

Response from the Poverty and Inequality Commission to the Draft Rented Sector Strategy

1. Background

The Poverty and Inequality Commission

The statutory Poverty and Inequality Commission was established in 1 July 2019. It is an advisory non-departmental public body which provides independent advice and scrutiny to Scottish Ministers on poverty and inequality.

The Commission's role is to:

- Advise Scottish Ministers on any matter relating to poverty or inequality in Scotland, including the impact of policies and the use of resources in reducing poverty and inequality
- Monitor progress in reducing poverty and inequality in Scotland
- Promote the reduction of poverty and inequality in Scotland

Experts by Experience Panel

In 2021 the Commission established an Experts by Experience Panel. The purpose of this Panel is to shape and support the Commission's work in developing and providing **advice**, **scrutiny**, and **advocacy** on poverty and inequality in Scotland.

The Panel is made up of 19 people with lived experience of poverty and inequality who are:

- from across Scotland, based in cities, towns and rural areas
- diverse in terms of their identity and experiences of poverty
- from groups most likely to experience poverty in Scotland

Each Panel member has experience of the social and / or private rented sectors.

2. Responding to the Rented Sector Strategy

The Commission's response to the Rented Sector Strategy draws primarily on the discussion of the Panel. The Commission delivered two sessions with Panel members on the rented sector strategy and focused on issues and questions that Panel members and Commissioners felt were most important to and relevant to people affected by poverty and inequality. These were

- affordability
- rent controls
- housing standards (repairs and energy efficiency)
- disabled people and the rented sector

- larger families and the rented sector

Feedback from the sessions with Panel members is summarised below.

3. Housing and mental health

Members of the Panel emphasised the link between housing and mental health. Housing is most people's biggest cost, and Panel members talked about how stressful it can be knowing you have to find the rent, because falling behind on rent can mean losing your home and that can mean losing everything else. The mental health impacts of struggling to pay rent can be significant. People will cut back on other essentials such as food and clothes to pay their rent. When the housing that is available is in poor condition this can impact on both mental and physical health.

"I'm only 23 and I have almost no social life because I can't afford it with the housing costs. I can't afford to go out with friends, go on family holidays. It impacts your mental health because you're isolated."

4. Housing affordability

Trading off costs

Panel members identified that affordability was more complicated than just the cost of rent. They said that it might be cheaper to live rurally, but then petrol and transport and heating costs could be higher, so cheaper rent should not be seen in isolation. One Panel member gave the example of someone they knew who wanted to move closer to potential job opportunities but, because of the cost of rent, had to move somewhere with poor transport links and had not been able to get a job which had had an impact on their mental health and physical health. It was suggested that the Scottish Government should try to make transport accessible for those living in rural areas for cheaper housing.

Other examples of trading off costs included paying more to live somewhere suitable for the family, but then being unable to afford other things, such as going out, leaving people feeling isolated. Panel members talked about housing costs leaving them unable to afford things their children needed.

"Housing costs mean not being able to afford something as simple as buying a thick duvet cover for your child to keep them warm and comfortable in the winter. I can't afford to do that."

One Panel member had got affordable council housing, but the trade-off was that it was in very poor condition and they could not afford to repair and decorate it. They were told they had to accept it in the condition it was in. This had an impact on their mental health, and on the whole family as the children were not able to have friends round.

"For a housing association flat, with my council tax, every month I was paying £1,000 a month. I couldn't afford to keep that flat and have had to move in

with my daughter so we can share our housing costs. We're lucky we're a strong family, but what if you don't have that?"

Link between housing and energy costs

Energy costs were starting to become an even bigger concern than housing costs for Panel members. It was noted that measures of housing affordability, such as percentage of income, did not take into account disposable income after the cost of heating.

"I can't stress how embarrassing it is to go to my parents to get a tenner to top up my electricity every other week because, after I've paid for my housing and bills, I've got next to nothing left."

Heating costs were often higher when people were living in properties that were in bad repair. Panel members were starting to see significant rises in energy bills, with one Panel member saying that after housing and energy costs they were only left with Child Benefit and the Scottish Child Payment to live off.

"In the last month, my energy bill has jumped from £70 per month to £371 per month. That's all my universal credit. That's all of it. You're talking 70% of your income is gone on energy costs."

