DIGRIS

A LIVING RENT REPORT ON ENFORCEMENT ACTIVITIES IN THE CITY OF EDINBURGH COUNCIL AUGUST 2025



Edinburgh is in the midst of a housing emergency, and as the home to Scotland's largest private rented sector, it is the city's tenants that are on the frontline of that emergency.

Unaffordable rents are driving tenants to the brink of poverty and homelessness. Slumlike conditions, chronic disrepair, and Scotland's least energy efficient housing are having a profoundly negative impact on the health and wellbeing of our city's renters.

The impact of Edinburgh's rented housing crisis extends far beyond just private tenants alone. Conditions in the sector dramatically perpetuate inequalities right across society. Particularly in tenements, issues of disrepair affect all neighbours. And the cost is borne by everyone: from the amount of public money required to subsidise unaffordable rents, to the cost to the NHS from the detrimental health impact of poor conditions, to the £53 million homeless bill to the City of Edinburgh Council.

We cannot continue like this. And we don't have to.

The Council already has all the powers it needs to act. Indeed, many of the powers the Council has are statutory duties which they are legally obligated to fulfil. However, as this report outlines, these are powers and duties that the Council is routinely neglecting. That means letting rogue landlords off the hook and letting tenants down.

A digital copy of this report, with clickable hyperlinks, is available at: livingrent.org/edinburghenforcement

EXECUTIVE SUMMARY

- Local authorities in Scotland have wide-ranging and extensive powers, tools and
 obligations to enforce standards in the private rented sector. Some of these are
 statutory duties; legal obligations that the City of Edinburgh Council is not fulfilling.
 Instead, and particularly in cases of disrepair, the Council is putting the onus on
 tenants to go through processes that are complicated, inaccessible, and in some
 cases prohibitively expensive.
- The Council is **not carrying out any proactive due diligence** when determining whether an applicant to the landlord register is a 'fit and proper person'.
- The Council's procurement process has come under harsh media scrutiny after a temporary accommodation contract worth £8 million was awarded to a convicted landlord.
- The Council is **not routinely using its powers to remove landlords from the register** to enforce higher standards in the private rented sector.
- Despite a statutory duty to ensure all properties meet the 'tolerable standard', which
 as many as 27% of Edinburgh 65,000 PRS homes fail, the Council is carrying out
 next to no proactive enforcement activity with regard to disrepair. For the year
 2023-24, the Council claimed there were only 10 complaints from tenants regarding
 the 'tolerable standard'.
- The Council has the power to make third-party applications to the First Tier
 Tribunal on behalf of tenants, but this is a power the Council only uses in very rare
 circumstances.
- The Council has claimed that their private rented sector enforcement activity has "no equality or poverty impacts" and that they "have no relationship to the Council's responsibilities with respect to the environment." This misleading and bizarre claim exposes a serious problem in the Council's approach to and understanding of issues in the PRS.
- A lack of data and transparency undermines the ability of both councillors and the public to scrutinise the Council's enforcement activities and their outcomes.
- The Council's lack of enforcement activity is seemingly the result of a deliberate revision of its "Enforcement Key Performance Indicators", with officers having been instructed to "focus on other operational priorities".
- Fully half of the Council's PRS enforcement team are on **fixed-term contracts**, due to end in the coming months.
- Enforcement activity in the PRS more than pays for itself both through income generated and greater costs avoided - and should be funded and resourced fully.

SUMMARY OF RECOMMENDATIONS

We are calling on the City of Edinburgh Council to uphold its responsibilities to protect tenants:

FUNDING AND RESOURCING

Dramatically increase the resourcing for enforcement so that the Council has the capacity it needs to pursue cases properly, including rigorous due diligence on landlord registration applications.

TRANSPARENCY AND ACCOUNTABILITY

Ensure that the Council's PRS enforcement work, and the policies and targets that govern it, are subject to meaningful scrutiny by councillors and residents. This must include capturing and reporting information on complaints, enforcement activity, and the application of the 'fit and proper person' test.

PROACTIVE ENFORCEMENT

The Council has a wide range of existing powers to support tenants and tackle rogue landlords, including some that are statutory duties. These must be used to their fullest extent, and it must be clear how tenants can request and receive that support.

DON'T PUNISH TENANTS FOR LANDLORDS' FAILURES

Ensure protection for tenants from eviction or other adverse impacts in cases where enforcement action has been taken against their landlords, such as being struck off the register.

COUNCIL PROCUREMENT

The procurement process must ensure value for taxpayer money and high-quality services - we cannot have a repeat of the Council handing millions to a landlord fined for breaches of housing law.



INTRODUCTION

There are a wide range of enforcement powers which local authorities can use against private landlords who are in breach of housing and tenancy law. Yet, instead of using these powers, City of Edinburgh Council has been repeatedly allowing rogue and criminal landlords to continue to operate:

- In May of this year, Edinburgh Council <u>awarded a contract worth £8m to a</u> <u>convicted landlord</u> to provide homeless accommodation.
- Also this year, it allowed a <u>convicted</u> <u>sex offender</u>² to operate as a registered landlord for almost <u>five months</u>³, because the landlord did not disclose his conviction in his application.
- And there has been widespread funding of unlicensed HMOs⁴ which do meet minimum standards to provide homeless accommodation.

1 Edinburgh Live: Edinburgh Council blasted over 'extremely concerning' £8m deal with convicted landlord 2 Edinburgh Evening News: Edinburgh landlord loses registration after failing to declare sex offence conviction 3 Licensing Sub-Committee of the Regulatory Committee: Request for Removal of Landlord Registration (03/03/2025)

4 Edinburgh Live: Edinburgh Council 'aided and abetted' crime by paying unlicensed landlords



Many Living Rent members have seen firsthand the unlawful practices by landlords, while struggling to receive any support from Edinburgh Council.

