



## **NIACRO Response**

# **Review of the Role and Regulation of the Private Rented Sector**

**Date: 5<sup>th</sup> February 2016**

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Housing Division  
Private Rented Branch  
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5<sup>th</sup> February 2016

Dear Karen,

I enclose NIACRO's response to the Review of the Role and Regulation of the Private Rented Sector.

NIACRO is a voluntary organisation which has been working for more than 40 years to reduce crime and its impact on people and communities. NIACRO provides services for, and works with, children and young people, families and adults, whilst working to influence others and apply our resources effectively. Our policy comments are based on both our experience of delivering services and feedback from our service users.

NIACRO receives funding from, and works in partnership with, a range of statutory departments and agencies in Northern Ireland, including criminal justice, health, social services, housing and others. We welcome the opportunity to comment on this consultation document.

If you require any further information, please do not hesitate to contact me.

Yours sincerely,

Donnie Sweeney

Director of Programmes

## Review of the Role and Regulation of the Private Rented Sector

### Role of the Private Rented Sector

We want to make the Private Rented Sector a more attractive housing sector where people choose to live. We are asking for your views on issues impacting the private rented sector. Your views will help shape future policy proposals. Thank you for taking the time to complete these questions

1. Please select from the list below the title that best represents you

- |                         |                                  |                       |                       |                                |                       |
|-------------------------|----------------------------------|-----------------------|-----------------------|--------------------------------|-----------------------|
| Landlord                | <input type="radio"/>            | Tenant                | <input type="radio"/> | Letting Agent                  | <input type="radio"/> |
| Landlord Representative | <input type="radio"/>            | Tenant Representative | <input type="radio"/> | Estate Agent                   | <input type="radio"/> |
| Council Representative  | <input type="radio"/>            | Housing Professional  | <input type="radio"/> | Other Government<br>Department | <input type="radio"/> |
| MLA                     | <input type="radio"/>            | NIHE                  | <input type="radio"/> | Member of the Public           | <input type="radio"/> |
| Voluntary Organisation  | <input checked="" type="radio"/> |                       |                       |                                |                       |

2. Do you agree that further support should be available to tenants living in the private rented sector?

Yes

No

Please provide your reasons

The private rented sector has an important role to play in meeting housing need in Northern Ireland with many households who would normally have been accommodated in the social rented sector opting for the private rented sector instead.

We recognise that tenants living in the private rented sector need further support to sustain tenancies; resolve neighbour disputes / conflict; get access to information about rights entitlements and responsibilities as a tenant e.g. right to a tenancy agreement, tenancy deposit scheme.

3. Do you agree that further support should be available to landlords operating in the private rented sector?

Yes

No

Please provide your reasons

Landlords should be supported and encouraged to comply with existing private rented sector law, guidance and best practice in managing and terminating tenancies including compliance with the issuing of tenancy agreements and information about tenancy deposit schemes. This should not mean an additional administrative or cost burden for landlords. The Department can work through the Northern Ireland Landlords Association and Tenancy Deposit providers to draft good practice guidance and oversee adherence to same.

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### Supply and Investment

4. Do you agree that the private rented sector should play a role in bridging the identified shortage in housing supply?

Yes

No

Please provide your reasons

The private rented sector offers choice, diversity, and accessibility for those in housing stress who have the mobility and the finance to opt for private rented accommodation.

5. Would it be appropriate for Government to incentivise growth and investment in the private rented sector?

Yes

No

Please provide your reasons

Yes, but the levers for incentivising growth and investment in the private rented sector and the appetite for investment in the sector by financial institutions does seem limited from the information contained in the discussion paper. For example, there has been little or no take up of the Private Rented Sector Housing Guarantee Scheme even though it is a UK wide fund. Build to Rent is currently only available in England. Both these opportunities are directed at investors developing large scale private sector housing and, perhaps following the reverse experienced by the local building sector in Northern Ireland following the last financial crash, there is just not the appetite or incentive to proceed.

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### Housing and Tenancy Management

6. The Department should consider making changes to the Landlord Registration Scheme. Do you agree?

Yes

X No

Please provide your reasons

The vast majority of private landlords have registered with the landlord Registration Scheme (90%+). Any changes the Department may be planning to introduce should not be allowed to threaten such a compliance rate.

7. The Department should consider making changes to the Tenancy Deposit Scheme. Do you agree?

X Yes

No

Please provide your reasons

The Tenancy Deposit Scheme does not safeguard the deposits of all tenants as it can only cover deposits from the inception of the scheme. The Department should consider how best to protect the rights and finances of tenants currently outside the scheme.

