to support tenants, such as an increase in the Discretionary Housing Payment (DHP)budget.

In the longer term, the Scottish Government has also committed to introduce a housing bill as early as possible after the summer recess which will contain some form of longer-term rent control.

There was a mixed reaction to the proposals when they were initially introduced. Some organisations agreed that measures were needed to support tenants through the cost of living crisis. Although some organisations supported the general aims of the legislation, there was some concern about potential 'unintended consequences' such as more rent increases when the measures end. Some private landlords were concerned about the lack

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of consultation on the measures and the potentially negative impact on the supply of privately rented property.

Background

<u>On 6 September 2022, in its Programme for Government, the Scottish Government</u> <u>announced that emergency legislation would be introduced</u> to implement a rent freeze for tenants in private rented and social housing, and a moratorium on evictions. ¹

The announcement took place in the context of concerns about increasing private rent levels, particularly in some areas of the country, and the affordability of rents in both private and social rented housing. ^{2 3 4 5}

The announcement also took place in the context of the Scottish Government's plans to introduce a 'new deal for tenants' including some form of rent control following a commitment made in the <u>Scottish Government/Scottish Green Party shared policy</u> programme.⁶

Parliamentary consideration

The Cost of Living (Tenant Protection) Scotland Bill was introduced in the Parliament on Monday 3 October 2022. As this was an emergency bill, it followed a truncated parliamentary process with the Stage 1 debate taking place on Tuesday 4 October 2022, Stage 2 on Wednesday 5 October 2022 and the final Stage 3 debate on Thursday 6 October 2022.

As the Policy Memorandum to the Bill noted, the intended effect of the temporary measures is to:

"

- protect tenants by stabilising their housing costs;"
- where possible, reduce impacts on the health and wellbeing of tenants caused by being evicted and/or being made homeless by giving them more time to find alternative accommodation; and to"
- seek to avoid tenants being evicted from the rented sector by a landlord wanting to raise rents between tenancies, and reduce unlawful evictions, via a moratorium on evictions and by raising the level of damages that may be awarded."

Source: Scottish Government , 2022⁷

The Local Government, Housing and Planning Committee held an evidence session on the issues raised by the Bill on 4 October 2022.⁸

There was a mixed reaction to the proposals in the Bill.

Groups representing landlords including the Scottish Association of Landlords and the Scottish Property Federation were concerned about the lack of consultation on the measures and the potential impact they might have on the supply of privately rented property. ⁸

Other organisations such as Living Rent, Age Scotland and the STUC supported the broad aims of the Bill. ⁹ Although some organisations supported the general principles, there was

some concern about the potential for 'unintended consequences' such as the potential for rent increases when the measures end. 8

Groups representing social landlords, including Glasgow West of Scotland Forum ¹⁰ and the Scottish Federation of Housing Associations, were concerned at the potential impact of a rent freeze on their long term business plans, and their ability to invest to meet the Scottish Government's affordable housing supply targets and to decarbonise their existing housing stock. ⁸

The Act requires the Scottish Government to review and report on the whether there is a need for the measures. The first report ('the report') was published on 12 January 2023. ¹¹ On the same day, the Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights Patrick Harvie made a statement in the Parliament. ¹² He confirmed that the provisions in the legislation remain necessary and proportionate. The evidence in the report referred to the updated economic context such as projections for continued high levels of inflation, increased energy costs and falls in real disposable income.

The Minister confirmed that the social sector rent cap would be removed from the legislation following a voluntary approach agreed with social landlords on below inflation rent increases from April 2023.

<u>On 19 January 2023, the Scottish Government made a further announcement on its</u> approach to the continuation of the rest of the Act. ¹³ It confirmed, subject to parliamentary approval, it would increase the private rented sector rent cap to 3% and extend the pause on evictions. The rent cap for purpose-built accommodation would also be suspended.

The Local Government, Housing and Planning Committee took evidence on the regulations making the changes on 21 February and 28 February 2023.

On 1 June 2023, the Scottish Government announced its intention to extend the measures in the Act for a further six months to 31 March 2024.