This report also responds directly to a number of damning admissions in a recent paper to the Regulatory Committee⁵ at Edinburgh Council. This paper provides an update on recent enforcement activities in the PRS, and demonstrates a number of key areas in which the Council is failing to fulfil its responsibilities to tenants.

- The City of Edinburgh Council is systematically neglecting its duty to ensure that applicants to the landlord register satisfy the 'fit and proper person' test, by automatically accepting applications "unless the application form discloses a concern". This means that landlords who have previously breached housing and tenancy legislation, committed crimes, or otherwise may not meet the 'fit and proper person' test can easily avoid scrutiny. Our recent Freedom of Information Act request also revealed that the Council also does not systematically record information about landlords who have previously been refused or removed from the register.
- Instead of using existing powers to tackle disrepair and poor-quality housing in the PRS, the City of Edinburgh Council simply signposts private tenants to take matters to the First-Tier Tribunal which is known to be inaccessible, time-consuming and, in some cases, prohibitively expensive.
- The report notes that very few complaints are being received by tenants, even noting that "that many tenants may not raise a concern as they may be concerned about the consequences of doing so."
- The report fails to recognise the link between PRS housing and poverty, equality and environmental issues. This ignores the fact that <u>Edinburgh's PRS is</u> <u>the most expensive in Scotland</u>⁶ and that private rented properties as a whole are the <u>least energy-efficient</u> form of housing.

⁵ Regulatory Committee: Private Rented Sector Enforcement Update (08/08.2025)

⁶ The Herald: Edinburgh named on list of most expensive places to rent in the UK

1. THE POLICY IMPLEMENTATION GAP

Local authorities in Scotland have a wide and extensive range of powers, tools, and even statutory duties with regard to enforcement in the PRS. And yet, as can be seen below, there is a major disconnect between the options and responsibilities set out in legislation and The City of Edinburgh Council's approach to their implementation. A full overview of these powers and tools can be found in appendices 1 and 2.

1.1 DUE DILIGENCE IN THE LANDLORD REGISTRATION PROCESS

The 'fit and proper person' test

The Antisocial Behaviour etc. (Scotland) Act 2004 stipulates that a local authority must be satisfied that, in order to operate lawfully as a registered landlord, a landlord must be a 'fit and proper' person. In determining this, section 84 of the Act spells out explicitly that the local authority must consider, among other criteria, whether:

the person has-

[...]

(c)contravened any provision of— (i)the law relating to housing; or (ii)landlord and tenant law.



Additionally, the Scottish Government's Statutory Guidance for Local Authorities regarding Landlord Registration, makes clear that local authorities should consider the following:

- offences that are required to be disclosed;
- intelligence provided by Police Scotland;
- evidence relating to the extent of the applicant's knowledge of private tenancy law and good practice;
- evidence of any delay or attempt to avoid registration;
- failure or delays in providing information;
- complaints from tenants or neighbours;
- issues arising from registration or property management in other local authority areas;
- any available information about the physical condition of the property;
- adverse decisions by the Housing and Property Chamber of the First Tier Tribunal (FTT).

Despite this criteria being set out in law, the City of Edinburgh Council is not fulfilling its duty to ensure that landlords satisfy the 'fit and proper person' test. Instead, applications are granted with no due diligence whatsoever. In the Private Rented Sector Enforcement Update presented to the August meeting of the Council Regulatory Committee, the Council's Interim Executive Director of Place stated that:

"Applicants are automatically entered onto the register unless the application form discloses a concern. The grounds for considering fitness of the landlord are limited by the 2004 Act and there is no routine inspection of these properties." (4.2)

As noted above, the grounds outlined by the 2004 Act give local authorities considerable scope for rejecting applications, or removing existing landlords from the register, based on their suitability to operate as a landlord.

This systematic failure by the Council to comply with its duty to ensure it is satisfied that an applicant is a 'fit and proper person' has put tenants at serious risk. One clear example of the consequences of this inaction is below:

In October 2024, Police Scotland wrote⁷ to the Council notifying them that Kevin Cowley, a registered Edinburgh landlord, had a conviction for indecent assault against a 15-year-old, for which he was jailed for four years in 2018. The Council was informed that Mr Cowley had failed to report this conviction when applying for landlord registration. Given that the Council automatically enters applicants onto the register if they don't disclose a concern, Mr Cowley was granted his application.

Mr Cowley's conviction had been widely reported at the time⁸, and even the most cursory investigation, as basic as simply searching his name, would have alerted officials to his undisclosed conviction. It is clear that not even this was done.

To make matters worse, despite being informed in October 2024, the Council's licensing committee did not discuss the matter until March 3rd 2025, when they finally revoked his license. This means that there were almost five months during which the Council knew that a convicted sex offender, who had concealed his conviction, was operating as a landlord.

The City of Edinburgh Council's duty to ensure that all registered landlords pass the 'fit and proper person' test is a statutory one - one that they are legally obliged to enforce. And yet, as evidenced by the above case, and as admitted by the Council's Interim Executive Director of Place, the Council is failing to fulfil this responsibility even at the most basic level.

CASE STUDY 1 (2025)

A Living Rent member and their two flatmates approached the union about a £300 rent increase, for a property that had many outstanding repairs and maintenance issues. As the rent increase had not been issued in writing and did not come with the legally required three months' notice, it was legally invalid and the tenants decided not to agree with the increase. As a result, their landlord began to try to intimidate them through repeated text messages and phone calls, and even tried to illegally evict them. Living Rent soon realised that the landlord was not registered or had an HMO license. These are offences which can carry penalties up to £50,000 and even imprisonment. Edinburgh Council were informed of this in April 2025. and to date no action has been taken against this landlord.

