

STATE OF THE PRIVATE RENTED SECTOR IN SCOTLAND

Voice of the Tenant and
Voice of the Landlord Survey:
Key Implications

Molly McGregor
Research and Programme Officer
The Dispute Service



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Summary

This first joint analysis of the Voice of the Tenant and Voice of the Landlord surveys provides a unique, balanced view of the Scottish Private Rented Sector (PRS).

For many tenants, the PRS functions well: most report good relationships with their landlord or letting agent, and most repairs raised are addressed. Landlords too report positive tenant relationships.

However, some groups continue to struggle - including low-income households, tenants from ethnic minority backgrounds, and those with long-term health conditions. These groups are more likely to face affordability pressures, difficulty accessing suitable homes, and poorer housing conditions. For them, the PRS can present persistent barriers and increased risk of harm.

AT A GLANCE:

- **Functioning relationships and responsive management** - Nearly three-quarters of tenants enjoy a positive relationship with their landlord/agent, and 88% reported repairs are acted on. 84% of landlords say they have good tenant relationships.
- **Affordability under strain** - Nearly 1 in 3 tenants find it difficult to pay rent; over half cut back on essentials. Rising costs mean 6 in 10 landlords increased rents in the past year.
- **Landlord profile and supply** - 84% of landlords are over 45, most own 1-4 properties. Overall, 62% of properties sold by landlords move into

owner-occupation, with fewer than 1 in 10 remaining in the PRS.

- **Low awareness of rights and reforms** - only 19% of tenants have awareness and understanding of the Housing (Scotland) Bill; only 40% of landlords understand it.
- **Redress works when used, but uptake is low** - Despite 92% tenant satisfaction with tribunal outcomes, very few escalate unresolved issues.

POTENTIAL POLICY LEVERS:

- Incentivise long-term, affordable rental supply.
- Strengthen early intervention on rent arrears.
- Expand access to plain-language guidance on rights and obligations.
- Improve awareness and accessibility of redress systems, especially for vulnerable tenants.
- Monitor landlord exit trends and develop contingency measures to protect supply (e.g., via review of the taxation system).

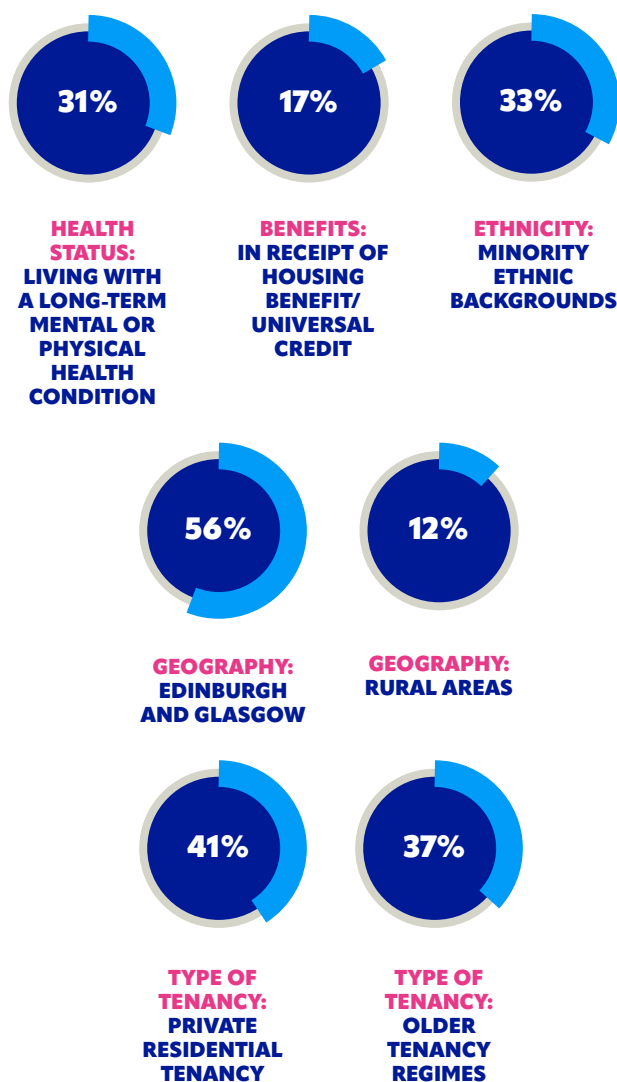
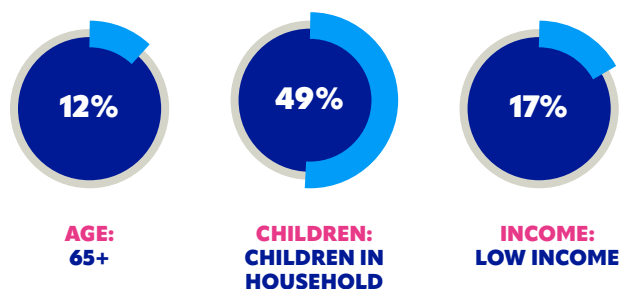
CHAPTER ONE