Announcing the change, the Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights, Patrick Harvie MSP, stated:

" "As the cost of living crisis continues, these measures are giving important support to tenants, providing them with much-needed stability in their housing costs and additional eviction protections. "As the social housing sector have agreed their rents in consultation with their tenants, the focus of this temporary legislation is on providing private renters with similar protection. We know some landlords are impacted by rising costs too. The option of increasing rents by 6% in specified circumstances ensures landlords who may be impacted by the cost of living crisis can recover some increased costs associated with their let property. "The final date of 31 March 2024 would be as long as the rent cap and eviction protections could run if approved by Parliament. The necessity of these measures is being kept under review and we will continue to assess whether they remain justified, balanced and proportionate based on the financial pressures rented households and landlords are facing. "We are also looking at how to transition out of the emergency measures, and we continue to listen to and work hard with stakeholders to develop and deliver rental sector reform."

Source:Scottish Government, 2023¹⁴

Draft regulations, the Cost of Living (Tenant Protection) (Scotland) Act 2022 (Amendment

of Expiry Date) Regulations 2023, have been laid to give effect to the extension. The Scottish Government has also published a statement of reasons outlining its reasons for extending the Act. ¹⁵

The Parliament will need to approve these regulations before they take effect.

How the rent freeze works and who it applies to

The Act allows Scottish Ministers to set a cap on rent increases. This applies to within tenancy increases, it does not apply to rent increases made between tenancies.

The level of the cap can be varied at any time the Act's provisions are in force through secondary legislation.

The rent cap currently only applies to private rented housing. However, for completeness, the briefing also covers what has happened to the rent cap in social rented housing and student housing. The following sections provide more detail:

- Private rented housing
- Social rented housing
- Student housing

Private rented housing: rent cap

From 1 April 2023, the rent increase cap is set at 3%. This means from 1 April 2023 landlords can give their tenants notice of a rent increase up to 3%.

Landlords using a private residential tenancy must give their tenants at least 3 months' notice of any rent increase. Rents can only be increased once in every 12 month period.

Private landlords can also apply to Rent Service Scotland to increase their rents by a maximum of 6% to cover limited specified costs.

The rent cap applies to the following tenancies:

- private residential tenancies (governed by the Private Housing (Tenancies) (Scotland) Act 2016). Since 1 December 2017, most new tenancies will be private residential tenancies.
- assured and short assured tenancies, governed by the Housing (Scotland) Act 1988.

The rent cap does not apply to:

- statutory assured tenancies and contractual assured tenancies under the Housing (Scotland) Act 1988 - a statutory assured tenancy is a tenancy for which the contractual assured tenancy has ended because the landlord or tenant has issued a notice to quit, but the tenant continues to live in the house
- regulated tenancies under the Rent (Scotland) Act 1984 these tenancies already have protections in place. Rents can only increase once every three years.
- common law tenancies these include arrangements like agricultural tenancies and lodger agreements (where a tenant lives with a landlord in their home), with the

exception of student tenancy agreements.

Initially (from 6 September 2022 to 31 March 2023), the rent cap was set at 0% effectively freezing rents.

Regulations provided that on 1 April 2023 the rent cap rose 3%. This did not mean that rents can be increased by 3% straight away. Landlords must give their tenants the required notice which will depend on the tenancy agreement in place.

Landlords using a private residential tenancy must give their tenants at least 3 months' notice of any rent increase. Rents can only be increased once in every 12 month period.

Private landlords can also seek to increase their rents to cover certain costs.

The Act also allows landlords to apply to a Rent Officer (who work for Rent Service Scotland) to partially cover an increase of certain costs over the preceding six months. The relevant costs are:

- interest payable in respect of a mortgage or standard security relating to the let property
- a premium payable in respect of insurance (other than general building and contents insurance) relating to the let property and the offering of the property for let, for example, cover which provides for 'loss of rent' or unoccupied property cover ¹⁶
- service charges relating to the let property that are paid for by the landlord but the tenant is responsible for (wholly or partly) in accordance with the terms of the tenancy, for example, communal stair cleaning or grounds maintenance. ¹⁶

Landlords must give their tenants notice that they are applying for a rent increase. Details of the information the landlord needs to give to the tenant are contained in Scottish Government guidance. ¹⁶ A template letter for landlords to inform tenants of an application to a Rent Officer and a rent increase application form are available on the Scottish Government's website.

Landlords will need to provide evidence of the increase in the above costs. ¹⁶ The Rent Officer will check the evidence and may order that a landlord can increase the rent by the lower of:

- 50% of the increase in these prescribed costs in the preceding six months, or,
- 6% of the existing rent (prior to 1 April this limit was 3%)

The rent increase will not take effect until at least three months after the landlord applies to the Rent Officer. If the Rent Officer makes the order more than three months after the landlord applied then the new rent will apply on the next payment date that falls at least 14 days after the order is made. ¹⁶

If the tenant or landlord dispute the Rent Officer's decision, they can appeal to the First-tier Tribunal ('the Tribunal').

