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What do lower income tenants in Scotland's private rented sector want to see from a new Rented Sector?

Summary report

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Executive Summary

The private rented sector (PRS) is now home to one-in-seven Scottish households. The sector has grown significantly over the last twenty years and now houses a diverse population, including families with children, low-income and other vulnerable groups, many of whom face difficulties in accessing other tenures. The Scottish Government is committed to significant further reform of the private rented sector, informed by tenants, as part of their ambition to deliver the Right to Adequate Housing for all and the Housing to 2040 vision. Earlier in 2022, the Scottish Government launched A New Deal for Tenants – Draft Strategy Consultation Paper seeking to boost the availability, quality, standards, affordability, and security for all renters. The Joseph Rowntree Foundation (JRF) in partnership with the Scottish Government commissioned this research to better understand the experiences of private renters and their priorities for change, particularly those on lower incomes, to help inform the development of the strategy and future reform.

The research

This research involved a mixed methods approach to understand the challenges faced by low-income renters in Scotland their priorities for change. For the purposes of this study, we defined low-income as total household income below £24,999. The study involved: a rapid evidence review of previous research into the experience of low-income renters (106 research sources), qualitative research with low-income renters (two focus groups (N=7) and 37 remote interviews with renters), a quantitative element with a bespoke survey of private renters in Scotland (n=1,012 and included all income groups), and finally, an innovative participatory co-production element, where we brought together low-income renters (N=32) along with stakeholders and policymakers to discuss challenges and co-produce recommendations for change.

Experiences of renters in Scotland

The findings from this study show a nuanced picture of the experiences of private renters in Scotland. While there were many renters who do have a positive experience, there are those renters who do not. The findings of this study demonstrate the challenges and difficulties faced by different groups, especially lower-income renters.

Choice and flexibility in the PRS

- Many private renters told us they rented not through choice, but because it was their only option.
 - 44% of tenants in our survey reported they were renting privately because it was their only option – rising to 54% of those on lower incomes.
- For many, homeownership remains unaffordable, with social housing also described as difficult to access.
 - 56% of renters wanted to own their own home, within ten years – of those, only just over half (54%) thought they would achieve their goal
- By contrast the PRS was perceived as offering more choice and flexibility than other tenures, especially in terms of location. It also allowed tenants to move quickly if they needed too.

Accessing accommodation, housing exclusion and evictions

- Some renters reported difficulties in accessing accommodation. A key driver was affordability

and competition for properties, but pre-tenancy checks also created barriers, especially for those on lower incomes and in receipt of social security benefits. Similar issues arose around requirements for sizeable deposits and rent upfront. Overall, these pressures forced renters to make difficult trade-offs, often compromising on the location, size, and quality of the property.

- Respondents to the survey reported having difficulty in finding an affordable property (30%), finding a property of a suitable size and quality (25%), and finding a landlord/letting agent that would allow pets (19%).
- Just under one-in-ten renters (8%) reported having been given notice to leave a property within the last three years – with nearly half (48%) reporting it was because the landlord wanted to sell.

Disputes with landlords

- Nearly four-in-ten renters surveyed had experienced some form of dispute with their landlord or letting agent (36%):
- A quarter of renters reported that landlords had not made necessary repairs (25%) and 13% had experienced properties in poor condition.
- A higher proportion of female renters (41%) had experienced an issue with their landlord or letting agent than male renters (32%)
- When asked how they responded to dispute, one of the most common responses was that the renter did not raise the issue(s) in fear of what the landlord or letting agent may do or say in response (28%).
- Just over a fifth of renters (22%) reported moving to a new property as a result of the dispute, with just over a fifth of renters (22%) reported that the issue had not been resolved.

Affordability and financial distress

- Many of our participants spent significant proportions of their income on rent and reported it as something they worried about.
- 30% of renters found it difficult to pay their rent.
- Only 3% reported being in rent arrears, but 9% were behind on credit card payments and 7% were behind on energy bills
- Some described feeling trapped in the sector unable to move on, whilst those on low and precarious incomes were forced to cut back on other areas of spending and struggled to manage on a limited budget.
- A quarter of renters surveyed (25%) regularly cut spending on other essentials in order to pay their rent – but this rose to 31% of those on lower incomes and 34% of those claiming Universal Credit or Housing Benefit to help with their rent
- A third of renters were worried about being able to afford their rent – rising to 44% of those on low incomes
- Over half of low-income renters (55%) were worried about being able to afford other essentials in the future – rising to 62% of those who received support through Universal Credit/Housing Benefit
- You are more likely to worry and/or have to cut back on essential spending if you're a woman, disabled or have children.

Property conditions and repairs

- Many renters expressed frustration with the speed and quality of landlord repairs, as well as the wider reluctance of their landlord to invest in and/or modernise the property.
- Many low-income renters found it difficult to keep their property warm and reported higher incidences of mould and damp. Yet tenants could be reluctant to raise repairing issues with their landlord and sometimes ended up fixing things themselves.
- Over a quarter of renters (26%) surveyed reported a significant damp, mould, or condensation issue with their property
- Just under half of renters surveyed (44%) reported that they had problems with keeping the property warm in winter.

Making the property home

- Renters reported frustration at being unable to fully personalise their property. For tenants with disabilities this could also make it less accessible.
- Intrusive inspections and worries about how long they could remain in the property, which was in part also driven by affordability concerns, further undermined renters' sense of home.

Housing and health

- Over a quarter of renters surveyed (27%) reported that their current housing situation leaves them feeling stressed and anxious
- Over one-in-ten renters (14%) reported that their current housing situation negatively affects their physical health
- Nearly a third of renters surveyed (32%) reported that their current housing situation makes them feel like they do not have control over their life
- Nearly one in four renters surveyed (23%) reported that their current housing situation negatively affects their mental health

Awareness of rights

- Awareness of the new rights afforded by the private residential tenancy (PRS) was low.
- Whilst there was some awareness of independent sources of support available, some renters still described feeling intimidated and overwhelmed at the prospect of taking further action.
- There remains a need for ongoing housing education to raise awareness and to give tenants confidence to exercise their rights if and when a problem should occur.

Priorities for change

Drawing upon the insights from the research project, through the participative co-production element we worked with low-income private renters (N=32) to co-design recommendations for change in the Scottish private rental sector. These are summarised below:

Affordability

1. **Rent controls.** No formal proposal for a system of rent controls were developed as part of this project, however, three key areas were identified:
 - a. Renters wanted more security and certainty during the tenancy regarding the rent and its affordability.
 - b. Renters wanted to see greater fairness in rent increases, and renters wanted more transparency and fairness in the rent setting process.
 - c. Renters wanted a fairer system where rents were more affordable, but landlords were able to make a respectable profit from their business, with some form of checks and balances on excessive profiteering.
2. **Fairness in rent increases.** The Scottish Government to introduce new guidance as what constitutes “fairness” in rent increases as part of the existing protections of the PRT (i.e., the ability to refer rent increases to Rent Service Scotland). Any increases in rent would need to be justified by evidence of increased costs or significant improvements to the property.
3. **Improvements to housing benefit rates.** The UK Government should re-set Local Housing Allowance to cover average rents.

