

## Briefing for Stage 2 (day 2) of the Housing (Scotland) Bill

**21 May 2014, Infrastructure and Capital Investment Committee**

Shelter Scotland has some observations on the amendments which relate to the regulation of letting agents in the marshalled list of amendments issued on 19 May 2014. Shelter Scotland welcomes the inclusion of letting agent regulation in the Housing (Scotland) Bill 2014, and we also welcome many of the amendments lodged in Stage 2 which would act to strengthen the proposed regulation in the Bill.

We do not however, support amendment 136 which would have the effect of exempting solicitors from the regulation of letting agents.

**Amendment number 136: exemption of solicitor-agents from letting agent regulation in the name of Mary Fee**

Shelter Scotland does not support the exemption of solicitors from the regulation of letting agents. It is important that letting agent regulation is simple and understandable for private tenants; the standards applicable to all letting agents must be clear and the complaints procedure should be easy to follow. This is why regulation should cover **all** professionals, including solicitors.

Shelter Scotland accepts that solicitors in general are required to meet a high level of entry requirement, are covered by professional practice rules and are subject to an independent complaints body. However, in relation to their letting agent function they should be held to the same standard as all other letting agents to ensure consistency for tenants. Uniform letting agent regulation would ensure that tenants are left in no doubt about the standards to be expected from every agent in Scotland, and how to lodge a complaint if necessary. Where a letting agent is also a solicitor this should be regarded as an additional safeguard for private tenants, and not a reason to exclude solicitors from this regulation.

Shelter Scotland has concerns that this amendment would create a two-tier system with different standards amongst letting agents and would reduce the effectiveness and transparency of the proposed regulation which is endorsed across the sector. The Scottish Association of Landlords supports our position on this specific amendment.

## **Other amendments for Part 4 of the Bill**

The regulation of letting agents proposed in the draft Housing (Scotland) Bill is an extremely positive move by the Scottish Government to ensure a better quality of service by **all** letting agents and for tenants renting private homes.

Shelter Scotland supports many of the other amendments to letting agent regulation which would have the effect of making the forthcoming regulation stronger. These include the potential for training to be made a requirement for all agents and strengthening much of the language in the Bill. Many of the amendments also relate to strengthening the code of practice for letting agents, and as a consequence we would welcome their inclusion in the final code of practice. The amendments specify that that code should cover issues such as:

- the handling of landlords' and tenants' money,
- professional indemnity insurance,
- the level of advanced rent that can be charged,
- the level of deposit that can be requested,
- a requirement to provide tenants with a lease,
- prohibitions against the discrimination of tenants on socio-economic grounds, on the basis of their immigration status, on the grounds that they have children and on the grounds that they are receiving certain specified benefits,
- a time-limit on repairs, and
- a restatement of the law relating to the letting of property.

For further information please contact Debbie King on 0344 515 2447 or email [Debbie\\_king@shelter.org.uk](mailto:Debbie_king@shelter.org.uk)