For private residential tenancies, an application to increase can only be made where there has been no rent increase in the previous 12 months, in line with the existing legislative

requirements.

Rent adjudication - private rented tenants

Prior to the emergency legislation, the private rented tenancy legislation provided routes for tenants to apply to Rent Service Scotland to seek adjudication on rent matters. The exact procedures depended on the type of tenancy in place.

The Act temporarily modifies these procedures. Where the rent cap is above 0%, a tenant who has received a rent increase notice from a landlord may refer the proposed rent increase to a Rent Officer for a decision on whether the proposed rent increase does or does not exceed the permitted rate of increase.

If the proposed rent would be an increase of more than the permitted rate, the Rent Officer will order that the rent may be increased by the permitted rate.

The landlord or the tenant can appeal against an order by the Rent Officer to the First-tier Tribunal within 14 days of the order being made.

Rent adjudication - Scottish Government powers to modify

The Act also allows the Scottish Ministers to make regulations to temporarily reform the rent adjudication process.¹ For example, normally tenants with a private residential tenancy can apply to a Rent Officer at Rent Service Scotland for a rent adjudication if they think the proposed rent increase is unreasonable. The Rent Officer will set the rent level based on a range of information about the property.

The aim of the measure is to mitigate any unintended consequences when the temporary measures end, such as a large number of landlords seeking to increase their rent at once. As the Policy Memorandum explains:

i Cost of Living (Tenant Protection)(Scotland) Act 2022, section 10

"51. The Scottish Government recognises that there may be some unintended consequences through the introduction of a rent cap. For example, given that emergency legislation is - by its nature - temporary, the termination of the rent cap may lead to a large number of landlords seeking to increase their rent all at once, and setting rent again by reference to the open market rent could result in significant and unmanageable rent increases for tenants. In these circumstances, the existing rent adjudication process would not provide a reasonable mechanism for determining a reasonable rent increase. 52. Therefore, to support transition from the emergency measures, the Bill contains a regulation making power to temporarily reform the rent adjudication process to support transition out of the emergency measures and mitigate any unintended consequences from the ending of the rent cap. This could include, for example, ensuring that Rent Service Scotland or First-tier Tribunal cannot determine a rent at a higher level than that requested by the landlord. The intention is therefore to allow for the power to expire later than other measures in the Bill reflecting the uncertainty around the length of time transitionary measures may be required. 53. The regulation-making power will be subject to the affirmative procedure ensuring that appropriate Parliamentary scrutiny is given to the necessity for any temporary changes proposed and will also be subject to consultation persons representing landlords and tenants."

Source: Scottish Government , 20227

Social rented housing: the rent cap has been removed

The rent cap does not apply to social rented homes. Social landlords have implemented below inflation rent increases for 2023/24.

Social landlords set their own rents. Any rent increase is applied from the start of each financial year in April, so the rent freeze as it initially applied did not affect social housing tenancies.

During the parliamentary scrutiny of the legislation, social landlord representative groups voiced their concerns about any extension of the rent freeze measures beyond April 2023.

⁸ A key argument was that this would impact on their long-term business plans and their ability to invest in building new social homes and to invest in their existing stock.

To inform decisions about the future of the measures, the Scottish Government set up an official-led short life 'Task and Finish Group' to consider the best approach to take from 1 April 2023.

<u>On 20 December 2022, the Scottish Government announced that there would be no rent</u> <u>cap for social landlords from April 2023.</u> Instead, the government had reached a voluntary arrangement with social landlords on below-inflation rent increases for 2023/24. ¹⁷

COSLA and the Scottish Federation of Housing Associations (SFHA) published statements setting out their members' intentions for rent in 2023/24. <u>COSLA has</u> committed to keeping council rent increases to an average of no more than £5 a week. ¹⁸ Members of SFHA and Glasgow West of Scotland Forum of Housing Associations have

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reported planned increases averaging 6.1%. SFHA has published a statement of intent, agreed between housing associations and the Scottish Government, setting out the principles and actions for the rent setting period 2023/24.