Property conditions and repairs

4. **Energy Efficiency improvements.** The Scottish Government should set out plans to scale up the incentives for landlords to invest in improving the energy efficiency of their properties and help bring down the running costs for renters.
5. **Repair severity ratings.** Introduction of new minimum standards for landlords to resolve repairs and maintenance issues. This includes maximum response times for urgent (48hrs), major (within 5 working days), and minor (within 14 working days) and the introduction of effective enforcement (including compensation for renters for a lack of service).
6. **Development of a standardised property and inventory condition report.** To develop a standardised property and inventory report for the private rented sector. This would be required to put the property on the market and provided to renters before signing the tenancy agreement. The report would include information on the property condition, heating system, EPC, safety checks, and inventory.

Landlord and letting agent professionalism

7. **Expansion of registration and development of a kitemark system.** The Scottish Government to expand the current national registration scheme to include both registration of properties and licensing. Landlords would need to undertake training and pass an assessment to get a licence to rent out the property. The Government would introduce a kitemark system (of Bronze, Silver, and Gold) that identify the quality and professionalism of the landlord.
8. **Formal limits on inspections.** The Scottish Government would introduce formal limits on routine inspections. For the first year of a tenancy these will be limited to a maximum of quarterly visits. After the first year, routine inspections would be limited to a maximum of once every six months.
9. **Third-party redress and dispute resolution services.** The Scottish Government would introduce a comprehensive third-party redress and dispute resolution service to help renters and landlords work towards a resolution of issues when the relationship breaks down.

Improving access to the Private Rented Sector

10. The Scottish Government to take action to **address affordability of deposits** to improve renters' ability to access rented properties. Three recommendations include:
 - a. The Scottish Government, working with existing schemes and partners, to design and introduce a new comprehensive deposit bridging scheme, enabling tenants to bridge existing deposits to new properties (with arrangements for a top-up, if necessary), without having to wait for the return of their existing deposit.
 - b. The Scottish Government would introduce new standards, where landlords and letting agents would need to inform the renter at the start of the tenancy the costs for repairs and damages. Certain repairs and damages would be capped at fair levels. The Government would also introduce a wear and tear standard, that provides clarity on what constitutes fair wear and tear.
 - c. The Scottish Government, working with existing schemes, partners, and broader organisations, to design and implement a new renters' insurance product that would be developed as an alternative to, but not replacement, of deposits. Renters would get contents insurance and damage insurance and would get a no-claims bonus that would mean cheaper prices in the future.

Tenant rights and information

11. **The right to a home.** The Scottish Government to create the 'Right to a Home', by legislating not only for minimum property standards, but for renters to have the right to have a pet and decorate their home from day one of a tenancy, subject to obligations to return the property to a 'rentable' standard (new guidance as to what constitutes a 'rentable condition' and wear and tear standards to be introduced). Furthermore, to provide greater security to renters, landlords would need to provide advance notice of material information of plans for the property over the medium term, including plans for sale or renovation.
12. **Property improvements made by the tenant.** The Scottish Government should develop a system to enable renters to have the right to make improvements to their home after six months if they obtain written permission from the landlord in advance. This would involve a system of the landlord providing compensation to the renter and preventions on rent increases following the improvements for a period of two years.
13. **Improve existing documents and create shorter information packs for renters.** The Scottish Government to improve the existing required documents provided to renters and to introduce a supplementary shorter information pack that is in plain language and engagingly designed.
14. **Development of a dedicated webspace for Scottish Renting.** Alongside the new information pack, the Scottish Government should introduce a website, and possibly an app, for renters, landlords and letting agents to provide easy to digest information on renting. This would provide all the information needed by a renter on their rights and if they were experiencing a problem. As part of this the Government would introduce distinctive branding for 'Scottish Renting'.

Principles underpinning reform

15. **Consider the cost of reforms to renters.** Renters are concerned about the already expensive housing costs to live in the private rented sector and were apprehensive about any potential impact of regulation on costs and availability. The Scottish Government should assess all future PRS reform, in the 'round' through the lens of its impact on low-income renters, and those in more vulnerable circumstances and take steps to protect them from any adverse consequences.
16. **Consider how rights are designed, implemented, and enforced.** Housing is a fundamental need; secure shelter is vital to our survival and a home is necessary to flourish in society. Currently renters need to enforce their rights by making a complaint, however renters feared that retaliatory action could occur. The Scottish Government need to consider how renters are empowered to challenge poor practice and

bring about change so that the regulation of landlords and agents is related to quality assurance rather than quality control to ensure the regulations put the burden onto landlords demonstrating compliance.

- 17. Knowledge of rights, level playing field and legislation to move all renters onto Private Residential Tenancy (PRT) system.** Through this research, we found in general there was a lack of knowledge and understanding regarding tenants' rights across the renters we talked to. The Scottish Government should legislate to bring all private tenants onto the new PRT by the end of this Parliamentary term, to ensure all renters and landlords can benefit from a single, simplified system of rights and responsibilities.
- 18. Consider joined-up approach to policymaking.** Throughout the workshops and through our analysis, it has become more apparent to us that a joined-up approach to several of the proposals would likely have more beneficial outcomes than recommendations undertaken individually.
- 19. Improving housing affordability.** A key challenge for renters is housing affordability, including the cost of rent, the cost of utility bills, and the inability to save for a deposit. The Scottish Government need to take action to improve the access of affordable housing across all tenures, enabling renters to not have to choose between cutting down on essentials and their rent and to support those that wish to achieve their ambitions of homeownership.
- 20. Ensure participation from renters throughout the process.** Renters are experts by experience and their participation is key to the effective design of further reform. This will need to be adequately resourced and renters supported, through a programme of capacity building and development support, to be meaningful and equal partners.

Conclusions and what next?

This research examined what tenants living in the private rented sector in Scotland told us about their priorities for further tenancy reform. Drawing together insights from a literature review, new survey evidence, analysis, and qualitative research with renters, we worked with current private renters to co-design recommendations for the Scottish Government to consider as part of planned reforms under the draft Rented Sector Strategy proposals. Alongside, we propose a series of principles that must underpin the next stage of policy design to ensure effective reform of the sector.

In summary, renters' priorities for the future are as follows:

- For the Scottish Government to take action to improve affordability and fairness in the private rented sector
- An improvement in property conditions, responsiveness to repairs, and greater professionalism and accountability of housing providers
- Improved access to low-cost, high-quality homes across all tenures
- Improved and more accessible sources of information, so all those in the private rented sector can better understand their rights and responsibilities

As the Scottish Government continue with the policy design and implementation process, renters need to be meaningfully involved throughout. Renters are experts by experience and their participation is key to the effective reform of the private rented sector.

