

Call for proposals:

Understanding the impact on tenants and landlords of changes to the Scottish private rented sector tenancy regime

Summary

- This document invites proposals to undertake qualitative research and quantitative analysis of the impact on tenants and landlords of changes to the Scottish private rented sector tenancy regime, particularly around security of tenure, access to justice and affordability.
- The research should have a focus on (but not be exclusive to) tenants on a low income and/or in housing need.
- Proposals will only be accepted from applicants based in or working in partnership with organisations based in Scotland. We are happy to accept joint proposals.
- The project is expected to begin in summer 2019 and to be completed in three years.
- The maximum budget for this project is £300,000 (including expenses but excluding VAT).
- The deadline for the proposal is 5pm on 1 March 2019.

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1. Timeline

For the purpose of your proposal, please assume the following timeline:

Date	
1 March 2019	Deadline for proposals
18 March 2019	Shortlisted and unsuccessful applicants notified
3 April 2019	Interview for shortlisted applicants (in Edinburgh)
June 2019	Preferred proposal submitted to the Nationwide Foundation board ¹
July 2019	Project start (or as negotiated)
July 2022	Projected project completion date

2. About the Nationwide Foundation

The Nationwide Foundation is an independent charity that tackles the root causes of social issues to improve the circumstances of people in the UK who most need help. Its vision is for everyone in the UK to have access to a decent home that they can afford.

This research will be funded under the Nationwide Foundation's [Transforming the Private Rented Sector](#) programme. Through this programme, the Nationwide Foundation is helping to create a future of private renting where tenants are better able to access and sustain their tenancies; where all landlords deliver a high quality of service to tenants; where tenants have a strong voice in the debates about housing; and where tenants have robust rights which are effectively enforced.

Not all private tenants are vulnerable, but living in the private rented sector (PRS) does carry potential problems, and some private renters are disadvantaged by their tenure. The Nationwide Foundation's definition of PRS tenants in need are those people whose personal characteristics and circumstances mean that they cannot avoid the potential problems of living in the PRS (insecurity, poor living conditions, high costs and severe lack of choice) which puts them at increased risk of harm. This harm can include poverty, homelessness, poor educational attainment, poor physical and mental health and dangerous, unsafe living conditions.

The Nationwide Foundation was established by Nationwide in 1997 as a fully independent charitable foundation. The Nationwide Foundation (registered charity number 1065552) is a separate legal entity from Nationwide and is not part of the Nationwide Group.

3. Background

Across the UK, the PRS is a sector characterised, fairly or unfairly, by poor security of tenure, poor property conditions and affordability issues. It is also still a sector that is characterised by a lack of consumer power, particularly for tenants at the lower end of the market.

¹ The final project go-ahead will be dependent on approval of the preferred applicant's proposal by the Nationwide Foundation trustees.

A commonly held belief is that insecurity of tenure is largely driven by the ability of landlords to issue a 'no-fault' eviction notice to regain possession of a property at the end of a short-assured tenancy.

In 2013, the Scottish Government set out its vision for the PRS in its strategy paper [A Place to Stay, a Place to Call Home](#)². Its vision is for *a private rented sector that provides good quality homes and high management standards, inspires consumer confidence, and encourages growth through attracting increased investment*. The strategy paper sets out 10 key actions to deliver the Scottish Government's vision and strategic aims, and the interventions below are drawn directly from these.

Private Residential Tenancy: On 1 December 2017, a new type of tenancy was introduced in Scotland. The Private Residential Tenancy supersedes assured and short-assured tenancies. Any tenancy that started on or after 1 December 2017 will be a Private Residential Tenancy. Three of the most important changes brought in by the Private Residential Tenancy are:

- no fixed-term tenancies
- landlords cannot use Section 33 (no-fault evictions), instead they must use one of 18 grounds to regain possession of their property
- rents can only increase once per year and a landlord must give a tenant three months' notice of any increase: if a tenant considers an increase unreasonable, they can make a referral to a Rent Officer, who will set the open market rent for the property.

First-tier Tribunal for Scotland (Housing and Property Chamber): Another major change is the extended remit of the First-tier Tribunal for Scotland (Housing and Property Chamber)³. Beginning in 2016, the Tribunal deals with rent or repair issues in the PRS, assists landlords to gain right of entry, accepts applications on related issues from third parties (specifically local authorities) and provides relatively informal and flexible proceedings to help resolve issues. From December 2017, the Tribunal has also dealt with final disputes over rent assessments, disagreements over Private Residential Tenancy terms, evictions and other non-criminal matters. From January 2018 it has also dealt with cases from the new letting agents' regulation⁴.