DIVERSITY OF THE SECTOR

Scotland's private rented sector is not a single, uniform market but a patchwork of different submarkets, shaped by variations in geography, property type, landlord profile, and tenant needs. It spans high-demand urban areas with rising rents, rural markets with smaller rental stocks, properties managed directly by small-scale landlords, and larger portfolios managed professionally. This diversity helps explain why experiences and outcomes vary so widely.

Despite the introduction of Private Residential Tenancies (PRTs) in 2016, over a third of tenants are still on older tenancy agreements. More than two-fifths of tenants in Scotland hold joint tenancies. The Housing (Scotland) Bill plans to convert assured tenancies into private residential tenancies and will also change how a joint private residential tenancy can be ended.

KEY TENANT CHARACTERISTICS



The majority of landlords are over the age of 45, own small portfolios and entered the sector to supplement income or support retirement, with few intending to run a full-time business.

KEY LANDLORD CHARACTERISTICS



Policy Implications:

The aging profile of landlords, prevalence of small-scale, part-time investors, and increasing reliance on rental income highlight a sector evolving in complexity. There is a need to monitor how these shifts might influence market participation over time. For example:

- What will be the impact to PRS supply when the current cohort of landlords exit the market due to age/retirement?
- To what extent are landlords with lower financial resilience able to sustain tenancies in difficult times, such as higher interest rates or tighter lending criteria?¹

The sector's increased focus on investment and the use of buy-to-let financing naturally make it responsive to changes in costs and regulation. Confidence in the sector's sustainability has declined sharply, with "not confident" responses rising from 42% in 2019 to 70% in 2024², particularly among smaller landlords facing high costs, complex regulation, and uncertainty. While research has found indications of potential disinvestment among landlords, there is no clear evidence that regulation alone is driving landlord exit³. Given the wide variation in tenant needs, landlord profiles, and market conditions across Scotland, policy interventions or discussions that assume a single 'PRS experience' risk unintended consequences. These trends highlight the need for a more detailed and nuanced understanding of landlord motivations and behaviours, especially among smaller investors. Such insights are essential for developing effective policy and ensuring the long-term resilience of the PRS.

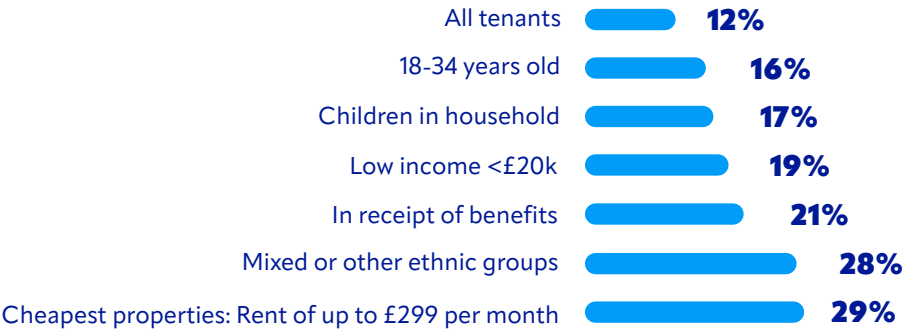
1 Watson, 'The Changing Characteristics and Motivations of Scottish Private Rented Sector Landlords and their Investments - 30 years of Surveys', March 2025; CaCHE.
 2 Indigo House, 'Rent Better: Wave 3 Landlord and Letting Agent Survey Findings', September 2024, Nationwide Foundation.
 3 Indigo House, 'Rent Better: Wave 3 Landlord and Letting Agent Survey Findings'.