Introduction

The private rented sector (PRS) is now home to one in seven Scottish households. The sector has grown significantly over the last 15 years and now houses a diverse population, including families with children, low-income and other vulnerable groups, many of whom face difficulties in accessing other tenures (Cole et al., 2016; McKee et al., 2020; Soaita et al., 2020). Previous research underscores a range of challenges facing low-income private renters including: unaffordable rents, insecurity and precarity, and accommodation in disrepair (McKee et al., 2020; Moore & Dunning, 2017). Research draws attention to the intersections between housing, labour markets and the welfare state, with those experiencing precarious housing often also grappling with low-paid and insecure work (Hoolachan et al., 2017). Such households have also been amongst those hardest hit by successive waves of welfare reform, including the rollout of Universal Credit (O’Leary & Simcock, 2022).

Across the UK, there has been legislative and regulatory reform to change the experience of private renting (Marsh & Gibb, 2019). In Scotland, significant reforms have included the Private Housing (Tenancies) (Scotland) Act 2016, which introduced a range of changes including the new Private Residential Tenancy, Rent Pressure Zones, and changes to security of tenure. The Scottish Government has committed to publishing a new Rented Sector Strategy, that is informed by renters, and which will then inform a forthcoming Housing Bill. The Joseph Rowntree Foundation in partnership with the Scottish Government have commissioned us to undertake a research project to explore what people living on a low income want to see from further reform to the private rented sector in Scotland.

Our research project had four key aims:

- To identify the challenges faced by low-income renters in Scotland and the areas for change,
- To explore the challenges and experiences faced by different equalities groups and their priorities for change,
- To build the knowledge, capacity, and confidence of renters to enable them to represent themselves to policymakers in the co-production element of the research, and,
- To bring renters and policymakers together to co-produce policy recommendations to address the challenges and areas for change identified.

The purpose of this report is to provide a synthesis and summary of the findings and co-developed recommendations for change from this research project.

Methodology

The study used a mixed methods approach over two phases. The main purpose of the first phase was to develop an initial understanding of the key challenges faced by private renters. The purpose of the second phase was to undertake a deeper dive into the key challenges, including for different groups including low-income renters, and the co-production of workable recommendations for positive change in Scotland. For the purposes of this research project and for ease of measurement across the different data-collection approaches, we utilise the definition of low-income as total household income below £24,999. The main elements of the project involved:

- An evidence review of the existing literature on the experiences of low-income renters. This review involved building and expanding on the CaCHE evidence review ‘Private renters’ housing experiences in lightly regulated markets’ (Soaita et al., 2020) and other recent reviews. The review then involved a new systematic review of literature since 2020. This process involved a review of 106 articles and reports. Overall, around 2,060 low-income private renters expressed their voice, either in formal or informal approaches through the studies reviewed.
- A qualitative element involving focus groups and semi-structured interviews with low-income renters and stakeholders. Two online focus groups (n=7) and 37 remote semi-structured interviews were conducted with low-income renters between October 2021 and April 2022. One focus group (n=8) and one remote semi-structured interview with stakeholder organisations were conducted during November 2021. Recruitment

occurred through two phases. In phase one, during October and November 2021, nine low-income renters were sampled through social media and existing contacts with gatekeeper organisations. In phase two, during January and April 2022, 35 low-income renters were sampled through a specialised recruitment agency against a defined criteria (i.e., being a private renter in Scotland, with total household income of below £25,000 per year).

- A bespoke survey was conducted to develop a broader understanding of the experiences of renters across Scotland and their priorities for change. A survey was designed by the project team, with input from the funders, stakeholders, and YouGov. YouGov undertook the fieldwork for the survey between 15th and 28th November 2021. The survey was carried out online and the total sample size was 1012 adults. The survey findings were analysed by the project team. In regard to the sample characteristics, 35% of the renters had lived in their current property for over five years, while one-in-five had lived in their property for less than a year. Just under half of renters surveyed (46%) were in a low-income household, and six-in-ten renters (60%) were in some form of employment. It is important to note the timeframe of the survey given the context of the current cost-of-living crisis, with data-collection being undertaken in November 2021.
- An innovative participatory co-production element that brought together renters, stakeholders, and policymakers to discuss the challenges identified and to co-produce solutions for change.
 - This element involved virtual workshops and entailed a parallel series of three workshop phases, supplemented with online input into continuing collaborative development of policy proposals. For each series of workshops, we ran five cohorts, equating to a total of 15 workshops.
 - Renters for this element of the project were sampled from the second phase of the qualitative research, with sampling managed by the specialised recruitment agency. Across all three phases, a total of 32 individual low-income private renters participated in at least one of the workshops. 20 of these renters were involved in the qualitative research, and a total of 12 low-income renters were recruited as new participants across the three phases of workshop.
 - The workshops involved the following: Workshop 1) An initial exploration of the issues of concern and developing an outline of areas for change; Workshop 2) A more detailed discussion of the areas of change and development of potential solutions; and Workshop 3) Further refinement of the proposed solutions and recommendations.

The full methodology for each element of this project is detailed in-depth in the corresponding report for said element. This report now synthesises and summarises the findings of these components of the study.

The experiences of private renters in Scotland

The findings from this study show a nuanced picture of the experiences of private renters in Scotland. While there were many renters who do have a positive experience, there are those renters who do not. The findings of this study demonstrate the challenges and difficulties faced by different groups, especially lower-income renters.

To start we discuss issues around choice, flexibility, and responsibility in the sector. We then discuss challenges in accessing housing in the private rented sector and issues of housing exclusion. We then in turn further explore the challenges faced by renters in relation to affordability, property conditions and repairs, and making a home. We then discuss the impact of renting on wellbeing and the awareness of rights and responsibilities in the sector.

Choice, flexibility, and responsibility in the sector

Despite the continued growth of the PRS in Scotland many participants stated they rented privately due to an inability to access other tenures as opposed to it being their preferred housing option. In the survey, 44% of renters surveyed told us that they rented privately because it was their only option. This was echoed in our qualitative interviews and has also been reverberated in the wider housing studies literature (see for example, Preece et al., 2020; McKee et al., 2017). For many, homeownership was financially out of their reach, in the survey 42% of renters told us that they

rented because they could not afford a deposit to buy a property, while 29% said that they rented as they didn't meet the lending criteria for a mortgage. Whilst for others they found accessing social housing frustrating and/or did not perceive they were in sufficient 'housing need' to merit a social rented property. 14% of private renters told us that they wanted to move into social housing, but 67% thought that this was unlikely. In the conversations, a small number also expressed they did not want to rent from a social landlord due to perceived stigma and a lack of choice about the property they might be allocated.

"I did own my own properties numerous years ago [...] Then the credit crunch hit, and I've been in rented accommodation since. I'm hoping to get out of it some time, but at the moment with the current climate not a chance, not a chance" (Noah, Aberdeenshire, single parent, £25-30k pa).