Another Panel member, currently living in a shared flat, said they couldn't get a flat on their own even if they could afford the rent, because they would not be able to afford the bills.

"I'm in a position where I have to share a flat to be able to afford the housing. Being 47 years old that's not easy, having no private space and always treading on eggshells."

Regional differences

The regional aspect to housing and affordability was emphasised by some Panel members. It was suggested that this made it difficult to create a national plan to tackle affordability and that any approaches needed to take account of local circumstances and issues. The example was given of rural housing, where one Panel member said it was cheaper in their area, than living in an urban area, but another Panel member said that in their area rural housing was more expensive and it was cheaper to live in a town. Second homes and people moving out of the city were becoming a problem.

Edinburgh was seen as having particular problems because the housing market is distorted by student accommodation and AirBnB.

"You've got AirBnBs empty for lots of the year and you've got people sitting here that would love to live in one of those properties, so the government have to step in and do something about it now."

Local housing allowance and the bedroom tax

Some Panel members had experience of the local housing allowance not covering their rent and they noted that local housing allowance did not go up each year like rents do. One had been impacted by the bedroom tax and noted that even where they could get Discretionary Housing Payments to cover it, there could be a gap between having to pay rent and getting the payments which could be difficult to afford. Some people had ended up in rent arrears because they didn't realise there was a gap between the cost of their rent and what was getting paid in benefits or discretionary payments. In some cases they felt there had been poor communication from the council which is why they had not realised they were going into arrears.

Measures of affordability

Panel members felt that the question of how to measure affordability was very difficult, as what was affordable was different for everyone. The things that needed to be taken into account in assessing housing affordability for a disabled person would be different to affordability for a person with childcare costs etc. It was suggested that to really understand affordability you would have to look at each individual's circumstances.

One Panel member suggested that there were three facets to affordability – individual circumstances (disability etc.); what you need to keep your home (heating, adequate repair); and what you need to live (food, childcare etc.). It was suggested that there should be a disability premium when thinking about affordability, to take account of the additional costs disabled people face in renting an accessible property. It was also noted that affordability couldn't be measured at one fixed point in time as costs and circumstances changed, for example, rent might be affordable for someone now but with the costs of energy going up they may not be able to afford their rent in the future.

Some Panel members felt that it was not really possible to put a figure or percentage on affordability, that it was more about how tenants felt: affordability was about not constantly having to worry about paying your rent, or being able to live somewhere comfortably, being able to live on your own and being able to afford to keep your home in a reasonable condition. One panel member did feel that it was important to be able to try to put a figure/percentage on what was affordable even if it was hard to work out how to calculate it.

5. Rent controls

Some Panel members felt that rent controls and stability would be positive and could help with tenants' mental health, but others were concerned that private landlords would try to get around rent controls by having a series of short term lets, or moving to holiday rentals, and that this would reduce security for tenants and mean that properties would be lost from the private rental market. There were worries that landlords might stop taking tenants who got housing benefit, and another concern that people who had higher incomes might benefit from capped rent while those on lower incomes might struggle to find a property because of greater competition for them. It was suggested that there should be more of a focus on creating long term

rights for tenants, such as making tenants entitled to longer tenancies, and a longer notice period if they had lived somewhere for years. It was asked whether private landlords could be incentivised to take a 'social' approach to renting – taking tenants on housing benefit, offering long lets etc.

There were suggestions that rent controls should be linked to housing condition. Some Panel members gave examples of difficulties in getting landlords to make repairs and being advised to withhold rent until they were done. One Panel member suggested that the government should have a law or charter that says that landlords, both social and private, should be held to a minimum set of standards and, if they are not met, the rent is lowered, say 10%, month on month until those standards are met. If after three months repairs have not happened then financial penalties should be given to the landlord and the money used to help the tenant get the property up to standard.

It was noted that rents have risen more sharply than mortgage payments and some Panel members asked whether rent rises could be connected to rising landlord costs, so rent rises could not be any higher than the increase in costs faced by the landlord.

One Panel member suggested that the Local Housing Allowance was actually acting as a floor for rents, with landlords going for the maximum rent allowed by the Local Housing Allowance, as there was no incentive to go lower.

There were also questions from members of the Panel about the ownership of housing in the private rented sector, where companies and funds were using it as an investment, and what that meant for trying to improve affordability and stability.