The Scottish Housing Regulator has confirmed that the average increase in weekly rent for 2023/24 is 5.07%. Some social landlords may increase their rent above or below this average. Increases ranged from 0% to 8%. ¹⁹

Each social landlord sets their own rent following consultations with their tenants that legislation requires them to have. Social landlords must also give at least four weeks' notice of any rent increase.ⁱⁱ

<u>The Cost of Living (Tenant Protection) (Scotland) Act 2022 (Early Expiry and Suspension</u> <u>of Provisions) Regulations 2023</u> removed social housing tenancies from the rent cap from 26 February 2023 allowing social landlord to give their tenants notice of any rent increase.

Student housing: the rent cap is suspended from 30 March 2023

Students living in university and college halls of residence and in Purpose Built Student Accommodation (PBSA) were initially covered by the rent cap when the Act first applied.

Most student accommodation providers set rents at the start of the academic year and rents are not normally increased during the academic year. As the rent cap only applies to existing tenancies, it will not apply to new tenancies at the start of the academic term in autumn.

Given this, the Scottish Government states that the rent cap is effectively not impacting on student housing and "as such, the necessity and proportionality of the measures has been reconsidered in light of this emerging stakeholder feedback and evidence". ²⁰

The Cost of Living (Tenant Protection) (Scotland) Act 2022 (Early Expiry and Suspension of Provisions) Regulations 2023 suspends the rent cap for student housing from 30 March 2023.

A suspension of a provision in the Act means there is the potential for it be revived in the future if there is evidence that it would be proportionate and necessary.

Evictions pause: overview

The Act prevents some eviction orders granted by the court/Tribunal from being enforced for up to six months.

Before explaining the detail of the evictions pause this section provides a general overview of the eviction process.

To end a tenancy, landlords need to follow specific procedures including giving their tenant the correct notice period. The specific procedures will depend on the tenancy agreement in place and what the relevant legislation says about how those agreements should be ended.

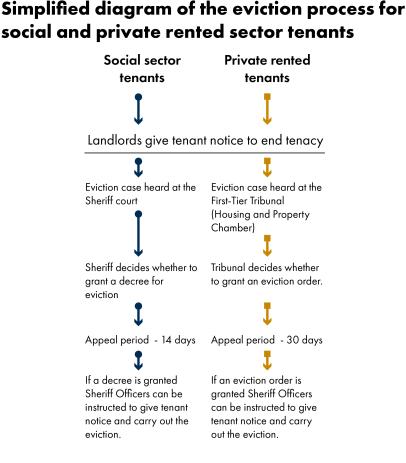
Table 1 provides an overview of the main tenancy arrangements the evictions pause applies to. <u>Shelter Scotland has a useful tenancy</u> checker tool for anyone who is unsure which tenancy they have.

Table 1: Main tenancy agreements in Scotland

| | Tenancy agreement | Governing legislation | |
|------------------------------|---|---|--|
| Social housing | Scottish Secure Tenancy (SST). Less commonly, tenants will have a Short SST. | Housing (Scotland) Act 2001 | |
| Private rented housing | Private Residential Tenancy (PRT). Since 1 December 2017, most new tenancies will be a PRT. | Private Housing (Tenancies) (Scotland) Act 2016 | |
| | Short assured tenancy. These were the most common tenancies prior to 1 December 2017. Less commonly, the assured tenancy. | Housing (Scotland) Act 1988 | |
| | Protected tenancy. | Rent (Scotland) Act 1884 | |

Social housing landlords need to get approval from the sheriff courts to evict a tenant. In private rented cases, if a tenant does not leave at the end of the notice period, the landlord would need to get an eviction order from the First-tier Tribunal (Housing and Property Chamber) ('the Tribunal') (see Figure 1 below). The relevant sheriff court or the Tribunal will consider the circumstances of the case and decide whether it is reasonable to issue an eviction order.

Figure 1: Simplified diagram of the eviction process



Source: SPICe

The Act only prevents the last last point in the above process, i.e. Sheriff Officers enforcing eviction orders, in some cases.

The Act does not affect the other parts of the eviction process. Consequently:

- landlords can still take the initial steps to end the tenancy by giving their tenants notice
- · landlords can still apply to the court/Tribunal for an eviction order
- the courts/Tribunal can still decide on eviction cases and grant an eviction order.

If a landlord tries to end a tenancy without following the correct procedures or has harassed the tenant into leaving their home early, this may be an unlawful eviction which is a criminal offence.