The survey findings provide important insights into the satisfaction of renters with renting, their property and the service being provided by their landlord or letting agent. Overall, a majority of renters surveyed (68%) reported that they were satisfied with being a private renter. In contrast, nearly 8-in-10 (79%) renters surveyed reported they were satisfied with their current property, and the majority of renters surveyed (77%) reported that they were satisfied with the service provided to them. To compare with the satisfaction with being a private renter, a higher proportion of renters were satisfied with their landlord/letting agent than being a renter, illustrating that while landlords may be providing a good service, the renter may aspire to live in a different tenure or are not content with some aspects of renting.

These findings were further fleshed out through the discussions with renters. In these discussions, participants highlighted two main benefits of private renting. Firstly, it was perceived to offer more choice and flexibility than other tenures especially in terms of location. For example, some described being able to 'rent a better property' than they could afford to buy, whilst others welcomed having more choice and freedom about where they lived. This was important across the income scale not only to maintain important family and friendship ties, but also for accessing employment, study and for children's schooling. It underscores the importance of attachment to place an issue that has not featured prominently in research on the PRS. Continuing with this theme of flexibility, participants also welcomed being able to move quickly if they needed to, for example if their employment circumstances were to change or their relationship broke-down. This was often contrasted to the lengthy processes involved in buying and selling a property or being offered social housing. Secondly, renters also valued not having the responsibility and liability for repairs and maintenance relating to the property, although as will be returned to later, they did not always feel landlords met their responsibilities in this regard. These themes were further evident when discussing tenants' priorities for change with many emphasising the need for more affordable housing options to give people real tenure choice, and for greater action around repairs.

"I guess you've got the flexibility, you can move anytime you want, and you're not tied, you don't have to stay at the property and things like that. Then I guess the main thing is the upkeep isn't really my problem" (Maahir, East Ayrshire, £25-30k pa).

A further key driver of tenant satisfaction in the PRS is the relationship the tenant has with their landlord. Renters appreciated a landlord that communicated effectively with them, responded to their queries and requests promptly, and who was willing to be flexible about rental payments and the personalisation of the property. Indeed, our study showed some landlords were already doing this. During the lockdown period for example, many landlords allowed their tenants to pay less/late because they understood their tenants were facing reduced incomes and/or redundancy through no fault of their own. However, not all tenants were offered, or were able to take advantage of, such flexibility leading to an uneven experience. This underscores how the role of landlord behaviour is critical in shaping their tenants' ability to make their rented property a home: a finding that also been emphasised in a recently published international evidence review and good practice guide (Rolfe et al., 2022; McKee et al., 2021).

Accessing housing in the private rented sector and issues of housing exclusion

Difficulties in accessing accommodation was a recurring theme but the reasons for this were multi-faceted. For the

majority, the key issue was affordability and the limited number of properties that were available within their budget due to high levels of competition in the rental market. This made it difficult for some renters to even be able to view properties as they were being let so quickly. This finding was also reflected in the survey, with 3-in-10 renters (30%) telling us that they had difficulty in finding an affordable property. A small number reported Covid-19 and the lockdowns that followed exacerbated this issue even further due to physical property viewings being suspended, and less properties being advertised as fewer households were moving during this time. The intense competition for housing had a knock-on effect for renters' wellbeing, with several describing it as a source of additional stress.

"They're coming on the market and before you can get a viewing, they're getting snapped up" (Andrew, Glasgow, £25-30k pa).

Pre-tenancy checks created further barriers for some renters who had to rely on family members to act as guarantors and pass relevant credit checks. Those on lower incomes did not necessarily have family that could do this for them. Several participants also described how the need for sizeable deposits and/or rent in advance was challenging, although some of our more vulnerable renters reported being able to access support from homelessness charities to help with this. This finding was reflected in the survey where 17% of low-income renters had difficulty in affording a deposit, in comparison to 10% of renters not on a low income that were surveyed (N=867). Participants in receipt of Universal Credit also reported adverts and agents continuing to say 'No DSS' thereby excluding those in receipt of social security benefits from renting the property. This was further evidenced in the survey, with over a quarter of renters (26%) who claimed Universal Credit/Housing Benefit (N=214) reporting they had experienced landlords or letting agents not wanting to let to tenants on benefits. Unsurprisingly these stereotypical assumptions were very upsetting to the renters in this situation. First-time renters were also frustrated at how their inability to provide a previous landlord reference made some landlords/agents unwilling to let to them, which had knock on effects for their ability to find a property.

Several participants emphasised the importance of personal networks and connections in helping them find a property, or indeed they rented directly from friends and family. This informal support was especially important for migrants to the UK who did not always have strong English language skills or a good understanding of how the private market worked. More formalised, professional support was also vital to households experiencing homelessness, who were able to draw on services to access housing through private sector leasing schemes, including help with their deposit.

Overall, these access barriers forced many of our renters to make trade-offs in order they could access accommodation. Often this meant compromising on the location, size, and quality of the property, for example choosing a property that was in a less desirable location, in need of upgrading, or having to share with unrelated adults, in order to access rental accommodation at a price they could afford. It was a particular issue for households on lower incomes, especially those with children and disabilities. By contrast those renters at their higher end of the income scale had more flexibility in their budget to hold-out for a property they really liked. Given these affordability concerns it is not surprising that a strong, recurring theme from tenants was the need for government action on rents.

"I have slept in a front room for years so that I can provide my children with separate, when they were younger, with separate rooms. I would always take on a one-bedroomed in a better area or a schooling area if I had to and sleep on a sofa bed and I've done that for years" (Sadie, Edinburgh, single parent under £20k pa).

For a small number, pets also functioned as a potential barrier to access. In the survey, we found that nearly one fifth of renters (19%) had experienced challenges in finding a landlord or letting agent that would allow pets. Some renters were left disappointed that their landlord would not allow pets, or they were forced to make trade-offs to do so in the form of higher rents and/or additional cleaning and damage clauses in their contract. This had the effect of limiting the range of properties they could access or forcing them to conceal the fact they had a companion animal.

Challenges for private renters

Three main challenges highlighted by renters when describing their experiences of renting were: affordability, property conditions and repairs, and making a home. This is consistent with the wider housing literature and

reinforces the findings of previous qualitative studies in the UK on renters' experiences (see for example, Harris and McKee, 2021; Soaita et al., 2020; McKee et al., 2020; Hoolachan et al., 2017).

Affordability

Many of our participants described spending significant proportions of their income on rent, and reported they had experienced difficulties in being able to pay their rent and/or that this was something they worried about. We found in our survey that nearly one third of renters surveyed (30%) found it difficult to afford their current rent. Whilst some had family that they could borrow money from, for others this was not an option. Moreover, for those on the lowest incomes having to pay the difference between their actual rent and what their Universal Credit would cover was a real challenge on a limited budget. Others were anxious about what might happen should they lose their job as they perceived their landlord as being unwilling to rent to someone receiving Universal Credit. The self-employed within our sample also reported unpredictable incomes which posed challenges for managing their household budget and an ongoing anxiety about accruing arrears.

