



Nicola Sturgeon MSP
First Minister
Scottish Government

[By email from david.bookbinder@gwsf.org.uk]

20 September 2022

Dear First Minister

Emergency legislation to introduce rent freeze until 31 March 2023

On behalf of our Board and our 63 member associations, I am writing to urge you to ensure that whatever legal mechanism is used to freeze all rents until 31/3/23, it is capable of being discontinued for the social housing sector after that date.

GWSF fully recognises the Scottish Government's desire to protect people as much as possible during the cost of living crisis. The crisis is a huge issue for our sector: as community based housing associations our members know that tenants and others in their community are seriously affected, and local associations are engaged in a range of activities aimed at supporting people through these incredibly difficult times.

GWSF's member associations are not significantly affected by a rent freeze until 31 March 2023, and we understand that this measure is aimed more particularly at controlling private rents during the coming months.

But any extension affecting the social housing sector thereafter would be completely unacceptable. Both housing associations and local authorities have a long track record of taking a moderate and responsible approach to rent increases in consultation with tenants. The [Scottish Housing Regulator's September 2022 report](#) found that even though inflation in April 2022 was 9%, average rent increases were just under 3%, and that this was on the back of below-inflation increases or rent freezes during the pandemic.

Rents must always balance affordability with the need for high quality services and ongoing investment. Freezing rents, or capping increases at very low levels, for just one year would remove £ millions from an association's 30-year investment plans, and across the sector could amount to over £600m being lost.

Any imposition of rent controls on our sector from 1 April would seriously undermine social landlords' investment in pursuit of Net Zero and the Scottish Government's new homes target.

Discretion to set rents as individual associations is essential. Some associations with historically low rents may need to increase rents more than other associations do to ensure there is sufficient money to invest in homes in the coming years.

Another adverse impact of freezing or capping rents is that Scotland would relinquish £ hundreds of millions of UK benefit income used to support rent payment for 65%-70% of social housing tenants.

We and our partner housing bodies are keen to continue engaging with officials about the nature of the emergency legislation. At this stage GWSF's key ask is that there is nothing in the wording of the legislation which would irreversibly commit the Scottish Government to imposing some form of control over social sector rents after 31/3/23.

With thanks and best wishes,

A handwritten signature in black ink that reads "David Bookbinder". The signature is written in a cursive, slightly slanted style.

David Bookbinder
Director, GWSF