These changes represent the most significant transformation to PRS legislation in a generation. Security of tenure, affordability and consumer power in the PRS are fundamental matters that are discussed at all levels amongst all players in the sector, but without consensus as to what the real issues are and how to solve them. The changes in Scotland provide a huge opportunity to get to the heart of these matters. Learning from them will help to shape any further changes needed to truly deliver on the Scottish

² <http://www.gov.scot/Publications/2013/05/5877>

³ <https://www.housingandpropertychamber.scot/>

⁴ All letting agents in Scotland will be required by law to comply with a Letting Agent code of Practice and join a Register of Letting Agents from 31 January 2018. This research project will be mindful of this new legislation but it is outside of the scope of this proposal.

Government's strategy. It will also make the case for positive changes to the PRS in other parts of the UK.

4. The brief

We are seeking a skilled and experienced organisation/applicant to undertake primarily qualitative – with relevant quantitative – research and analysis to understand the impact on tenants and landlords of recent changes to the Scottish PRS, particularly regarding the introduction of the Private Residential Tenancy and the changes to the First-tier Tribunal for Scotland (Housing and Property Chamber).

We are keen to understand the impact of these changes on:

- security of tenure (both perceived and actual)
- access to justice
- affordability
- landlord and tenant conduct
- tenants on a low incomes or tenants in housing need.

The aims of this research are to:

- Understand if and how the changes to the tenancy regime in Scotland are achieving the aims of creating security of tenure, protecting against excessive rent increases and empowering tenants
- Explore and compare tenants' experiences of living in the PRS under the previous regulations and under the new changes
- Understand the perspectives of landlords, local authorities and support/advice agencies on how the new regulations are working.

We recognise that there have been other UK government reforms that impact on the Scottish PRS, in particular tax changes and welfare benefit changes. All these things can have an impact on tenant and landlord perception and behaviour. The successful applicant will need to be mindful in their planning and analysis of the cumulative impact of different reforms, rather than any one specific legislative change.

As we are especially interested in learning about the experiences of tenants in need, it will be important to hear from local authorities and advice and support agencies to learn their thoughts on how the tenancy regime is rolling out. We want to hear about their experiences of supporting tenants and the impact, if any, on their services.

The research should answer the following questions:

- Are PRS tenants and landlords aware of the new regulations, particularly the Private Residential Tenancy and first-tier tribunal?
- What changes have tenants experienced with the new Private Residential Tenancy compared to the previous one?
- What changes have landlords experienced with the new Private Residential Tenancy compared to the previous one?

- What is the impact of the new Private Residential Tenancy on local authorities and tenant support services?
- Have the changes addressed the power imbalance between landlords and tenants?
- Are there any unintended impacts from the regulations?

5. The methodology

We invite applicants to suggest an appropriate methodology, or mix of methodologies, that will answer the research questions within the budget available. Methods may include the following, but we are open to applicants' suggestions and their rationale:

- Face-to-face interviews with an appropriate sample (size and mix) of PRS tenants over the three-year research period, repeated at intervals that will help determine changing/growing impact of the legislative changes (if any)
- Interviews with landlords, of different types, also interviewing them at similar intervals or possibly tracking a cohort of landlords
- Interviews with local authorities and support and advice agencies
- Quantitative surveys with representative samples of tenants and/or landlords
- Analysis of relevant quantitative and qualitative housing and homelessness data and trends
- Possibly new qualitative research – budget and need permitting.

Applicants should also set out the potential challenges with data collection and how they intend to ensure these are addressed.

Research topics

Below are suggested discussion topics to be used with the tenants and landlords included in the research.

Understanding the impact on tenants:

- Do tenants know what type of tenancy agreement they have?
- What do they know about the new Private Residential Tenancy and associated legislative changes?
- Does the new tenancy regime give tenants a sense of security of tenure?
- If yes – why? What does this mean for them and the decisions they're making?
- If no – why? Does the affordability of rent negate legislative security of tenure?
- How do tenants feel about the amount of rent they are being charged?
- Has their rent changed in the last 12 months? If yes, by how much and how did it happen?
- Does the end of Section 33 no-fault evictions make tenants more likely to progress complaints against their landlords?
- What experience do tenants have of being evicted through the 18 grounds for eviction?
- What are tenants' experiences of using the First-tier Tribunal? Is it a satisfactory process?