"There's been situations where I've got into arrears and then your heads going crazy thinking, 'I'm going to get chucked out'. I've taken out loans to pay for my rent in the past when I haven't had enough work" (Sadie, Edinburgh, single parent under £20k pa)

For those on lower/fixed incomes affordability pressures forced them to cut back on other areas of spending and made navigating the rising cost of living more difficult. 31% of low-income renters surveyed (N=401) reported that they cut spending on other essentials such as food or heating to pay their rent, in comparison to 17% of renters surveyed not on a low-income (N=467).

When examining different groups, we found that renters were more likely to worry and/or have to cut back on essential spending if they were a woman, disabled or have children:

- Renters with a longer-term health condition or disability that limited their day-to-day activities (55%) were more likely to report that they had to cut back on essential spending (27%) than all renters (22%)
- Disabled people were more worried about being able to afford other essentials in future (38%).
- A higher proportion of female renters (47%) reported being worried about affording other essentials in comparison to male renters (39%).
- A higher proportion of households with children (54%) were worried in comparison to households without (41%).

Whilst households with higher incomes had more flexibility in their household budget to navigate these pressures, they nonetheless still had to think carefully about what they could afford and make trade-offs accordingly – sometimes compromising on the location or the décor of the property they rented or opting to share with others to bring their housing costs down.

In our discussions with renters, affordability was articulated as a fundamental priority for change with renters expressing concerns about the value of money they received, and the financial pressures created by spending such high proportions of their income on rent.

Property conditions and repairs

Property conditions and repairs was a strong theme in our discussions with renters. Some expressed frustrations with the speed and quality of landlord repairs, as well as a broader reluctance by their landlord to invest in the property to modernise it and make it more energy efficient. This resulted in tenants being left in situations where they had no heating or hot water or left with faulty appliances which really impacted daily life such as cooking meals and being able to wash clothes.

"[The landlord] is quite difficult. Because when we first moved in the boiler kept breaking and we had to keep getting it repaired, and eventually he put in a new boiler [...] The longest I went without a boiler was about a week I think, but it kept happening, so like I was getting left for 24 hours each time" (Colleen/FG 2,

Fife, under £20k pa).

This was echoed across the findings of the survey, where 1-in-4 renters surveyed (25%) told us that the landlord or letting agent did not make repairs to the property. Poor property conditions were particularly an issue for lower income renters, 30% of low-income renters surveyed had significant issues with mould or damp in the property in comparison to 23% of renters surveyed not on a low income. Furthermore, half of low-income renters surveyed (50%) had a problem keeping the property warm in winter, in comparison to 40% of renters not on a low income.

Tenants either resorted to dealing with small repairs and upgrades themselves or faced the inconvenience of having to keep chasing their landlord to have bigger problem addressed. Persuading landlords to upgrade and modernise their properties proved an even greater challenge than having major repairs addressed, which was a real source of frustration for those living in properties with very dated décor, and energy bills. Just under half of renters surveyed (44%) reported that their rental property needed decorating and/or modernising. Being able to make their rented property a home was one of the key reasons why tenants opted to take on responsibility for decorating and upgrading the property themselves. But for some tenants financially this was not always possible.

As highlighted in the section on choice, flexibility, and responsibility, tenants appreciated a landlord who responded promptly to their requests and invested in their property to keep it well maintained.

Making a home in the property

Our qualitative data highlighted the difficulties facing tenants who wanted to make their private rented property a 'home'. Many of them expressed frustration at being unable to personalise their property through redecoration and/or upgrading their property because the landlord did not allow painting or drilling holes in the wall. Soft furnishings and adding their own furniture therefore played a key role in allowing renters to tweak the design and ambiance of their property to make it feel more like 'their own place'. Those tenants whose landlords did involve them in renovations and/or who adopted a more open-minded approach to redecoration were very appreciative of the flexibility they had to make changes. It was particularly important to families with children so they could create a child-themed bedroom or manage children sharing bedrooms.

For others though this personalisation was less important, and indeed some renters expressed concern that any work they did to the property would have to be changed back before they moved at their cost, and it therefore represented an investment in the property they would never get back. One tenant who invested heavily in upgraded her long-term rental captured this idea when she reflected that she had never once received a rent reduction despite all the money she had put in the property. For others, given the uncertainty about how long they could remain in the property it was an investment they could not justify. For renters with disabilities the inability to adapt their property made it less accessible for them. A key issue was not only persuading the landlord to allow grab rails etc to be fitted, but also accessing funding to cover the cost of these necessary works.

Another way in which feelings of 'home' were undermined related to insensitive inspections that were frequent (e.g., bi-monthly) and often unannounced. It reinforced to tenants that the property was not 'theirs'.

A further key dimension of making a home is the ability to put-down-roots and 'feel settled' (Hoolachan et al., 2017). Whilst the number of tenants in our sample who had been asked to leave their property by their landlord was small, anxiety about this event happening was more widespread. Moreover, many tenants perceived their ability to stay in the property as also being linked to the ongoing affordability of the rent. Some feared how they would manage if the rent was to increase, whilst others were worried about their job security or other personal circumstances that might change. Security then, is not that something that can be achieved solely through tenancy reform. It requires action on the wider affordability pressures facing renters to mitigate the worries they have about being forced out their home because they can no longer afford to live there. Linked to this, renters were also keen to see the flexibility around rents that happened during the Covid period continue for longer.

"The thing that does worry me is that they can sell the property at any time [...] which then causes the worry of like well if they do that, where are we going to go, how are we going to get housed quickly enough, you know" (Cassie, Aberdeen, Universal Credit, under £20k pa).

Impact of renting on health and wellbeing

The findings from the survey demonstrate mixed experiences and impacts of renters' current housing situations. While there are many renters whose housing situation does not have a negative impact, there are some renters whose housing is reported to be causing harm.

In relation to physical health, 14% of private renters in Scotland reported that their current housing situation was negatively affecting them. But it is not just physical health where there is a negative impact, there is a psychological impact as well:

- Over a quarter of renters surveyed (27%) reported that their current housing situation leaves them feeling stressed and anxious
- Nearly a third of renters surveyed (32%) reported that their current housing situation makes them feel like they do not have control over their life
- Nearly one in four renters surveyed (23%) reported that their current housing situation negatively affects their mental health

The research project identifies some of the broader impacts a housing situation can have on someone's life, with just under 1-in-10 renters surveyed (9%) reporting that their current housing situation was negatively affecting them at work or their ability to get work.

For those on lower incomes, their housing situation was more likely to affect their mental and physical health. 26% of low-income renters surveyed (N=401) reported that their current housing situation negatively affects their mental health in comparison to 20% of renters not on a low-income (N=476). 18% of low-income renters surveyed (N=401) reported that their current housing negatively affects their physical health in comparison to 12% of renters not on a low-income (N=476).