Council procurement is rewarding criminal landlords

As well as individual landlords, it is clear that the Council is also failing in its duty to perform adequate due diligence when awarding housing contracts.

In May of this year, Edinburgh Council attracted widespread controversy and criticism for awarding an £8 million contract for emergency housing to a convicted landlord.

As <u>STV</u>¹⁰ reported:

William Lennie, director of Edinburgh housing firm Phoenix Properties Edinburgh Ltd, had pled guilty to charges of unregistered lets and unlicensed HMOs in 2010.

[...]

Mr Lennie also told the reporter that he had been "done in 1985 for ghost tenants, DHS fraud", and that he had been charged with mortgage fraud around 2000.

⁷ Licensing Sub-Committee of the Regulatory Committee: Request for Removal of Landlord Registration, Appendix 2 (03/03/2025)

⁸ BBC: Family guest jailed for sex attack on girl in East Lothian caravan

⁹ Licensing Sub-Committee of the Regulatory Committee: Request for Removal of Landlord Registration (03/03/2025)

¹⁰ STV: Questions raised after convicted landlord awarded $\mathfrak L 8m$ homeless contracts

Given that the 'fit and proper person' test for landlords is explicitly intended to cover contraventions of "the law relating to housing or landlord and tenant law" as well as "evidence relating to the extent of the applicant's knowledge of private tenancy law and good practice", however Council officials were quoted as stating that they "complete full due diligence checks on each provider."

If it is the case that due diligence checks were completed in this case, then questions must be asked about how severe breaches must be before the Council deems someone unsuitable to operate as a landlord.

Removal of landlords from the register

As well as ensuring that applicants to the landlord register satisfy the 'fit and proper person' test, local authorities also have the power to remove existing landlords from the register where new evidence comes to light.

Surprisingly, however, in response to a <u>Freedom of Information request</u>¹¹ from Living Rent, it was revealed that: "The City of Edinburgh Council does not specifically record or collate information on how many landlords are removed from the register."

11 FOIA: Landlord Enforcement - Response - 06/05/2025

The failure to record this information deprives both councillors and the public of the ability to scrutinise the Council's use of this important power, and undermines faith in, and the integrity of the landlord registration process.

As noted in section 1.1, the criteria which can be considered when determining whether a landlord is a 'fit and proper person' are broad, and include compliance with and awareness of the full range of legislation relating to housing, as well as the condition of the property.

The Scottish Government's <u>Statutory</u> <u>Guidance for Local Authorities</u> on landlord registration spells out a model of 'Action Plans', which represent a powerful tool for local authorities to ensure compliance as it relates to all of the criteria above:

"that local authority shall, if it considers that the applicant or registered person can, or might be able to, take action to avert that proposed refusal or removal, give the applicant or registered person advice on the appropriate action to take."

The threat of removal from the landlord register, therefore, can and must be an important aspect of the Council's approach to PRS enforcement.



Unregistered landlords and Unlicensed HMOs

Almost all private landlords are required to register with the Scottish Landlord Register. Where landlords either fail to register or fail to renew their registration, however, local authorities have powers to:

- Issue Rent Penalty Notices which temporarily prevent landlords from collecting rent on unregistered properties.
- Make a third-party referral to the courts for criminal prosecution, carrying a maximum penalty of up to £50,000 and even 5 years imprisonment.
- Larger homes which are occupied by 3 or more people who are not members of the same family (Houses of Multiple Occupation or HMOS) must meet certain standards and hold an HMO License. It is a criminal offence for a landlord to let out a property to 3 or more people who are not members of the same family if they do not have an HMO license, or if the property does not meet the relevant standards. Breaches of this offence can result in fines of up to £50,000.

Since 2017, Edinburgh Council have received a total of 3608 complaints relating to unregistered landlords and 789 complaints related to unlicensed HMOs or HMO property standards. Only a small minority of these cases have been addressed using the following sanctions:

- Referred two cases to the Procurator Fiscal for criminal prosecution representing just 0.05% of complaints made.
- Issued 119 Rent Penalty Notices for unregistered properties - representing just 5.5% of complaints made.
- Issued 180 Rent Suspension Notices for unlicensed HMOs - representing 22% of complaints made.

1.2 DISREPAIR AND QUALITY

Local authorities have a duty under s.85(1) of the Housing (Scotland) Act 1987 to ensure all houses in its area which do not meet the tolerable standard are "closed, demolished or brought up to the tolerable standard". There are a number of powers which they can use to ensure all housing meets these minimum standards, including:

 Work notices: Section 30(1) of the The Housing Scotland Act (2006) gives local authorities powers to issue work notices, which:

"may require the owner of a house to carry out work in it for the purposes of—
[...] (b) bringing any house which the local authority considers to be sub-standard [...] into, or keeping it in, a reasonable state of repair."

Maintenance orders: Section 42 of The Housing Scotland Act (2006) gives local authorities the ability to issue a maintenance order, which would:

"require the owner of a house to prepare a plan (a "maintenance plan") for securing the maintenance of the house to a reasonable standard"

Abatement notices: Section 80 of The Environmental Protection Act 1990 gives local authorities the ability to issue an abatement notice in the case of statutory nuisances:

"(a)requiring the abatement of the nuisance or prohibiting or restricting its occurrence or recurrence;

(b)requiring the execution of such works, and the taking of such other steps, as may be necessary for any of those purposes"

The definition of "statutory nuisance", as stipulated in <u>Section 79 (1)(a)</u>, includes "any premises in such a state as to be prejudicial to health or a nuisance."