CHAPTER TWO

ADDRESSING AFFORDABILITY

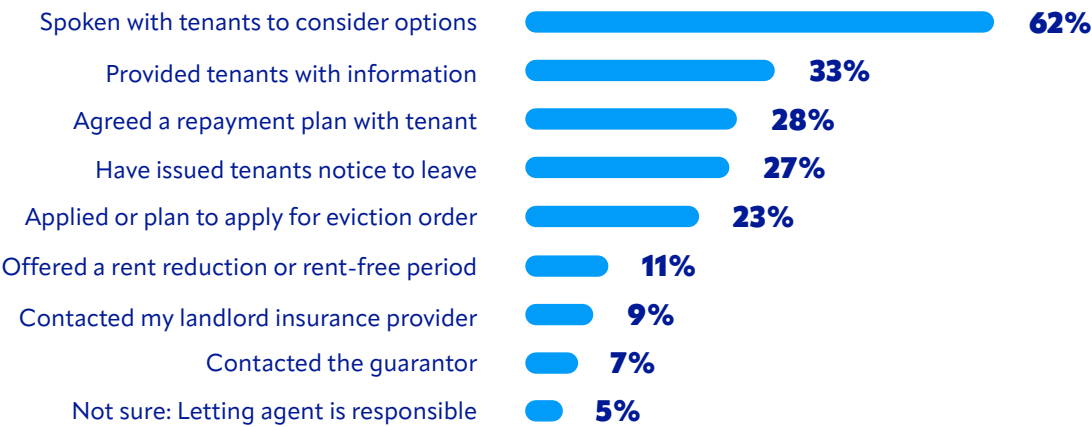
Nearly one in three tenants (32%) find it difficult to pay rent and 49% regularly cut back on essentials such as food, heating or clothing to keep up with payments. Certain groups are more likely to be affected, such as those living in a bedsit/room in a shared house, Asian or British Asian, low income, and those with a mental/physical health condition.

In rent arrears



Thirteen percent of landlords have at least one tenant in rent arrears, however 88% of landlords have taken steps to address the problem. This suggests many landlords aim to maintain good tenant relations and avoid eviction through manageable solutions.

Steps taken to address rent arrears



Policy Implications:

While most tenants are up to date with rent, arrears are rising, especially among vulnerable groups, and payment orders for rent arrears have increased significantly between 2019 and 2024.⁴ The causes of arrears are varied, including benefit shortfalls, rising rent, and financial shocks such as redundancy or illness.⁵ Most landlords aim to resolve rent arrears collaboratively, but delays in accessing support can allow issues to escalate.

Under the upcoming Housing (Scotland) Bill, the First-tier Tribunal and courts must consider delaying eviction enforcement, which, while offering greater protection for tenants, may increase financial strain on landlords already dealing with prolonged non-payment.

This underscores the need for early, accessible advice and tailored intervention, particularly targeted at higher-risk groups, to prevent arrears from reaching a stage where both tenancies and landlords' financial stability are at risk.

⁴ Indigo House, 'Rent Better: Wave 3 Landlord and Letting Agent Survey Findings', September 2024, Nationwide Foundation.
⁵ Simcock, 'Living in Scotland's Private Rented Sector: A Bespoke Survey of Renters' Experiences', September 2022, CaCHE.