Awareness of rights

Our discussions did not suggest a great awareness of the new rights afforded to tenants by the Private Residential Tenancy (PRT), which came into effect 1 December 2017. Not all tenants were aware of the shift towards open-ended tenancies or the notice they were entitled too should their landlord wish to sell and/or move back into the property. Similarly, despite extensive discussions about repairs and conditions there was little mention of the First Tier Tribunal or the Repairing Standard.

Many renters rated their knowledge of their rights as 'zero', 'low' or 'medium' even when they had been renting for many years. When asked about who they could seek support from if they had a problem with their tenancy the majority who answered this question mentioned Citizen's Advice, Shelter Scotland, Safe Deposit Schemes or Google, and indeed a small number had taken effective action through SafeDeposits Scotland to recover a disputed deposit. But others described feeling 'intimidated' at the prospect of taking action and/or found the information pack they received with their tenancy agreement 'overwhelming'. This underscores the need for ongoing housing education to make tenants and their landlords aware of their rights and responsibilities, and to give tenants the confidence to exercise their rights when a problem occurs.

"I haven't got a clue, I don't actually even have a clue, I don't know, like if my estate agents were to phone me tomorrow and say you're not going to be renting the house anymore because the landlord's going to move back into his property, I wouldn't know how long I had, I wouldn't know anything about it" (Nathalie, Edinburgh, under £20k pa)

The differing levels of awareness and understanding of rights came out strongly through the co-production element of the research. We took the opportunity to test participants' awareness of existing materials and rights as part of this process, and specifically focussed on the existing materials designed to provide information on rights and responsibilities. We found that awareness of these documents – the Easy Read Notes for the Scottish Government Private Residential Tenancy Agreement and The Private Residential Tenancy Statutory Terms Supporting Notes – only

a small number of participants could say with any confidence that they had seen the documents before, and those participants that had looked at the documents stated that they had not found them easy to understand.

These documents were not the only aspect of current support or the regulatory regime about which participants demonstrated different levels of knowledge during our discussions. For example, knowledge of the role of the rent officer in determining whether PRT rent increases are fair was patchy and there were suggestions for policy developments or desirable changes to structures and/or process that were largely identifying provision that already exists. The research process itself therefore underlined the informational challenges in the sector.

Recommendations for change

A core element of this research project was to co-develop with renters their recommendations for change in the private rented sector. We collected data for this throughout the project, firstly, in the interviews and focus groups with low-income renters and through the survey of renters. This data was to identify over-arching priorities and initial ideas for change to feed into the final element of this project. Building on the evidence base of the experiences and challenges faced by renters in Scotland, we undertook a participatory Delphi co-production phase to work with renters directly, with the input of stakeholders and policymakers, to co-produce potential solutions to the challenges experienced. We now summarise the findings from these elements of the project. The full findings can be found in the respective reports.

Over-arching priorities

As the Scottish Government looks forward with the development of a new 'Rented Sector Strategy' and new Housing Bill in 2022, we collected data on what the priorities for change are for renters in Scotland. This was through both the survey of renters and through both elements of qualitative inquiry.

From the qualitative discussions with renters, their priorities for change can be summarised under four main headings:

- **Affordability:** renters were keen to see action on rents as affordability was a key concern. This included not only regulation, but also an emphasis on landlords to be flexible when renters' circumstances changed through no fault of their own (e.g., redundancy, UC). Saving up the high level of deposit required also created barriers to accessing accommodation for some. Whilst others were keen to see more help for those trying to access other tenures.
- **Repairs:** renters wanted landlords and letting agents to be more responsive to repair requests, with some also keen to see minimum standards introduced and more (external) support to resolve disputes to take the pressure of tenants having to chase their landlord.
- **Accountability:** some renters saw value in having an external agency they could access to resolve disputes, and indeed some had prior success with safe deposit schemes. But at a more basic level the need for more accessible information about their rights when they signed a tenancy was also highlighted. A small number of participants said they would also welcome a mediation scheme or some type of rating system for landlords to encourage them to raise their standards.
- **Making a home:** a small number were keen to see tenants have greater ability to personalise their property and also enjoy more security of tenure. But often this was underpinned by a misunderstanding of what their current rights were in law and the changes that had already been introduced by the PRT.

In the survey, we took a different approach, to compliment the qualitative inquiry and to develop an understanding of broader priorities. Firstly, we asked participants to select what aspects were important to them as a renter. The most important element to renters was affordable rents (88%), followed by a property in good condition/repair (85%), and feeling secure in the property (78%).

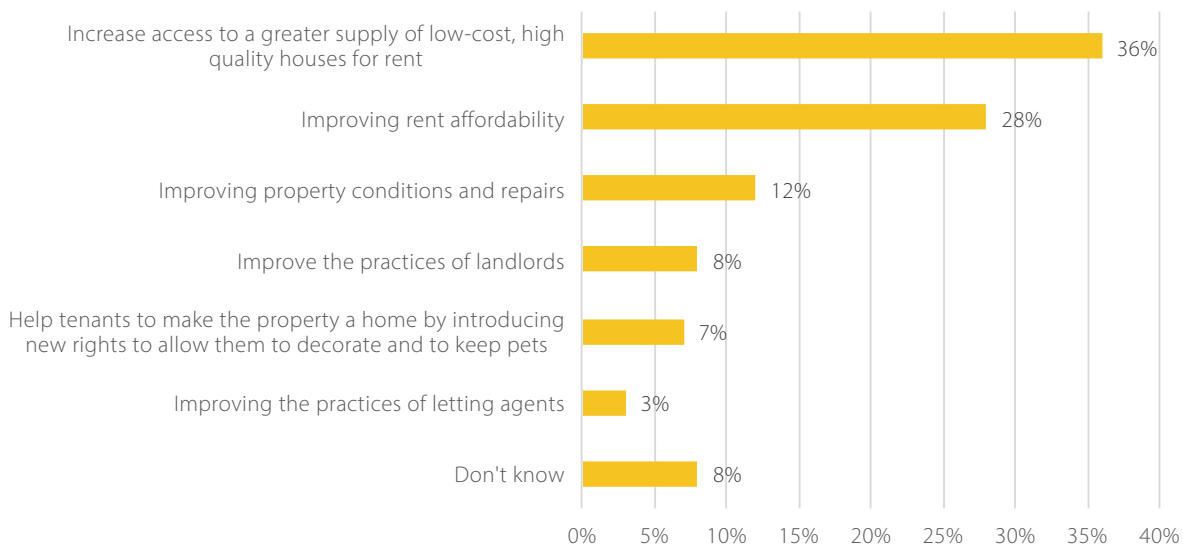
Figure 1. What renters find important in the private rented sector



■ Which, if any, of the following are the most important things to you as a renter? (Please select all that apply)
(N=1,012)

In the survey, renters were informed that the Scottish Government had committed to delivering a 'new Rented Sector Strategy' and renters were asked what they thought was the most important thing for the Scottish Government to focus on. The findings from this question identify that the most prominent priorities for the Scottish Government to focus on revolve around affordability and property conditions.