- Are tenants more likely to use the tribunal if they are engaged with a support agency?
- Is the new tenancy regime easy for tenants to navigate?

Understanding the impact on landlords:

- What are landlords' experiences of the new tenancy regime?
- Do they know what type of tenancy agreement their tenants should have?
- How they are using the 18 grounds for eviction?
- What are landlords' experiences of the First-tier Tribunal? Is it a satisfactory process?
- Have landlords changed their practice or business models because of the new legislation?
- Is the new tenancy regime easy for landlords to navigate?
- Has their tenant profile changed? If so, why do they think this has happened?

As noted earlier in this document, it will also be important to hear about the experiences of local authorities and advice and support agencies and learn their thoughts on how the tenancy regime is rolling out.

6. Ethical sensitivities

There are two main ethical sensitivities in relation to this research.

- a) Risk of a breach of confidentiality and data protection legislation, through the inadvertent disclosure of respondents' identity when this has been requested to be withheld.
- b) Risk that respondents' views are not represented or are not clearly reported.

Please outline in your bid how you will ensure compliance with confidentiality and data protection in the design, analysis and reporting stages of this project.

7. Outputs

The key outputs will be:

- Annual interim reports on the project delivery and findings. These will help ensure that the project remains topical and that learning can be used to influence and develop further changes needed early on
- A final written report which sets out the methodology and analysis and highlights key findings and recommendations
- Presentation and discussion of report findings and recommendations at a launch event
- Relevant dissemination activity throughout the project and beyond the launch to be agreed once findings emerge.

It is important that the findings and recommendations are presented in a way that is easily understood by a wide audience, including the Nationwide Foundation, policymakers and

parliamentarians, the voluntary sector, statutory services, professional bodies, tenants and landlords.

8. Project management

The project will be managed and monitored by the Transforming the Private Rented Sector Programme Manager at the Nationwide Foundation. A collaborative approach to working with the Nationwide Foundation is essential. The successful applicant will be expected to work with the Nationwide Foundation on monitoring, evaluation, influencing and engagement requirements that come as part of this funding.

The successful applicant will also be expected to work with the Nationwide Foundation to put together an advisory group for the lifespan of this research project. We would be particularly interested in Scottish Government; tenant groups and landlord groups being involved.

9. Budget

A maximum budget of £300,000 (including expenses but excluding VAT) is available for this work. This must cover full project planning, delivery, advisory group meetings, monitoring meetings with the Nationwide Foundation, report-writing, launch and dissemination costs.

We support full-cost recovery; this means that we will fund the direct and indirect costs (overheads) of running the project.

10. Proposal information

Your proposal should set out an explanation of how your work will address the brief, including the following:

1. Details of the proposed methodology, the stakeholders you will engage with and how the results will be analysed and presented
2. A dissemination plan for the work, including a launch event
3. A schedule for completion of the work
4. The relevant experience of the organisation and/or individual delivering the project, including CVs of the main people involved
5. The name and contact details of two referees (we will only contact these if the proposal is shortlisted to interview stage)
6. A breakdown of costs. We support full-cost recovery; this means that we will fund the direct and indirect costs (overheads) of running the project
7. A summary of the risks and ethical sensitivities associated with the work and how these will be mitigated
8. Quality assurance and data protection processes, including adherence to GDPR.

Documents required:

- The maximum length of the proposal is 4,000 words, excluding CVs and references
- CVs should be a maximum of two sides A4 per person and should include relevant publications and project work
- No appendices, bar the CVs and references are permitted
- The Nationwide Foundation may ask for further information at a later date e.g. audited accounts from your organisation.

The proposal and permitted appendices should be sent via email to bridget.young@nationwidefoundation.org.uk by 5pm on 1 March 2019.

Please note that we are open to joint proposals from organisations and individuals who may wish to pool their expertise. Proposals will only be accepted from organisations/applicants based in or working in partnership with organisations based in Scotland.

9. Evaluation criteria

Proposals will be evaluated according to the following criteria:

1. The extent to which the proposal meets the objectives of the brief
2. The organisation/applicant's experience of similar research and analysis, and knowledge of the subject area
3. Costs and value for money
4. Ability to meet the specified timescale

10. Contact information

For more information or to discuss this tender, please contact our Transforming the Private Rented Sector Programme Manager, Bridget Young by email: bridget.young@nationwidefoundation.org.uk or phone 07584 889614 (Monday to Thursday).

For further information about the Nationwide Foundation and our work please visit www.nationwidefoundation.org.uk