

SNP's rent freeze blamed for rental inflation in Edinburgh and Glasgow among highest in UK

The Scottish Government introduced rent controls last year, spearheaded by Scottish Green minister Patrick Harvie, despite objections from landlords who claimed it would severely damage the housing market.

The SNP's controversial rent freeze, which is being spearheaded by Scottish Greens minister Patrick Harvie, has been blamed for rising rental prices in Scotland's two biggest cities. Rental inflation in Edinburgh is the highest in the UK, with London sitting second in the table and Glasgow third.



Introduced last September as emergency Covid legislation, it stops landlords from increasing the monthly rent of their tenants. An eviction ban was also introduced.

But this temporary measure has been extended until September 2023, with a three per cent cap on most private rent increases, along with a pause on eviction enforcement for the majority of tenants.

The Scottish Government was warned that introducing these rules would mean that more landlords leave the rental market, and those who stay would increase their initial rents as they have no power to do this with inflation rising. This would lead to a lack of available housing for renters.

And now it has been revealed that Edinburgh and Glasgow had two of the biggest increases in rent costs in the UK, with the Scottish Tories blaming the freeze for this. The capital city was top, with a 13.7 rise between April 2022 and April 2023.

London was second at 13.5 per cent, following by Glasgow with a 12.3 increase. They feature highly partly because they score highly on quality of life and job markets.

But fears have been raised that the added constraints in the housing market, which is due to the rent freeze, means that flats and homes are much more expensive to rent. Properties in the likes of Dundee and Aberdeen have also risen in price.

Miles Briggs MSP, the Tory shadow cabinet secretary for social justice, housing and local government, told the Scottish Daily Express: "The previous freeze on rents and evictions and the three per cent cap have had exactly the effect that was predicted, and the further restrictions Patrick Harvie is proposing would make matters even worse.

“Rent inflation in Edinburgh is even worse than London, while Glasgow, Aberdeen and Dundee have all seen prices rocket. We urgently need more housing, but these figures show rent controls make matters worse, rather than fixing the problem. SNP-Green Ministers are presiding over a housing crisis which will ultimately see rent increase for people across Scotland. They have failed to listen and it is hard working Scots who are paying the price.”

Mr Harvie is expected to introduce more permanent rent controls once the temporary measures have expired in September 2023, meaning the rental market could get even worse. Since there is no constraint on rents at which landlords can advertise new tenancies, it means they can charge more, flooding the market with expensive properties.

According to property professionals, newly-advertised rents have risen, as landlords seek to protect their income against the impact of future constraints once tenants have moved in. The same thing has happened in a number of European cities like Berlin and Dublin, where the cities are split into expensive new builds and older, slightly cheaper homes.

Tenants’ Rights Minister Patrick Harvie disputed the Tory claims. He said: “The statistics reported by the BBC are based on advertised rents at the start of a tenancy, and so do not take account of the in-tenancy protection provided by our emergency legislation.

“The scale of the rent rises reported not just in Scotland, but in Wales and London, and indeed throughout much of Europe demonstrate why there is such appetite for rent reform. That is why in our New Deal for Tenants consultation we sought views on longer term rent control and we continue to develop proposals along with stakeholders and review of evidence.

“We believe a well-regulated private rented sector is good for landlords and tenants and can be attractive to investors. We will continue to listen to and work with stakeholders as we develop our proposals for long term rent control. While the judicial review is ongoing it would not be appropriate to comment further.”

By David Walker

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