Figure 2. Renters' priorities for the Scottish Government



■ Which one, if any, of the following do you think is the most important thing for the Scottish Government focus on? (N=1,012)

Co-produced recommendations for change

The final element of this study was designed to work with renters, stakeholders, and policymakers to develop recommendations to the challenges faced by renters. We believe renters needed to be central to this process to ensure that the recommendations and potential future reforms are shaped by renters themselves. Renters are experts by experience, and these experiences need to be the foundations to reforms going forward.

Through the co-production element of this study, 15 proposals for change were developed across the following areas:

1. Affordability
2. Repairs and property conditions
3. Professionalism
4. Making the property a home
5. Access to properties to rent
6. Information and rights

We now summarise the recommendations for change across the above areas.

Affordability

Affordability was found to be a key challenge for low-income renters across Scotland. Many participants reported difficulties in being able to pay their rent. Even where they were currently making their rent payments, tenants worried about what would happen if that were to change. Three key areas for change were identified:

Rent controls. Through this project there was some discussion amongst renters on the possibilities of rent control, with some renters seeing this as a favourable solution, however, other renters were concerned about the negative impact this might have on them and the sector in the longer-term. Rather than focussing on a specific rent control proposal, we identify three key areas from the consensus in the discussions that we believe would be useful to bear in mind for future reform. These are:

1. Greater security and certainty within tenancies on what the rent would be and whether this would be affordable.
2. Greater justification and fairness in rent increases. Renters were concerned that they were paying ever higher rents not because the property had been improved but simply because the market had shifted.
3. Renters wanted to see more transparency and fairness in the rent setting process. There was understanding that landlords needed to make a profit from their business activities, but many felt that some were charging unfair rents.

Fairness in rent increases. Renters expressed dissatisfaction in relation to what was seen as unfair practices for rent increases. Renters believed landlords should have rents that reflected the running costs of the property and a respectable profit; increases should be linked in some way to improvements to the property; and, that there should be more certainty during the tenancy and limits on increases during the tenancy. This was co-developed into the following recommendation:

Currently renters can under the PRT system refer rent increases to a rent officer at Rent Service Scotland, who can decide if the rent increase is fair. The Scottish government would introduce new guidance on what constitutes 'fairness' in rent increases. This would include the landlord having to demonstrate to the rent officer improvements to the property and/or increases in costs to justify an increase. This would enable the rent officer to make a better-informed judgement on the increase.

Improvements to housing benefit rates. The disconnect between local housing allowance and market rents has been demonstrated to be a key challenge for renters both in the existing literature (see, O'Leary and Simcock, 2020)

and within the findings of this study. There was consensus across participants that the current level of support was not enough, with many recommending that more financial support should be given. Therefore, as a recommendation, at a minimum the calculation of the local housing allowance rates should be returned to 50th percentile of existing rents, to better cover rents for low-income households.

Repairs and property conditions

Poor property conditions and issues with getting repairs completed quickly was a common theme across the literature and through the discussions with renters. Through the workshops, three recommendations were co-designed with renters to improve property conditions and repairs.

Encourage landlords to invest in energy efficiency measures. Renters highlighted the low level of energy efficiency in rental stock and in the context of rising energy bills, many renters discussed the challenges they face in heating their property affordably. To address this challenge, it is recommended that the Scottish Government develop an outreach programme to encourage investment in energy efficiency measures and to change the culture across the sector – that these investments have benefits to both landlords and renters. Furthermore, the Scottish Government should explore options to fund improvements or introduction of tax measures to make investment more attractive.

Repair severity ratings. A co-designed solution to renters' challenges to ensure repairs are completed in a timely fashion and to a good standard was the proposed introduction of repair severity ratings. This would introduce a traffic light system of repair ratings of Urgent, Major and Minor, with the different severity rating having a different timeframe for being completed. Urgent repairs would have to be completed within 48 hours of notification, major repairs would be five working days, and minor repairs would be within 14 days. Failure by the landlord to operate within this system (without good reason), could end up with formal enforcement from the regulator and compensation to the renter for lack of service provided.

Development of a standardised property and inventory condition report. In the current market, with high demand for properties, renters did not always have enough time to fully view the property (if at all). Renters believed that having more information available at the start of this process would help them to make better decisions on whether to commit to rent the property. A co-designed recommendation to this issue is the development of a property and inventory condition report. This up-to-date report would be provided to renters ahead of signing the tenancy agreement and include information on property condition, heating system, EPC, safety checks, and the inventory.

Professionalism

Throughout this research we found a varied picture of the relationship between the landlord/letting agent and the renter. Many renters did have a positive relationship with their landlord, and some spoke highly of their experience of renting directly from a landlord over a letting agent in most circumstances. However, others reported significantly negative experiences with landlords and letting agents.

Tenants had differing views on whether the more business-like approach of letting agent or corporate landlord was preferable to the more personal social relation of letting from an individual landlord. There seemed to be a sweet spot where competent, professional behaviours in property management were coupled with approachability, understanding and flexibility. Therefore, being a 'good' professional landlord includes the proper management of the property with a strong customer focus.

Three recommendations were co-designed through the workshop process to address landlord knowledge, limit unfair practices, and support the resolution of issues and complaints.

Expand the current landlord registration scheme and develop a kitemark system. It is recommended that the current landlord scheme is expanded to include both registration and licensing. To become licenced, landlords would need to undertake formal training, pass a "fit and proper person" assessment, and pass a landlord knowledge assessment. Once licenced they would be able to apply for a quality kitemark, of Bronze, Silver or Gold. To achieve a higher level of kitemark, landlords would need to demonstrate quality, through additional training, property

inspections by a third party, membership of a redress scheme/resolution service. It is anticipated that this system would support landlords in understanding their rights and obligations while providing encouragement for them to focus on quality of service.

Introduce formal limits on the frequency of property inspections. This recommendation was designed to reduce management practices that were found to be unsettling for renters. It is recommended that formal limits on the inspection of the property to be introduced. This would see property inspections limited to quarterly visits during the first 12 months of the tenancy, and then limited to a maximum of once every six months after the first year. Landlords and agents would need to provide a minimum of five working days' notice to the renter and the visit can only occur at a time mutually agreed.

Introduce a third-party redress and dispute resolution system. In some circumstances renters were anxious about raising issues with their landlord or agent or did not know who to turn to for help when there were issues. A co-design recommendation is for the Scottish Government to introduce a comprehensive third-party redress scheme and dispute resolution service. Renters would then be able to contact this independent third party to work towards a resolution of issues when the relationship between the renter and landlord breaks down or does not feel comfortable approaching the landlord directly.

Making the property a home

This research project has provided further illustrations of the difficulties facing renters who wanted to make their private rented property a 'home'. While those who planned to only stay in the property for a short-term were content to leave the property as it was when they moved in, those who planned to stay for much longer often expressed frustration at challenges to putting down roots and feeling settled in the property. To address this, two recommendations were co-designed.