CASE STUDY 2 (2022)

A member initially came to Living Rent with a deposit case, as the landlord was asking for money for repairs for issues that the tenant had already reported and which were not the responsibility of the tenant. During work on the case, Living Rent realised that the member was on a Short Assured Tenancy, which was not legal as of December 2017; the tenants had signed the lease for this tenancy in May 2021. As they had only recently arrived in Scotland, they were not aware of their rights as a tenant in this regard - an opportunity which the landlady took advantage of in order to rent out her property with illegal conditions. The only action taken by the Council was to offer to email the landlady and ask her to update the contract - however, this did not happen as our member had moved out of the property by this point. Living Rent were able to secure compensation through direct negotiation, but without support from the Council.

 Third-party applications to the First Tier Tribunal: <u>Section 22</u> of the Housing (Scotland) Act 2006 gives local authorities powers to:

"apply to the First-tier Tribunal for determination of whether a landlord has failed to comply with the duty imposed by section 14(1)(b) [Landlord's duty to repair and maintain]".

The Regulatory Committee's recent report on PRS enforcement activity ignores the first three of these powers and does not provide any information about their use. We can only assume that these powers are not being exercised.

These powers are vital because issues of disrepair and poor-quality in Scotland's PRS are endemic. The Scottish House Condition Survey¹² revealed that, in 2023, 27% of Scotland's PRS stock was below the Tolerable Standard, and that 59% of PRS homes included "disrepair to critical elements." While a breakdown by local authority is not available for the most recent statistics, the City of Edinburgh Council has a level of disrepair in line with national averages¹³ in previous years. If 27% of Edinburgh's 60,000 PRS properties in 2023-24 were below the tolerable standard, that would be roughly 16,000 homes.

In reality, private tenants who report issues with disrepair to the Council, are advised to take matters to the First Tier Tribunal. Although the Council does provide information

12 Scottish House Condition Survey: 2023 Key Findings 13 Scottish House Condition Survey: Local Authority Analysis 2017-2019 and advice around the tribunal process, there is a lack of free representation available, meaning that tenants are forced to navigate complex legal issues by themselves and represent themselves at hearings which are highly formal and adversarial. On the contrary, landlords and letting agents often instruct solicitors, which automatically places them at an unfair advantage.

Rent Better research from 2022¹⁴ by Indigo House Group has shown that tenants who have engaged with the First-Tier Tribunal have found the process to be intimidating and inaccessible. A case study from this research paper illustrates the inaccessibility, unaffordability and often dead-end nature of pursuing cases via the First Tier Tribunal:

Kate, who feels the outcome of the Tribunal was not satisfactory but does not feel capable of taking the case again

Kate moved into the property and soon discovered it was not 'water-tight', with poor electrics and unsafe gas fire heating. She took the case to the Tribunal and was awarded £650 in damages but never received them. She wanted to pursue the case in court, but the lawyer dropped the case and asked for £12K in legal fees, which Kate is unable to pay. Kate has now moved. She would like to take the case again to the Tribunal but does not feel she is capable and the stress from before was too much. She feels the Tribunal is not inclusive but is an intimidating forum.

¹⁴ RentBetter: Wave 2 Final Report

In practice, tenants in cases such as the above are faced with two choices when living with disrepair or otherwise poor-quality conditions:

- Staying in the property at the detriment of their own physical and mental wellbeing, or
- Moving home, which is time-consuming and expensive and also does nothing to resolve the problem, as the disrepair is simply passed on to the next tenant who moves in.

The Council's Regulatory Committee's recent report claims that it is not common for tenants to make complaints about their landlord, due to fears of consequences like eviction. While there is some truth to this, we know that this is not the full picture. The process of reporting disrepair to the Council is incredibly unclear, as the Council's website does not provide clear guidance or contact details for the relevant team.

The Regulatory Committee's report does seem to recognise that the Council can make third-party referrals to the First-Tier Tribunal however this is only done in a limited number of cases, where a tenant is "vulnerable or incapable of submitting a referral directly", with consideration given to factors such as:

- age
- disability
- risk of abuse or neglect
- individuals and groups who have protected characteristics under the Equality Act 2010.

From Living Rent's experience supporting members on the ground, we know that most tenants who do manage to contact the Council's Private Sector Enforcement team are simply told to take matters to the tribunal, which is not an accessible solution to most people. Given that there is a lack of free representation for tribunal cases and clear evidence of the inaccessibility of the tribunal system, Edinburgh Council can and should make far more proactive use of the powers it already has to support tenants in this process. This would not only take away unnecessary stress from tenants, it would also raise the

overall standards in the private rented sector, as it would send the message to landlords that non-compliance and sub-standard housing quality will simply not be accepted.

1.3 EQUALITY AND POVERTY, ENVIRONMENTAL IMPACTS

The Council's most recent report to the Regulatory Committee states that:

No equality or poverty impacts arise directly from this report.

And:

Matters described in this report have no relationship to the Council's responsibilities with respect to the environment.

This patently absurd claim exposes an extreme problem in the Council's approach to enforcement in the PRS.

As the largest monthly expense for most tenants, the cost and condition of rented accommodation is central to tackling questions of poverty. The number of PRS tenants in Scotland <u>living in relative poverty</u>¹⁵, defined as "below 60% of UK median income after housing costs", has increased by more than 40% from 160,000 in 2003-06 to 230,000 in 2021-24. Private rented tenants are also almost far more likely to be living in severe poverty (below 50% of UK median income after housing costs), with 22% of PRS tenants in severe poverty, compared to only 13% of households overall¹⁶.

High cost and poor conditions in the PRS are also central to questions around equality. In the 2023 Scottish Housing Survey, 74% of adults recorded their ethnicity as White: Scottish. However, in the PRS, that number drops to 51% - by far the lowest of all tenures. Asian and other Minority Ethnic Groups account for 19% of PRS tenants, compared to just 3% of owner-occupied properties¹⁷.