Evictions pause: further detail

Whether an eviction order can be enforced or not depends on:

- 1. the reason ('the ground') that the eviction order is being sought. As explained below, eviction orders granted on certain grounds can still be enforced; and
- 2. where one of these grounds does not apply, the date the court/Tribunal accepted an

application for an eviction order

The following eviction orders can still be enforced irrespective of when an application for an eviction order is made:

- eviction orders granted at any time on the existing eviction grounds thatⁱⁱⁱ:
 - the tenant has engaged in relevant antisocial behaviour or criminal activity
 - the tenant has abandoned the property
 - a lender intends to sell the property (private rented tenancies only)
 - the tenant is no longer an employee of the landlord
 - the landlord needs to demolish or renovate the home (social sector tenancies only)
- eviction orders granted on the new/amended eviction grounds that the landlord intends to sell or live in the property to alleviate financial hardship, and substantial rent arrears (see below for further details).

In effect, this means that the evictions pause does not apply to evictions on the above grounds.

Where the above grounds do not apply, the following eviction orders cannot be enforced for six months starting from the date the order was granted (or earlier if the legislation ends):

- eviction orders granted in cases that were accepted by the court/Tribunal on or after 28 October 2022
- eviction orders granted where the court/Tribunal accepted an application for eviction before 28 October 2022, an eviction notice had to be given to the tenant before doing so and the notice was given on or after 6 September 2022.

Where the above grounds do not apply, the following eviction orders can still, however, be enforced:

- eviction orders granted where the landlord had an eviction application accepted by the court/Tribunal before 6 September 2022
- eviction orders granted before 28 October 2022 and the landlord served the notice to their tenant before 6 September 2022
- eviction orders granted when the landlord had served notice to the tenant before 6 September 2022, and applied to the Tribunal before 28 October 2022.

The evictions pause also applies to student accommodation. However, in contrast to other tenancies the only ground which acts as an exception is where the student has engaged in relevant criminal or antisocial behaviour. ^{iv}

iii Note that this is a summary - Schedule 2 provides the specific legislative references for each of the relevant eviction ground from the relevant tenancy legislation

iv See Schedule 2 para and 3 for definitions of criminal and antisocial behaviour for student tenancy eviction grounds.

This mygov.scot webpage has information on the evictions pause: https://www.mygov.scot/ eviction-pause-landlords

This mygov.scot webage has information for landlords on the notice to leave that they need to give their tenant at the start of the eviction process (for a private residential tenancy): <u>https://www.mygov.scot/tell-your-tenant-they-need-to-leave</u>

New and amended eviction grounds

There are also new and amended grounds for eviction that landlords can use. If the court/ Tribunal grants an eviction order on these grounds then the order can be enforced by Sheriff Officers.

 Table 2: New and amended temporary eviction grounds

| New eviction ground | Tenancies the new eviction ground applies to | |
|---|---|---|
| Landlord needs to sell the property due to financial hardship | Private residential tenancy | Landlords will need to provide the Tribunal with evidence that they intend to sell the property due to the financial hardship, for example, a letter from an approved money adviser or independent financial adviser. |
| | | Further information on the type of evidence that could be provided is on the mygov.scot website |
| Landlord needs to live in the property due to financial hardship | Private rented tenancies- | Again landlords will need to provide the Tribunal with relevant evidence. Further information on the type of evidence that could be provided is on the |
| | Private residential tenancy | mygov.scot website |
| | | For assured and short assured tenancies, the Act provides for a minimum two month notice period if this ground is being used. |
| | Assured and short assured tenancy | |
| | Protected tenancy | |
| The tenant has substantial rent | Private rented tenancies - | For private rented tenancies. substantial rent arrears is equivalent to six months' rent when the notice is served. |
| arrears | Private residential | For social rented tenancies, substantial rent arrears is £2,250 or above. |
| | tenancy | For assured and short assured tenancies, the Act provides for a minimum two month notice period if this ground is being used. |
| | Assured and short assured tenancy | |
| | Protected tenancy | |
| | Social rented tenancies - Scottish secure tenancies | |

Private residential tenancy: wrongful termination

It is worth noting that existing legislation allows tenants with a private residential tenancy to apply to the Tribunal for a 'wrongful termination order' if they think that the tenant or Tribunal was misled by the landlord into ending the tenancy.^v

As an example, this could covers situations such as a landlord telling the tenant they wanted to sell the property but the landlord made no effort to sell the property and relet it shortly after the tenant had moved out.

If the Tribunal issues a wrongful termination order, it can order the landlord to pay the tenant compensation of up to six month's rent.

Further detail is available on Shelter Scotland webpages.

v Private Housing (Tenancies)(Scotland) Act 2016, section 57 and 58

Unlawful evictions

An unlawful eviction is when a landlord does not follow the correct procedures to evict a tenant. Unlawful eviction is a criminal offence and can give rise to a claim for damages.^{vi}

Shelter Scotland has useful information on its website for anyone concerned about an unlawful eviction.