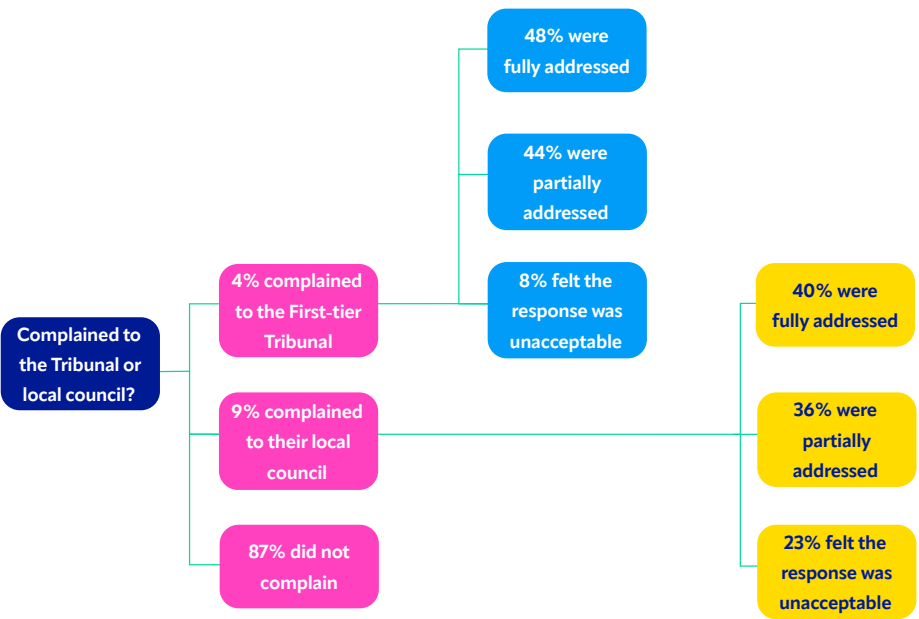
CHAPTER THREE

IMPROVING CONDITIONS AND DISPUTE RESOLUTION

Ninety-one percent of tenants view their property condition as excellent, good or acceptable. Nearly two-thirds have faced quality issues in the past six months. Repairs and maintenance are inevitable for any property, and the data shows that in most cases tenants report issues to their landlord or letting agent and these are usually addressed.

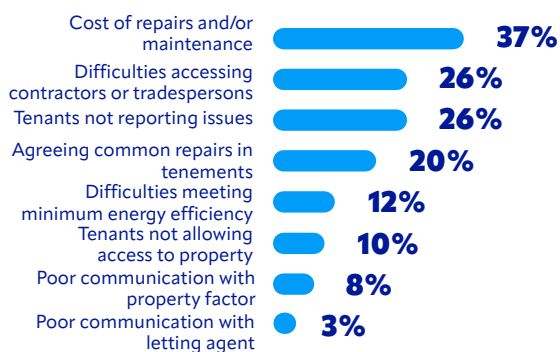
However, when issues remain unaddressed by their landlord, very few tenants escalate complaints to local council or First-tier Tribunal. For those who did escalate their complaint to the First-tier Tribunal, 92% were happy with the response, indicating that this system of redress is effective when tenants engage with it.

REASONS FOR NOT REPORTING THE ISSUE(S) TO LOCAL COUNCIL OR FIRST-TIER TRIBUNAL FOR SCOTLAND	ALL TENANTS
Problem didn't seem serious/urgent enough	22%
I didn't know they existed	14%
I am worried the landlord might ask me to leave	14%
I want to be seen as a "good tenant"	13%
Am still hoping to resolve with the landlord	13%



Most landlords carry out regular property inspections, though a third inspect only when needed or not at all. Many face repair and maintenance challenges, and most manage their properties without a letting agent, preferring a hands-on approach and direct tenant relationships.