6. Affordable Housing Supply and allocations

Lack of affordable housing

Panel members identified trade-offs between the social and private rented sectors. One panel member suggested that housing felt like a luxury or a lottery – social housing was the jackpot as it offered security, but you could not decide on where you lived. Panel members noted that if you were homeless you could get social housing but you did not get a choice in where it was. This could mean people living in places they did not like and where they felt isolated, or with poor access to jobs and services.

“My daughter has been trying to find social housing, she has been for four years now. She is classed as ‘gold priority’ which is the top priority. We know that every time she bids for something – because somebody working in housing told us – that on average 250 people are bidding for the same property. Say fifteen of them are the same priority and you’re competing for something that is so strictly rationed that the possibility of you getting it – it seems like an impossibility at the minute.”

The private rented sector by contrast provided choice but lack of security. In private housing you could move for things that were important to you, like living in an area

where you felt safe, or one with good school catchments, but the lack of security was a major issue for Panel members in the private rented sector. One Panel member said that a tenant has to be the perfect tenant to try to keep their home, but they have no control and could have to move and face additional costs. Another noted that the rental market in their rural area was collapsing and if they had to leave their current private rented home they would not be able to find another affordable rental within 100 miles.

“I have been in private for a long time. When I tried accessing social housing, the waiting lists were so long that I had two options, to become homeless or to find another private property. And you don’t want to be homeless but that meant I have to move further and further away and pay more and more for it.”

One panel member said that they thought there would never be enough houses. The difficulty of accessing social housing if you were living in the private rented sector was highlighted. Panel members spoke about struggling to afford private rent but being low priority for social housing because they were housed. As noted above, the panel identified a particular issue with lack of accessible housing. They also identified an issue for people on low incomes who were owner-occupiers and couldn’t afford the upkeep of their home but were stuck as they would not be a priority for social housing.

One Panel member currently lives in shared accommodation and says she could never afford to live in council house even if she was allocated one.

“My housing benefit might cover the rent, but how on earth would I pay for gas, electric, broadband, food, travel. I am stuck in the private rented sector. At the minute, all the bills we have are divided by three with my two flatmates. I find it quite shocking to realise I couldn’t ever live in social housing. It’s something people don’t think about.”

It was suggested that the Scottish National Investment Bank should be investing in affordable housing.

7. Disabled people and the rented sector

Accessible Housing

Many Panel members and their family members had negative experiences of finding accessible housing in both the private and social rented sectors. They felt there was a lack of accessible housing across the social and private rented sectors, that there were not enough accessible properties being built and that there weren’t enough incentives for developers to build accessible properties. It was noted that there was a lack of wheelchair accessible housing in particular. Some Panel members thought that properties should be barrier free but do not necessarily need to be fully accessible. Rather they need to be designed and built in a way that means they can be adapted in the future. Many Panel members felt that the lack of accessible housing meant that the rents charged for accessible properties tended to be higher than those charged for properties that were not accessible.

“There aren’t enough houses for people, never mind people who need houses that can be adapted to meet their needs. Developers, I’m including housing associations in this, talk about barrier-free housing. But at the end of the day, they’re not building them and that’s because local authorities are letting them get away with it.”

It was suggested that there was such a long waiting list for accessible housing in the social rented sector that people were forced to go into the private rented sector. Some Panel members had experienced greater choice in the private rented sector, but felt that this benefit was outweighed by higher costs for rent and council tax.

Disabled Panel members were clear that having an accessible property isn’t enough in itself. Some Panel members had to choose between living in an accessible property and living near their family or friends. Others were housed in areas that were not accessible in terms of transport, services and facilities. Others still lived in properties where there adaptations had been made or equipment had been provided for their property but the wider building or complex were not accessible for them or a family member.

“We need a proper system to make sure that accessible housing is in the right areas. There’s no point in having lots of accessible properties in areas that are not accessible, that don’t have good transport links or infrastructure.”

One Panel member described being allocated a council house that was accessible and that met his needs. However, because of the lack of available accessible houses, the only house that met his needs was bigger than his family needed and resulted in them having to pay a council tax bill that they couldn’t afford.

“We ended up getting a bigger house than we needed, because that’s all that was available, but the council tax was £2,000 so we couldn’t afford it. I phoned the council and told them that I was given this property on the basis of need, not because I can afford this house.”