¹⁵ Scottish Government: Poverty and child poverty data 16 ihid.

¹⁷ Scottish Household Survey Data Explorer

The gendered experience of renting is also extremely well documented. To quote the Scottish Government's Rent control: equality impact assessment results¹⁸:

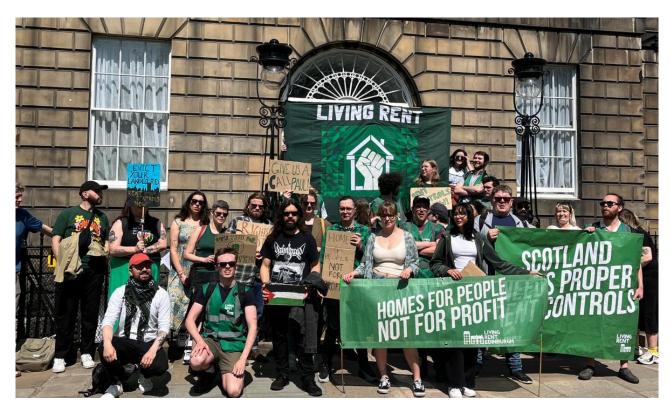
Women earn less on average than men, are less likely to be paid the Living Wage and are more likely to not be working due to looking after children or home. This may lead to women having a lower independent income. Whilst there may be income pooling within a couple with a high-income and low-income earner, there will be an unequal reliance on the sharing of income to maintain their standard of living. The Wealth in Scotland report also shows that women are less likely to own property than men, and lone parents (of whom 92% in Scotland are women) and working aged women with no children are the least likely groups to own any property.

The Council's environmental responsibilities are also inextricably linked to conditions in the PRS. PRS homes in Scotland are by a considerable margin the least energy efficient¹⁹, with 15% of PRS homes having an EPC rating of E, F, or G, compared to just 5% of socially rented homes. This discrepancy significantly affects both the costs faced by PRS tenants and their quality of life, but it also means that poor-quality housing in the PRS has a substantial environmental impact.

¹⁹ Scottish Government: Scottish House Condition Survey: 2023 Key Findings, 2 Energy Efficiency



¹⁸ Scottish Government: Rent control: equality impact assessment results



2. WHY ISN'T ANYTHING HAPPENING?

In 2019, the Council approved an ambitious report on initiatives and priorities for enforcement: Activities in the Private Rented Sector²⁰. However, at a meeting of the Council on 8 May 2025, a question was tabled requesting an update on the progress of this work. In response, the Convener of the Regulatory Committee stated the following:

"The Private Rented Sector (PRS)
Enforcement Key Performance
Indicators have been revised to
reflect operational developments, with
officers focussing on other operational
priorities."

It therefore appears that Council officials have deliberately and consciously chosen to neglect this work. However, Edinburgh is the city with the <u>biggest Private Rented Sector in Scotland</u>²¹, and in 2023, Edinburgh became the <u>first city in Scotland to declare a housing emergency</u>²². For our local authority

to have chosen to "focus on other operational priorities" is an enormous betrayal of the city's renters, and there must be accountability for this decision.

This approach appears at odds with the City of Edinburgh Council's priorities it has identified through stakeholder engagement in the <u>Housing Emergency Action Plan</u>²³, which directly references the need to:

- Review all current housing policies and strategies to maximise the availability of housing across Edinburgh
- Reduce the number of households living in unsuitable accommodation

Additionally, 6 of the 12 FTE roles on the PRS enforcement team are currently on fixed-term contracts, recruited specifically to reflect "the increasing service demands and introduction of the Short-Term Let licensing regime." This means that, despite the obvious gaps in enforcement activity, the Council is preparing to halve the capacity of the enforcement team.

23 ECC: Housing Emergency Action Plan

²⁰ Private Rented Housing Sector Enforcement Activities, Regulatory Committee (20/05/2019)

²¹ Scottish Government: Housing Statistics 2020 & 2021: Key Trends Summary

²² BBC: City of Edinburgh Council declares housing emergency

3. THE FINANCIAL CASE FOR ENFORCEMENT

Particularly in the context of budgetary challenges for local authorities, it is crucial here to note that adequately funding enforcement activity makes good economic sense for the Council - both in terms of avoiding much more significant costs, and in terms of the potential to directly raise revenue through this work.

It is well documented that living in poor quality conditions is a risk factor for homelessness. There are a number of reasons for this, including:

- Poor quality housing negatively affects the physical and mental health of tenants
- Conflict around disrepair further strains relationships between tenants and landlords
- Knowing that their options to force uncooperative landlords, to make repairs are limited, many tenants will simply choose to leave properties in disrepair even without alternative arrangements

Tackling rogue and unregistered landlords in the PRS through enforcement could improve housing conditions and reduce the risk of homelessness for private tenants. While we recognise that the Council faces challenges with its budget, it is clear that prevention in the PRS can more than pay for itself. A City of Edinburgh Council report from February 2025²⁴, stated that its PRS homelessness prevention service "prevented homelessness for 1,242 households with an associated £31,050,000 of annualised avoided costs".

In spite of this, the Council is not routinely using its powers to force landlords in the PRS to address concerns around quality and disrepair. Where the barrier to this work is to do with resourcing and capacity, the case for increased investment into the PRS enforcement team is clear.