CHALLENGES ASSOCIATED WITH REPAIRS AND MAINTENANCE (LANDLORD SURVEY)



Policy Implications:

Few tenants pursue unresolved disputes with their landlords through formal redress routes such as the First-tier Tribunal or local councils. The scale of issues experienced in the PRS is not reflected in the number of applications to the Tribunal or the uptake of other resolution pathways.⁶

While many tenants do resolve problems directly with their landlord, evidence shows that low-income and vulnerable tenants are often reluctant to raise disputes due to fear of repercussions, such as rent increases, damaging the landlord relationship, or risking eviction in a housing system with limited alternative options.⁷

At the same time, demand for advice and information services far exceeds available resources, leaving many tenants unaware of or unable to access formal redress mechanisms above.⁸ While the First-tier Tribunal was designed to be more user-friendly and easier to understand than the Sheriff Court, tenants have reported that the system is too formal, lengthy, and stressful, making it difficult to navigate without professional help.⁹

In summary, while legal redress mechanisms such as the First-tier Tribunal, are intended to provide a pathway for resolving disputes, tenants face significant barriers in accessing and using it effectively.

Further research and reforms are needed to make legal redress within the PRS more accessible, simplified, and responsive, particularly for those with the least power to challenge poor conditions or seek alternative housing.

Recommendations include: simplifying the Tribunal application process; local authority involvement in submitting third-party applications; an evaluation of the Tribunal's user experience and publication of granular data to identify and target areas of improvement and better inform policy changes.¹⁰

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Consumer Scotland, 'A Fairer Rental Market: Consumer Challenges in the Private and Social Rented Sectors', November 2024.

7

Indigo House, 'Rent Better: Wave 3 Landlord and Letting Agent Survey Findings', September 2024, Nationwide Foundation.

8

Indigo House, 'Rent Better: Wave 3 Landlord and Letting Agent Survey Findings'.

9

Consumer Scotland, 'A Fairer Rental Market: Consumer Challenges in the Private and Social Rented Sectors'.

10

Consumer Scotland, 'A Fairer Rental Market: Consumer Challenges in the Private and Social Rented Sectors'.

CHAPTER FOUR

EDUCATION FOR LANDLORDS AND TENANTS

The sector is characterised by low awareness of rights and responsibilities among both landlords and tenants, limiting compliance on one side and the ability to assert protections on the other.

Sixty-six percent of tenants were unfamiliar with the Cost of Living (Tenant Protection) Act and only 19% of tenants have awareness and understanding of the Housing (Scotland) Bill.

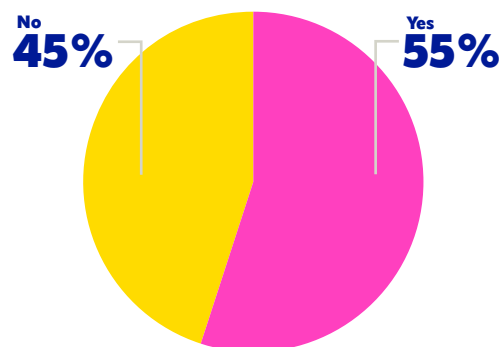
Only 38% tenants recall being presented with 'Easy Read Notes for the Scottish Government Model PRT Agreement' or the 'Private Residential Statutory Terms Supporting Notes', despite this being a legal requirement.

Low uptake of redress mechanisms among tenants is partly due to limited awareness; for instance, nearly a quarter cited fear of retaliatory eviction as a reason for not reporting issues, despite 'no fault' evictions being abolished in Scotland in 2017.

While over three quarters of landlords were aware of the Housing (Scotland) Bill, only 40% understood what it is proposing, either fully or in part.

Just half of landlords feel able to keep up with the changes to the law that affect their rental properties.

Know where to go if landlord / agent failed to address issue



'I can keep up with changes to the law that affect landlords'



'Changes in the law are clearly communicated to landlords'



● Strongly Disagree ● Disagree ● Neither Agree nor Disagree ● Agree ● Strongly Agree

Policy Implications:

Scotland's PRS has faced numerous legislative changes in recent years, impacting landlords significantly. While some keep up, many find the pace and clarity of updates challenging, and feel communication is lacking.