8. Securing adaptations and equipment

People’s experiences of securing adaptations in both the private and social rented sectors varied widely from person to person, case to case, and local authority to local authority.

Most Panel members who had tried to secure adaptations for themselves or a family member had negative experiences and faced a number of barriers which are outlined below.

Long waiting times

One of the most common issues faced by Panel members in securing adaptations, particularly in the social rented sector, was long waiting times. Panel members felt that for smaller adaptations or equipment, they would have been better off buying and installing things themselves. Some did resort to buying and installing their own adaptations whilst others had to wait because they couldn’t afford to buy adaptations

themselves or because they were advised that making adaptations themselves would impact their housing insurance.

“I waited years to get handrails installed in the toilet and shower room. It took 3 and a half years of asking and asking. I went on to amazon and bought them myself. Then one day I get a call asking about the handrails and I say ‘You’re a bit late. They have been in for years now.’” (Social rented sector)

“For some simple things - getting handrails or a stool for perching in the kitchen - I would have been much quicker just buying them, but that’s obviously not always possible if you don’t have the money.” (Social rented sector)

Potential impact on tenancy

Some Panel members felt that requesting adaptations in the private rented sector would have a negative impact on their tenancy or their relationship with their landlord. One Panel member experienced subtle threats from their landlord as a result of requesting adaptations to their private rented property.

“One landlord said they didn’t want to install a bath as it would look ugly and they would struggle to rent the property after. They hinted that they would find other tenant if I went ahead with my request. You are always at the risk of losing the tenancy.” (Private rented sector)

Differences between local authorities

Several Panel members experienced issues when moving to a new local authority. These included issues like not being able to secure adaptations and equipment that they had in another local authority, not being able to take adaptive equipment from one local authority to another, and having to make new requests and establish relationships with new Occupational Therapists (OTs), housing officers or caseworkers.

“Why don’t we have a system where we can passport needs and requirements from one local authority to another? When somebody moves, they lose their adaptations and the support from their caseworkers and have to start from scratch.”

Lack of knowledge about the needs of disabled people

Disabled Panel members felt there was a lack of understanding and knowledge amongst some local authority staff around the needs of disabled people and adaptations. Some suggestions were that there should be training for people working in housing on the needs of disabled people, barriers, access and adaptations; all local authorities should have specialist access officers within their planning departments; and disabled people should be employed as housing officers as they may better advocate for other disabled people.

“All local councils used to employ access officers within their planning department. Councils should have dedicated access officers who demand to look at plans and ensuring that housing is accessible, or at the very least, barrier-free.”

Positive experiences of securing adaptations

Where Panel members had positive experiences they said it was usually because they were working with a supportive OT, housing officer or support worker. One person also thought it was because they applied for adaptations at the right time in the financial year. In these cases Panel members felt understood, the adaptations were made quickly, and the adaptations improved the quality of life for the person and / or family members. Positive experiences of securing adaptations and equipment were more common for Panel members in the social rented sector.

“I had a good experience, which shows it can be done. We were a priority to have a wet room put in. They did it really quickly, though that certainly isn’t always the case. From asking the OT coming to having the wet room was installed, it was just a few weeks.” (Social rented sector)

9. Repairs and property conditions

Panel members had both positive and negative experiences of getting repairs in their properties in both the private and social rented sector.

Many Panel members gave examples of times they struggled to get a landlord to make repairs in the private rented sector. This included repairs and support with things including holes in floors, a gas boiler that had blown up, a wall caving in, a kitchen that was not deemed safe by an inspector, mould, and rats living in the walls.

Panel members said repairs had a negative impact on their mental and physical health, and their social lives.

“I have a physical hole in my kitchen floor. It has gotten so bad that I don’t let anyone into my house. My kids can’t have friends around. It don’t let anyone in because I’m so ashamed.”

What came across clearly from many Panel members was the amount of time and energy people had to chasing up requests for repairs with their landlords or letting agents.

“It really pulls you down and nobody will do anything about it. It’s exhausting because you’re fighting all the time.”

10. Energy efficiency

Panel members were in favour of improving the energy efficiency of properties because it would reduce the cost of heating bills, improve the physical and mental health of tenants, improve quality of life and be better for the environment.

One Panel member was concerned that some newer measures (e.g. heat pumps) might not be as effective at heating properties to the same level as gas and electricity.