24 Cyclical assurance on service performance, Housing, Homelessness and Fair Work Committee (25/02/2025)

In the recently published Private Rented Sector Enforcement Update, it was confirmed that:

- a) The PRS enforcement team is funded by the registration fees involved in landlord registration, HMO licensing and STL licensing (6.1)
- b) 44,441 landlords have registered 65,446 properties as of 31 March 2025 (app. 3)
- c) 6,809 HMO properties are licensed for FY 24/25 (app. 4)
- d) 4,654 STL licenses have been granted as of March 2025 (app. 5)
 - i) 884 home lets
 - ii) 652 home shares
 - iii) 838 home let + home shares
 - iv) 2280 secondary lets

This means that the total receipts for these regimes are approximately:

- a) £1,629,212 from PRS properties (£82/ landlord + £19/property, annualised from a 3-year license)
- b) £1,482,092 from HMO licenses (£653 for a 3-occupant property, annualised from a 3-year license)
- c) £2,685,720 from STL licences (as per fees)
 - i) £106,080 from home lets (£120/year for a single occupant)
 - ii) £78,240 from home shares (£120/year)
 - iii) £100,560 from home let + home shares
 - iv) £2,400,840 from secondary lets (£1053 for 1-3 occupants, annualised from a 3-year license)

This suggests that this work could be raising at least £5,797,024 per year. Given that this greatly exceeds the costs of resourcing the PRS enforcement team, questions must be asked about where the remaining majority of these funds are being spent.

In appendix 7, the report attributes "a significant increase in enforcement actions" to the increased capacity of 6 FTE fixed-term housing officers hired for the 2025/26 year, which we trust will be reflected when those figures are made available, as demonstrated by the sharp increase in COPFS referrals for 2025/26 specified. Given the value of their contribution and the fact that this increase can be funded dozens of times over by the current minimum estimated receipts from landlord registration, we believe that there is no reason not to make these roles permanent and even expand the team further.

In the same appendix welcome reference is made to the direct impact of enforcement actions upon landlord registration, with over £50,000 raised as a result of the PRS Enforcement team's actions. In the interest of transparency, we request that similar information be made available regarding HMO and STL licensing income.

Lastly, when considering the financial benefits of increased PRS enforcement work, it is important to consider the substantial potential benefits to the wider Edinburgh economy where increased enforcement activity succeeds in reducing costs for renters, for example by lower bills as a result of increased energy efficiency or preventing the cost and consequent rent inflation associated with tenants being forced to move. As the Centre for Progressive Policy note:

Such high costs prevent households from spending on other essential and non-essential goods, which has a knock-on effect on growth. The higher your rent, the less money you have to spend on transport to get to a new job, goods and services in your local area, or clothes for your children. It makes your life more miserable, and limits your participation in the economy, at a time when across the political spectrum there is universal agreement that we desperately need economic growth.²⁵

In addition to the above financial arguments, Living Rent would argue for the Council to consider the social and environmental impact of this work:

Social impact

The Council's powers to enforce improvements in the quality of PRS housing are substantial. In addition to the direct impact of this work, however, more proactive activity will also send a clear message to Edinburgh's landlords that they risk facing action themselves if they do not ensure their properties meet the Tolerable Standard.

Both the direct and indirect impacts of this work will have a considerable positive impact on the health, wellbeing and quality of life of renters.

Environmental impact

As noted above, Edinburgh's poor quality PRS stock has an enormous environmental impact. Enforcement activity targeted at improving the quality and, particularly, energy efficiency of PRS housing will contribute both to reducing the environmental impact of the housing stock, as well as reducing energy costs for the city's renters.

²⁵ Center for Progressive Policy: The high cost of private renting is holding our economy back

4. TRIBUNAL DECISIONS AGAINST EDINBURGH LANDLORDS

As outlined in section 1.1, there are a number of grounds which should be considered when deciding to refuse, or revoke, landlord registration applications. This should include breaking any provision of housing law, the quality of the property, or adverse Tribunal decisions. However, it is not clear that the City of Edinburgh Council is routinely making any systematic effort to assess whether either applicants or existing registered landlords have fallen afoul of this.

In fact, in response to questions at the Regulatory Committee, officials stated that: "The grounds for considering fitness of the landlord are limited by the 2004 Act and there is no routine inspection of these properties." While it is true that the grounds are limited by the 2004 Act, these grounds do - contrary to what that response implies - give the Council not just the ability, but the responsibility, to do much more rigorous due diligence than is currently the case.

Decisions from the First Tier Tribunal (Housing and Property Chamber) are publicly available, and catalogue numerous clear examples of Edinburgh landlords who have been found to have made a number of severe and egregious breaches of landlord and tenant law, yet they are still on the register. Following are four examples:

"A worrying disregard for the duties incumbent upon her as a landlord"

In case <u>FTS/HPC/PR/5261</u>, a registered Edinburgh landlord was ordered to pay £5,850, the maximum possible penalty in this case, to their tenant after failing to protect the tenancy deposit.

The Tribunal found that:

"The Respondent has shown a worrying disregard for the duties incumbent upon her as a landlord. This is evident from her complete failure to comply with the terms of reg.3 of the Regulations, her failure to engage with the Applicant in addressing the matter, and her disregard for the Tribunal process, which extended even to failing to appear at the CMD. The Applicant has been significantly prejudiced by the Respondent's failure, in that he does not now have resort to any dispute resolution procedure in regard to the return of his deposit, the tenancy having ended.



"The interior is not wind and watertight and is not reasonable fit for human habitation."

In case <u>FTS/HPC/PR/24/2262</u>, a registered Edinburgh landlord was found, unanimously, to have failed in their duties to ensure the let property met the tolerable standard, despite years of complaints from the tenant.

This included extensive damage in the kitchen, that "the boiler lost pressure on a daily basis which caused the heating to stop working", and after inspecting the property, the Tribunal further found that the living room was missing a smoke detector and that the carbon monoxide alarm next to the boiler was in need of replacement.