Residential occupiers, including people that don't have a formal tenancy agreement, also have the right to claim damages for unlawful eviction.^{vii}

The Act changes the way that damages are calculated for for unlawful eviction. As the Policy Memorandum states:

"This will make it easier and more meaningful for tenants to challenge an unlawful eviction and receive appropriate damages where an unlawful eviction is found to have occurred. This will also make it more difficult, more expensive and higher risk for a landlord to pursue an unlawful eviction rather than going through the lawful routes, therefore further dis-incentivising this behaviour."

Scottish Government , 20227

The Act amends the Housing (Scotland) Act 1988 to:

- replace the basis for the assessment of damages for unlawful eviction with a calculation based on a multiplication of the monthly rent
- set the minimum and maximum level of damages that the Tribunal and court can award at three times and 36 times the monthly rent respectively
- enable the Tribunal and Sheriff Court to set damages at a level lower than the minimum threshold where the circumstances of the case merit a lower award
- place an additional requirement on the Tribunal to inform: i) the relevant local authority and police where a private landlord has been found to have unlawfully evicted a tenant; and ii) the Scottish Housing Regulator, where a social landlord is found to have unlawfully evicted a tenant.

vi Rent (Scotland) Act 1984, section 22 vii Housing (Scotland) 1988, section 36

What happens after the end of March 2024?

The Scottish Government plans to extend the rent cap, evictions pause and increased damages for unlawful evictions until the end of March 2024.

The private sector rent cap, evictions pause and damages for unlawful eviction measures described in this briefing apply to the end of September 2023.

After that date, the Act can be extended again (with parliamentary approval) for a further six months.

The Scottish Government has confirmed its intention to extend the above changes to the end of March 2024. Draft regulations, which will need to be approved by parliament, have been laid to enact the extension.

If approved, this would mean the rent cap, evictions pause and damages for evictions pause will continue to 31 March 2024. These provisions will then expire (and if the provisions are deemed to be no longer necessary before the end of March 2024 they can be suspended or expired early).

The Scottish Government has also confirmed that a housing bill, which will include some form of longer-term rent control measures would be introduced in Parliament as soon as possible after the summer 2023 recess.

As a way of transitioning out of the rent cap and bridging any gap between the end of the emergency legislation and the longer term rent control measures, the Scottish Government has indicated that it will use the powers in the Act to amend the rent adjudication system described earlier in the briefing. As the Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights, Patrick Harvie MSP, stated in evidence to the Local Government, Housing and Planning Committee in February 2023:

"The principal bridging mechanism between the emergency legislation and our longer-term work is the power to alter the system of rent adjudication. If we were to move directly from the emergency measures by switching them off entirely at some point in the future and go back to open market comparisons for rent adjudication, there would be severe and unintended consequences. Therefore, in due course, we will announce proposals on how we intend to use those powers in the act"

Source: Scottish Parliament, Local Government, Housing and Planning Committee, Official Report 28 February 2023, 2023²¹

The rent adjudication powers in the Act can be extended, by regulations, up to the end of March 2025.

The Scottish Government has not yet indicated in detail how these rent adjudication powers may be used. Any use of this power would be subject to Scottish Government engagement with stakeholders and parliamentary approval.

Support for tenants and landlords

In addition to the emergency legislation, during the Programme for Government, the Scottish Government also announced further support for tenants including:

- an initial <u>£5m increase in the Discretionary Housing Payment budget</u>. ²² These payments, administered by councils, can help those eligible for housing benefit or Universal Credit with their rent payments
- flexibility to use Discretionary Housing Payments for help with energy costs as well as rent payments
- <u>extended eligibility criteria for the Tenant Grant Fund</u> so that it can help those struggling to pay rent as a result of wider cost of living increases
- a tenants' rights information campaign.

The Scottish Government has <u>launched a cost of living website</u> to help those struggling with the cost of living crisis.

The website includes information on help available for households to meet rising energy, housing and other costs. It also provides details on accessing Scottish and UK social security payments, including online benefit calculators, as well as wider health and well-being information.

Any constituents concerned about their situation could be advised to seek advice from a specialist advice provider such as Shelter Scotland or Citizens Advice Scotland or to seek legal advice from a solicitor.

The Renter's Rights website also contains a range of relevant information including information about the emergency legislation.

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