“A lot of people who have underlying health conditions need to keep warm. I have been instructed by my doctor to keep my heat on throughout the summer. Will these newer technologies be more affordable or is it going to be that I’m going to have to run them for longer or higher than I would for gas?”

Rent increases

Some Panel members thought that improvements in energy efficiency where they lived would likely lead to increases in rent costs.

“Do you want to freeze or do you want to pay more rent? I’d rather freeze to be honest.”

All Panel members agreed that they did not think it was fair for landlords to pass on the costs of improved energy efficiency by increasing rent, even though this may result in lower heating bills. They thought that, if there were any increases in rent as a result of improvements in energy efficiency, these should be capped.

Panel members argued that rents shouldn’t be increased because:

- warm, energy efficient homes should be the standard
- it is the landlords who is ultimately receive income from renting (or selling) a property
- it should be the responsibility of landlords to make their properties safe and comfortable

“Most of the time a landlord will make money on a property, regardless of whether they lease it out or if it is empty. If they are going to rent a property out, to increase their income, then it should be to a standard which is fair. We have to make landlords responsible again. People have to be safe and comfortable in their homes.”

11. Larger families and the rented sector

Panel members were clear that there were not enough properties in the private or social rented sectors for larger families, those with three or more children.

Social rented sector

“There are five of us, me and four children. I am in three bedroom property but two of those are single rooms and there’s no way I can have enough space to give all of my children a bed. It’s just the space you need for the beds and where you keep their stuff.” (Social rented sector)

For those looking for a property in the social rented sector, some waited years waiting to be housed. One person gave an example of being housed just as her children were getting ready to leave home.

Panel members felt that newer properties tended to have smaller bedrooms, which means that larger families would need houses with more bedrooms than they might have previously.

One Panel member was offered a property that was too small and did not meet minimum standards and, because she accepted this, her family will struggle to access another more suitable property, as they are viewed as being in a better position than others.

“It’s a double-edged sword because, although you may not then be adequately housed, it will likely take you longer to get adequately housed because you are in better housing than families in temporary accommodation. I was forced by the council to accept the property I’m in. They said they knew it wasn’t up to standard but I couldn’t refuse it. And now I can’t get out of it.”

Private rented sector

For those looking for properties in the private rented sector, there are still too few suitable properties for larger families.

“Even if I wanted to go for a private rent, in my area, the stock is just not available. For every property that would be suitable for my family, there are about 22 people going for it. A couple with kids, versus a mum on benefits, they’re going to want them, so you’re just up against it.”

12. Asylum seekers

It was highlighted that asylum seekers faced different issues. Asylum seekers are housed by the Home Office and the accommodation is managed by Mears. It was noted that the housing was poor quality and asylum seekers had been told it was due to be pulled down but had no information about whether they were going to be moved and could not get a response to any questions or complaints.

13. Conclusions

The discussions of the Commission’s Experts by Experience Panel have highlighted key issues that need to be taken into account in the final Rented Sector Strategy. In particular the Commission would highlight the following points made by the Panel:

- The importance of taking into account wider housing costs, particularly energy costs, but also transport costs due to location, when assessing housing affordability.
- The need to ensure that any rent controls introduced in the private rented sector do not lead to a reduction in overall rented sector supply.
- The need for increased supply in the social rented sector. There needs to be clearer direction about what types of new builds are built, particularly to ensure that these are appropriate to meet the needs of disabled people and larger families, and there needs to be funding to enable this.

- Improvements in energy efficiency and action to meet the net zero targets should not lead to rent rises for those on low incomes.
- More accessible housing is required and people should not have to move out of their communities in order to get the accessible housing that they need.
- The need for increased knowledge and understanding of accessible housing, equipment and adaptations.
- Action is needed to strengthen tenants' rights to get repairs done without feeling that they are putting their tenancy at risk.

The Commission would also highlight that the final strategy should address in much more detail what contribution it will make towards meeting the child poverty targets. While the strategy identifies contributing towards tackling child poverty as one of its strategic aims, there is very little in the strategy that sets out how specific actions will enable it to do that. The Commission would draw the Scottish Government's attention to the comments and recommendations that it has made previously in its advice on the Child Poverty Delivery Plan: [Advice-on-the-SGs-Child-Poverty-Delivery-Plan-2022-26 FULL-REPORT Jan2022.pdf \(povertyinequality.scot\)](#)