The right to a home. Renters would be given the right to make a home in the property. From the start of tenancy, tenants would have the right to have a pet, and landlords/agents would not be able to discriminate against pet ownership. If renters decided to have a pet, then the renter would have to cover any damages caused by the pet. Furthermore, the renter would have the right to decorate their property from the start of a tenancy and would need to be returned in a rentable condition. Finally, these new rights would give renters greater security through the landlord being required to provide material information on plans for the property (such as sale or renovation) before signing the tenancy and if plans change during the tenancy, landlords must provide advance notice to the renter. Further development of this proposal would need to identify the timeframe that this material information would encompass, for example, would the landlord need to provide information on their plans for the next two years.

Property improvements made by the tenant. Some renters expressed that they would like to make improvements or modifications to the property beyond decorating (i.e., painting or putting up pictures), such as installing new light fittings, new flooring, or improvements to the garden (such as installing decking). However, many felt offput by the potential insecurity of tenure, the potential benefit to the landlord, and the cost of making the improvement. A recommendation is the introduction of a system that enables parity between the renter and landlord for improving the property. This new system will give renters the right to improve their home after six months if they obtain written permission from their landlord in advance. The renter would be able to claim compensation from the landlord for certain improvements to the home and the landlord would be prevented from making any rent increase for a period of two years following the completion of the improvement.

Access to properties to rent

Difficulties in accessing properties to rent was a challenge identified throughout this research, with a key element to this the financial outlay for deposits. Several recommendations for change were designed with renters to address these challenges.

A bridging system for deposits between tenancies. It is recommended that a new bridging system for deposits is introduced. This would mean that when moving to another rental property the renter would be able to bridge their

current deposit to their next property (supplemented as necessary if the deposit on the new property is higher). This would enable the renter to move properties without having to raise a second deposit while waiting for their deposit to be returned.

Set charges for certain issues for deposits. An issue raised frequently by renters during the workshop process was unfair deductions at the end of a tenancy. To address this, it is recommended that a shopping list of charges that were capped to fair levels to be introduced. This would benefit renters as they would know what the fees would be at the end of the tenancy and help to prevent unfair charges. Further, the Government would introduce a wear and tear standard, that provides greater clarity on what constitutes fair wear and tear. This would further provide support to renters to challenge poor practice at the end of the tenancy and help renters to claim back their deposit for the use on the next property.

Development of a risk-based insurance system. The high cost of deposits was a major challenge for low-income renters. To address this, a new system was co-designed. This would see a new renters' insurance product being developed as an alternative to the use of deposits. This insurance would include contents insurance and cover damage to the property. This insurance product would enable the renter to get a no-claims bonus and would be based on risk. This product would be an alternative to the deposits and for those who cannot afford the large deposit but may be able to afford a smaller monthly fee.

Information and rights

Throughout this research project, the differing levels of awareness and understanding of rights came out strongly. There was not a high level of awareness about the new rights afforded to private renters by the Private Residential Tenancy (PRT). In addition, some renters did not know who to turn to for help and others described feeling 'intimidated' at the prospect of taking action against the landlord/agent. Greater knowledge of rights alongside empowerment to use these rights are key to improving the experience of renters across Scotland. Through the workshops, two recommendations for change were co-designed to make information more accessible to renters as a foundation to improving awareness across the sector.

Improve existing documents and create shorter information packs for renters. Renters expressed desire to be better informed about renting and their rights but did not know where to turn to for support or found the existing documents 'overwhelming'. Our recommendation is for the improvement of existing document packs and the introduction of a new shorter information pack that is visibly more striking with distinct branding. This would help renters to understand their obligations and rights better.

Development of a dedicated webspace for Scottish Renting. Alongside the improvement of existing documents and information packs, renters were keen to see the development of a dedicated webspace for 'renting' where renters could turn to if they had a problem or wanted to find out more. This would provide easy to digest information on renting, and would be available to renters, landlords and letting agents. This would also include the distinctive branding for "renting" that would be carried over to documents, social media, and information campaigns.

Broader principles and considerations for change

Through the discussions with renters, we identified broader principles and considerations for change in the private rented sector. Our first consideration for change is the cost of reforms and the impact on renters. Throughout the workshops renters expressed concern over already expensive housing costs and the difficulties in finding an affordable property to rent in certain locations. Renters were concerned over the potential impact of any change on possibly higher rents or the supply of properties. A key consideration for policymakers is limiting any negative impact on the supply of properties or on rental prices.

The second consideration for change is related to housing as a fundamental need; secure shelter is vital to our survival and a 'home' is necessary to flourish in society. Nearly half of renters surveyed (44%) said that they rented privately because they had no other option. With high housing costs and the difficulty in finding alternative properties, this can feed into the power imbalance in the relationship between the renter and the landlord, which was discussed by

renters throughout the workshops. Therefore, policymakers need to consider how rights are designed, implemented, and enforced. Currently, renters need to first know their rights and then to enforce them through making a complaint. However, renters told us throughout this research that they were anxious about retaliatory actions (such as eviction or rent increases). The future regulation of the sector needs to consider these important elements: firstly, how renters are empowered to challenge poor practice, and secondly, to bring about change so that regulation of landlords and agents is related to quality assurance rather than quality control to ensure that regulations put the burden onto landlords and regulatory bodies rather than onto the renter.

Finally, the third consideration for change is related to the knowledge of rights and ensuring a level playing field. Through this research we have found a lack of knowledge and understanding regarding rights across the renters we talked to. Furthermore, the Scottish Government introduced substantial reform through the introduction of the new Private Residential Tenancy (PRT) system, however, in discussions with renters, many highlighted how they were on the old AST system as they were longer-term renters. Many of those on the new PRT system were not aware of all of their rights either. Therefore, a general principle for change must be the future empowerment of consumers (i.e., renters) in understanding their rights and to bring all renters onto the same tenancy system (to ensure all renters despite tenancy length have access to the new rights set out in the PRT). Without this, continued reform to the private rented sector will not achieve the desired outcomes.

Conclusions and what next?

This research project has examined the challenges faced by low-income renters living in the private rented sector in Scotland and what their priorities for further tenancy reform are. Drawing together insights from a literature review, new survey evidence, and qualitative research with renters, we worked with current private renters to co-design recommendations for change. These recommendations draw upon the experiences of renters directly and are here to stimulate and inform meaningful policy development that can improve the lives of renters. Alongside this, we have proposed a series of principles that should underpin the next stage of policy design to ensure effective reform of the sector.

In summary, renters' priorities for the future of the sector are as follows:

- For the Scottish Government to take action to improve affordability and fairness in the private rented sector
- An improvement in property conditions, responsiveness to repairs, and greater professionalism and accountability of housing providers
- Improve access to low-cost, high-quality homes across all tenures
- Improved and more accessible sources of information, so all those in the private rented sector can better understand their rights and responsibilities

As the Scottish Government continue with the policy design and implementation process, renters need to be meaningfully involved throughout. Further participatory research and policy design is needed to continue this journey. Renters are experts by experience and their participation is key to the effective reform of the private rented sector.

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