POLICY NOTE

THE PRIVATE LANDLORD REGISTRATION (INFORMATION AND FEES) (SCOTLAND) AMENDMENT REGULATIONS 2018

SSI 2018/292

The above instrument was made in exercise of the powers conferred by sections 83(3) and 141(2)(b) of the Antisocial Behaviour etc. (Scotland) Act 2004 and all other powers enabling them to do so. The instrument is subject to negative procedure.

Policy Objectives

The Antisocial Behaviour etc. (Scotland) Act 2004 ("the 2004 Act") makes provision for private landlords to apply to the relevant local authority for entry on the register of landlords. Most applicants must pay a principal fee of £55. A fee of £11 applies to every property included in the application. The fee pays for the local authority investigation and processing needed to decide whether applicants should be approved to operate as a landlord.

A 10% discount on the principal and property fees was introduced when mandatory landlord registration was commenced in 2006. The purpose of the discount was to encourage applicants to apply for registration using the internet based system. This helped to reduce the initial administrative burden on local authorities as they carried out new regulatory functions. Landlords who submit a paper application do not qualify for a discount.

This instrument will end the 10% discount for internet based applications received by the local authority on or after 1 December 2018.

It is now well established that the majority of landlords and agents use the internet based system to submit an application. Only an estimated 5% of applications are submitted in paper form. Removal of the discount will ensure that local authorities receive the full application fee for every application made and is expected to help improve the administration of landlord registration.

Consultation

A full public consultation ran for 12 weeks from 15 March to 7 June 2018, supported by a series of 7 stakeholder events held across Scotland. Consultation responses were received from a range of stakeholders, including housing associations and local authorities; lettings and professional organisations; tenant, resident and landlord representative organisations; individuals and those with an interest in property condition and safety.

A full list of those consulted and who agreed to the release of this information is attached to the consultation report published on the Scottish Government website. It includes Shelter Scotland; Scottish Association of Landlords & Council of Letting Agents; Convention of Scottish Local Authorities; Scottish Land and Estates; Chartered Institute of Housing and private individuals.

Due to stakeholder concerns about the cumulative impact of all the proposals for increasing fees on landlords, which was considered by them to be significant, the policy approach was adapted to limit the initial change in fees to removal of the 10% internet based discount. The Scottish Government will consider further changes to landlord registration fees in 2019.

Impact Assessments

An Equality Impact Assessment (EQIA) has been completed. The assessment found that the policy is not discriminatory and has no significant issues that will impact negatively on any of the equality groups. The EQIA notes that a Fairer Scotland Duty assessment is not required and will be published on the Scottish Government's website.

A Child Rights and Wellbeing Impact Assessments (CRWIA) screening has been completed. The screening concluded that a full assessment would be disproportionate to the impact of the policy on the human rights and wellbeing of children and young people in Scotland.

Financial Effects

There will be a cost to the Scottish Government for upgrading the IT system to adjust the fee that will be charged at the application. These costs will be met from the current landlord registration budget.

There will additional income for local authorities who will receive the full application fee as a reasonable contribution to the administration that is required to process applications.

The main financial impact will be for landlords who use the internet based system to apply for registration, and who will pay the full application fee. However, the increase is reasonable and proportionate. For example, a landlord with a single property the change equates to £6.60 over a three year registration period.

A Business and Regulatory Impact Assessment (BRIA) has been completed and is attached. The assessment concluded that the policy will have minimal impact on businesses.

Scottish Government
Housing and Social Justice Directorate

12 September 2018