After noting that "the Tribunal determined that the steps proposed by the landlord would not address all of the issues identified", the Tribunal issued a Repairing Standard Enforcement Order to the landlord.

"The Respondent had no intention to live in the Property but used this as a reason to terminate the tenancy"

In case <u>FTS/HPC/PR/23/2436</u>, a registered Edinburgh landlord was found to have wrongfully terminated a tenancy, and issued with the maximum possible penalty.

The two joint tenants, one of whom has a disability which requires her to use crutches, and their four children, two of whom have autism, felt forced to present as homeless after the landlord served them a notice to quit on the basis the Respondent intended to live in the Property. However, within eight days, the property was re-advertised for rent, at a significantly higher price.

The Tribunal "considered that the Respondent considered she could obtain substantially more rent if she terminated the Applicant's tenancy of the Property and let it to a new tenant."

The family have had to move three times since being evicted from this property, each time into temporary accommodation, and the Tribunal found that "the actions of the Respondent had caused significant inconvenience, stress and disruption to the Applicant and his family."

"The Respondent appeared unwilling to accept any responsibility for her actions and has made allegations against the Applicants of fraud and deception. Those allegations do not stand up to scrutiny."

In case <u>FTS/HPC/PR/2854</u>, a registered Edinburgh landlord was issued the maximum penalty for her failure to protect the tenants' deposit, in addition to a payment order for the return of the deposit itself.

In a damning judgement, the Tribunal noted in a number of places the confrontational and uncooperative manner that the landlord conducted themselves throughout the Tribunal's proceedings, noting:

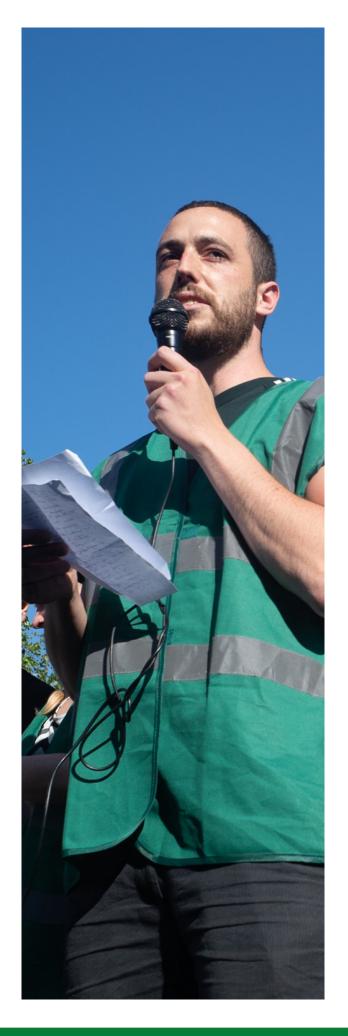
"The Tribunal asked the Respondent directly whether she was refusing the Tribunal's request to co-operate with the interpreter and the Respondent confirmed that she was.

[...]

[The Respondent] came across as defensive and confrontational. She took no responsibility for the non-registration and went on the attack attributing blame to the Applicants for leaving the Property in a poor condition [...]

The Tribunal was left with the impression that [the Respondent] was willing to say anything rather than acknowledge that she should have put the deposit in an approved scheme.

This left the Tribunal with a poor impression of the Respondent's knowledge or understanding of her legal responsibilities of being a landlord. The Tribunal could not find the Respondent credible or reliable about any issues that were not accepted by [the Applicant]."



5. OUR DEMANDS TO THE CITY OF EDINBURGH COUNCIL

Edinburgh is home to Scotland's biggest and most expensive Private Rented Sector in Scotland. The situation for Edinburgh's renters is dire. Poor quality housing and unaffordable rents have pushed many tenants to the brink.

At the same time, Council inaction on enforcement has sent a clear message to landlords: that compliance is effectively optional.

This situation is not only morally and politically indefensible but, as noted above, a poor and wasteful allocation of Council resources. This must urgently change.

Living Rent is calling on the City of Edinburgh Council to take necessary action to ensure tenants rights are upheld through:

FUNDING AND RESOURCING

Dramatically increase the resourcing for enforcement so that the Council has the capacity it needs to pursue cases properly, including rigorous due diligence on landlord registration applications.

TRANSPARENCY AND ACCOUNTABILITY

Ensure that the Council's PRS enforcement work, and the policies and targets that govern it, are subject to meaningful scrutiny by councillors and residents. This must include capturing and reporting information on complaints, enforcement activity, and the application of the 'fit and proper person' test.

PROACTIVE ENFORCEMENT

The Council has a wide range of existing powers to support tenants and tackle rogue landlords, including some that are statutory duties. These must be used to their fullest extent, and it must be clear how tenants can request and receive that support.

DON'T PUNISH TENANTS FOR LANDLORDS' FAILURES

Ensure protection for tenants from eviction or other adverse impacts in cases where enforcement action has been taken against their landlords, such as being struck off the register.

COUNCIL PROCUREMENT

The procurement process must ensure value for taxpayer money and high-quality services - we cannot have a repeat of the Council handing millions to a landlord fined for breaches of housing law.