This gap may hinder compliance. Although landlords want proactive communication from local authorities, little is known about how they access or prefer information.¹¹

Identifying barriers to understanding legal changes can help policymakers improve guidance, boost compliance, and ensure reforms are effectively implemented.

Tenant awareness and understanding of their legal rights and recent legislative changes also remain low, limiting their ability to assert those rights or benefit from new protections.

Since 2019, RentBetter¹² research has revealed that tenants' awareness of their rights has remained unchanged over the past five years. Tenants have reported feeling "intimidated" by the idea of taking action and/or found the information pack provided with their tenancy agreement to be "overwhelming".¹³

Awareness of rights, and accessing information and advice is empowering, therefore, greater emphasis should be placed on delivering clear, accessible information early in the tenancy. As recommended by the Nationwide Foundation RentBetter study¹⁴ and by CaCHE¹⁵, this could include a plain-language information leaflet provided at the start of the tenancy, along with a verbal walk-through of rights and responsibilities by the landlord or letting agent.

¹¹ Harris & Marsh, 'Understanding Landlord Behaviour in the Private Rented Sector in the UK', November 2022, CaCHE.

¹² Indigo House, 'Rent Better: Wave 3 Landlord and Letting Agent Survey Findings', September 2024, Nationwide Foundation.

¹³ Simcock et al., 'What do lower income tenants in Scotland's PRS want to see from a new Rented sector?', September 2022, UK Collaborative Centre for Housing Evidence.

¹⁴ Indigo House, 'Rent Better: Wave 3 Landlord and Letting Agent Survey Findings'.

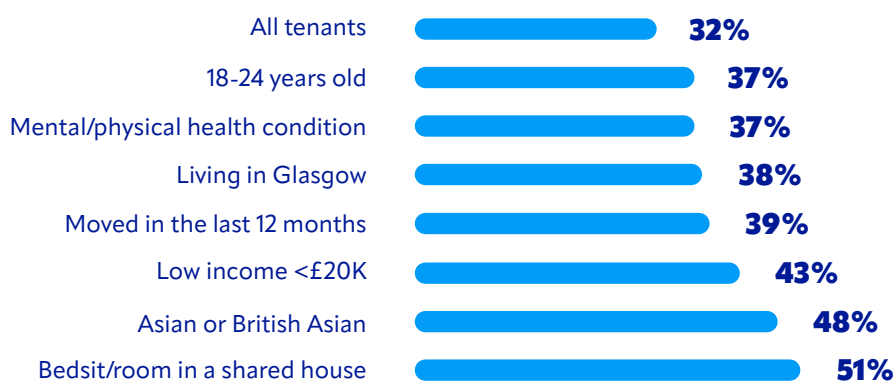
¹⁵ Simcock et al., 'What do lower income tenants in Scotland's PRS want to see from a new Rented sector?'

CHAPTER FIVE

VARIED EXPERIENCES OF THE PRS

Seventy-one percent of tenants report being satisfied with their experience of private renting, and 72% enjoy positive relationships with their landlord or letting agents.

% who found it difficult to afford the rent last month



% of tenants who would like to move but feel unable to



However, certain groups of tenants, including: low income, ethnic minority backgrounds, health problems, and in receipt of benefits, face challenges such as unaffordability, accessibility to the sector, and poor housing conditions.

Over a third of landlords are satisfied with their role, while 42% express dissatisfaction.

Which aspects of being a landlord are you most satisfied with?



Which aspects of being a landlord are you most dissatisfied with?



Landlords with more experience, and with larger portfolios are more likely to be dissatisfied.