SOURCES

Private Rented Sector Enforcement Update, Regulatory Committee - 08/08/2025: https://democracy.edinburgh.gov.uk/documents/s86348/Item%208.2%20-%20Private%20 Rented%20Sector%20Enforcement%20Update.pdf

FOIA: Landlord Enforcement - Response - 06/05/2025:

https://edinburgh.axlr8.uk/documents/54368/54368%20Landlord%20Enforcement%20-%20Response.pdf

Poverty and child poverty data, Three-year averages - 27/03/2025: https://data.gov.scot/poverty/download.html

Cyclical assurance on service performance, Housing, Homelessness and Fair Work Committee - 25/02/2025:

https://democracy.edinburgh.gov.uk/documents/s80341/Item%208.2%20-%20Cyclical%20 Assurance%20on%20Service%20Performance.pdf

Licensing Enforcement: Short-Term Let Update, Regulatory Committee - 31/01/2025: https://democracy.edinburgh.gov.uk/documents/s79564/8.4%20Short%20Term%20Let%20 Enforcement%20Update%20post-APM%20v0.11.pdf

Scottish House Condition Survey: 2023 Key Findings - 28/01/2025: https://www.gov.scot/publications/scottish-house-condition-survey-2023-key-findings/documents/

Scottish Household Survey results, 02/12/2024:

https://www.gov.scot/collections/scottish-household-survey-publications/

Rent control: equality impact assessment results - 21/06/2024:

https://www.gov.scot/publications/rent-control-equality-impact-assessment-results/pages/6/

Repairs to Privately Rented Property – Results of Consultation on Support for Tenants Referring Landlords to a Tribunal, Regulatory Committee - 21/10/2019:

https://democracy.edinburgh.gov.uk/documents/s9745/Repairs%20to%20Privately%20Rented%20Property%20Results%20of%20Consultation.pdf

Private Rented Housing Sector Enforcement Activities, Regulatory Committee - 20/05/2019: https://democracy.edinburgh.gov.uk/Data/Regulatory%20Committee/20190520/Agenda/item_74_-private_rented_housing_sector_enforcement_activities.pdf

APPENDICES

1) SUMMARY OF BREACHES, OFFENCES AND SANCTIONS
Source: Landlord Registration - Statutory Guidance for Local Authorities

Breach/Offence	2004 Act	Sanctions available
Failure to register whilst letting a residential property	Section 93	 Rent Penalty Notice (Right of appeal) Report to the Procurator Fiscal £50k fine
Non-registered owner communicates with a person about entering into a lease or occupancy agreement	Section 93	 Report to the Procurator Fiscal £50k fine
Provision of false information, or failure to specify required information in an application form	Section 83	 Refuse registration if not FPP (Right of appeal) Summary offence fine £1k
Failure of registered person to notify changes in circumstance	Section 87	 Review FPP status Remove from the register if not FPP (Right of appeal) Summary offence fine £1k
Registered person no longer FPP	Section 84	Revoke registration status and remove from the register (Right of appeal)
De-registered/refused person continues to let property	Section 93	 Rent Penalty Notice (Right of appeal) Report to the Procurator Fiscal £50k fine
Registered landlord's agent is found not FPP		 Report to the Procurator Fiscal £50k fine
Failure to notify appointment of an agent or giving false information	Section 88	 Review FPP status Remove from the register if not FPP (Right of appeal) Summary offence fine £1k
Failure to include required information in an advert	Section 92B	 Review FPP status Refuse/revoke registration if not FPP (Right of appeal)
Failure to comply with LA request for information	Section 97A	 Review FPP status if offence committed by landlord/agent Refuse/revoke registration if not FPP (Right of appeal) Summary offence fine £500

2) OTHER ENFORCEMENT POWERS

Third-Party Applications	Housing (Scotland) Act 2006, Section 22	"A person mentioned in subsection (1B) may apply to the First-tier Tribunal for determination of whether a landlord has failed to comply with the duty imposed by section 14(1)(b) [Landlord's duty to repair and maintain] [] (1B)The persons are— (a)a local authority"
Tolerable Standard	The Housing (Scotland) Act 1987, Section 85(1)	"It shall be the duty of every local authority to secure that all houses in their district which do not meet the tolerable standard are closed, demolished or brought up to the tolerable standard within such period as is reasonable in all the circumstances."
Action plans	The Private Landlord Registration (Advice and Assistance) (Scotland) Regulations 2005, Section 3 And: Landlord Registration: Statutory Guidance for Local Authorities	"that local authority shall, if it considers that the applicant or registered person can, or might be able to, take action to avert that proposed refusal or removal, give the applicant or registered person advice on the appropriate action to take."
Work notices	The Housing Scotland Act (2006), <u>Section</u> 30(1)	"The local authority may require the owner of a house to carry out work in it for the purposes of— [] (b) bringing any house which the local authority considers to be sub-standard (whether or not situated in an HRA) into, or keeping it in, a reasonable state of repair."
Abatement notices for statutory nuisances	The Environmental Protection Act 1990, Section 79 (1)(a) and Section 80	"the following matters constitute "statutory nuisances" [] any premises in such a state as to be prejudicial to health or a nuisance; [] where a local authority is satisfied that a statutory nuisance exists, or is likely to occur or recur, in the area of the authority, the local authority shall serve a notice ("an abatement notice") (a) requiring the abatement of the nuisance or prohibiting or restricting its occurrence or recurrence; (b) requiring the execution of such works, and the taking of such other steps, as may be necessary for any of those purposes"
Maintenance orders	The Housing Scotland Act (2006), Section 42	"The local authority may by order (a "maintenance order") require the owner of a house to prepare a plan (a "maintenance plan") for securing the maintenance of the house to a reasonable standard over such period not exceeding 5 years as may be specified in the order."

Living Rent is Scotland's tenants and community union.

We are a mass-membership union of tenants, carers, workers and residents, rooted in working-class struggle. We organise collectively to build the power to secure material improvements to our daily lives and put power back where it belongs: in the hands of ordinary people.

We build this power to fight for better rights and better protections against rent increases, evictions, lack of public services, high energy bills, pollution and poor-quality housing. We know our current political system is failing ordinary people and we refuse to wait for politicians or charities to change things for the better.

We will organise across every aspect of our lives to win what we deserve.

We are not affiliated to any political party.

edinburgh@livingrent.org