Policy Implications:

For many tenants, living in Scotland’s PRS is a positive experience. However, this is not the case for certain groups, particularly those considered vulnerable, who are more likely to face tenancy-related challenges. As a result, vulnerable tenants may be at greater risk of experiencing compounded harm due to their living conditions.¹⁶

For instance, renters at the lower end of the market often face poorer housing conditions, limited affordability, and far less choice in the market, which reduces their ability to negotiate with landlords; the lack of alternatives can create a fear of rent increases or eviction, making tenants less likely to challenge issues.¹⁷ While the extent and impact of these issues warrant further investigation, further reforms and interventions in the PRS should aim to improve the housing experience of vulnerable groups.

16 Indigo House, ‘Rent Better: Wave 3 Landlord and Letting Agent Survey Findings’, September 2024, Nationwide Foundation.
17 Evans et al., ‘RentBetter Wave 2 - Final Report’, April 2022, Nationwide Foundation.

CHAPTER SIX

IMPROVING HOUSING SUPPLY

Fifty-nine percent of tenants face difficulties when trying to find a new property. Given the high rental costs, finding an affordable property is the most reported challenge.

CHALLENGES DURING LAST PROPERTY SEARCH	ALL TENANTS
Difficulty finding an affordable property	41%
Difficulty in affording a deposit	19%
Landlord/letting agent requested rent in advance	18%
Difficulty finding a landlord/letting agent who would allow pets	15%
Had to move to a new area due to lack of affordable properties	13%

Sixty-two percent of properties sold by landlords moved to owner-occupied housing with less than one in ten remaining as private rented accommodation, which could signal a reduction in the available supply of private rented accommodation in Scotland.

HOW MANY PROPERTIES HAVE YOU ADDED TO YOUR PORTFOLIO OVER THE PAST 12 MONTHS?	
1	5%
2 to 4	2%
5 to 9	0%
10 or more	1%
Average number of properties added	2.4

HOW MANY PROPERTIES HAVE YOU REMOVED FROM YOUR PORTFOLIO OVER THE PAST 12 MONTHS?	
1	11%
2 to 4	5%
5 to 9	1%
10 or more	0%
Average number of properties added	1.9

Nearly a third of landlords plan to sell some or all of their rental properties, while only 7% intend to acquire more.¹⁸

Policy Implications:

Affordable PRS housing is vital for lower-income households and disadvantaged groups amid the persistent shortage of socially rented homes. However, access remains challenging due to high rents and deposit requirements, leaving many low-income renters, at an increasingly compounded and persistent disadvantage.

A recent report by Consumer Scotland¹⁹ highlights the lack of robust and consistent data on the PRS property supply, making it difficult to assess whether the sector is expanding or contracting. This data gap limits policymakers' ability to respond effectively to emerging trends. At the same time, uncertainty around proposed legislative changes, including the Housing (Scotland) Bill, future energy efficiency requirements, and broad changes in taxation policy (e.g., Additional Dwelling Supplement), has raised concerns about a reduction in landlord investment or increased exits from the market. These shifts could further impact the affordability and availability of PRS housing, particularly for those already in housing need.

There is a clear and growing demand for affordable, good quality homes across all tenures. To address this, targeted action is needed to: improve access to low-cost, high-quality PRS housing; ensure adequate data collection and monitoring of the sector; and explore tax reforms to incentivise affordable rents and long-term investment in the sector.

About the research

The Voice of the Landlord and The Voice of the Tenant Survey are both regular national surveys funded by the SafeDeposits Scotland Charitable Trust and launched in 2024.

Both surveys will be conducted annually to monitor changes and emerging trends over time, each using a new, nationally representative sample of over 1,000 participants. Each wave will include additional questions on a key topical issue.

This State of the Nation report is based on the findings from the first wave of the research, with both surveys carried out between August-October 2024.

The Voice of the Landlord Survey asked 1,190 private rented sector landlords across Scotland various questions relating to affordability, changes to their portfolio, and property conditions.

The Voice of the Tenant Survey asked 1,000 private rented sector tenants across Scotland various questions relating to affordability, tenure, security, and property conditions.

For both surveys, the key topical issue explored in Wave 1 was the impact of key reforms to the private rented sector in Scotland, and attitudes to proposed further changes.