8. Is licensing of landlords needed in Northern Ireland?

- Yes
- No

Please provide your reasons

We believe a balance needs to be struck in this area. We support any measure which will protect tenants' rights to a secure tenancy and which creates minimum standards for the private rented sector. We believe the issue of licensing of landlords could be linked to discussion of reform of the landlord Registration Scheme. However, we are wary about measures which will create an additional administrative or cost burden for landlords and urge the Department to resist imposing fees which will discourage existing or prospective landlords from registering or continuing their registration. High licensing fees such as those described in the discussion paper based on the English model (£500 per property for 5 years) could possibly become a disincentive to investment in growth. We recommend that the Department needs to consider the advantages of licensing for landlords in Northern Ireland and whether it will be voluntary or mandatory. If mandatory, we recommend there is further consideration given to what sanctions the would Department impose.

9. Is Landlord Accreditation needed in Northern Ireland?

X Yes

No

Please provide your reasons

Landlord Accreditation could play a positive part in developing the capacity of landlords through training, information, guidance and advice. If offered as a quality mark it may appeal to more progressive landlords and help prospective tenants to source suitable accommodation. Landlord Accreditation could make a positive impact in raising professional standards within the sector.

10. Do you think the private rented sector needs to be further professionalised?

Yes

No

Please provide your reasons

As outlined above, we recognise both the positives and negatives in further professionalising the private rented sector; please see our responses to questions 8 and 9.

11. Are there other amendments to the Private Tenancies Order that should be considered?

Yes

No

Please provide your reasons

In theory, no. We believe that existing regulations are sufficient but must be monitored and enforced more consistently to ensure improved standards and better practice.



12. Is further regulation of the private rented sector necessary?

Yes

No

Please provide your reasons

Again, in theory, no; instead, existing regulation should be implemented more thoroughly and consistently. The discussion paper suggests that the Department is interested in the practice of letting agents especially in relation to the charging of premiums and fees which increase costs to prospective tenants.

13. Do you agree that longer term tenancies are a good thing?

X Yes

No

Please provide your reasons

Evidence would seem to suggest that there is a demand for longer term tenancies from both landlords and private tenants. The private rental market should be flexible and be able to cater for longer term tenancies where needed, whilst still affording the option for short term tenancies where required. Landlords will need protection regarding eviction / ending a tenancy.

14. Are the current notice to quit periods appropriate?

Yes

No

Please provide your reasons

Yes the current notice to quit periods are appropriate.

15. Is the current eviction process fit for purpose?

Yes

No

Please provide your reasons

There is a need to improve the decision making process and to reduce the time it takes for cases to be resolved. There is a need to be clear about the grounds for possession and to legislate accordingly. Fast track eviction legislation should be enacted to protect responsible landlords in situations where a tenancy has ended but the tenant refuses to leave, where tenants have grossly broken the terms of their tenancy or in situations where of nuisance or problem tenants. Similarly, there should be protection for tenants unfairly evicted.

16. Is overcrowding an issue in the private rented sector in Northern Ireland?

Yes

No

Please provide your reasons

Evidence in the discussion paper would suggest that overcrowding in the private rented sector in Northern Ireland is not an issue.

17. Do you agree that the regulation of letting agents needs to be addressed?

Yes

No

Please provide your reasons

Please see the response to question 12, above.

18. Do you agree there should be an alternative means to resolving disputes other than small claims court action?

Yes

No

Please provide your reasons

An independent dispute resolution mechanism such as a Housing Dispute Panel could be convened to deal with issues such as rent disputes, rent arrears, unfair eviction, breaches of tenancy agreements etc. The costs of establishing such a panel should be considered against the scope and merits of continuing with the Small Claims Court for resolution.

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### Property Standards

19. Do you agree that it is important to enforce minimum property standards in the private rented sector?

Yes

No

Please provide your reasons

Yes it is essential that minimum property standards in the private rented sector are enforced to ensure basic living standards for every private rented household in Northern Ireland.

20. In relation to fitness what specific areas warrant further improvement and what means should be used to drive improvement. (i.e. through regulation or some form of non-regulatory route such as guidance)?

Specific Areas:

- Heating;
- Home security;
- Electricity;
- Gas;
- Fire safety; and
- Prevention of falls.

21. Should the current system of applying rent control to unfit properties built before 1945 be extended to include other private rented property?

Yes

No

Please provide your reasons

Yes. The practice of issuing certificates of fitness to properties built before 1945 should be extended to properties built after 1945 in order to attract a market rent. This will help to raise the standard of all properties on the private rental market.

22. Should consideration be given to introducing standards similar to those in place in other parts of the UK around requirements to install additional safety measures, such as smoke alarms and carbon monoxide detectors, and requiring periodic electrical inspections?

Yes

No

Please provide your reasons

Yes, we believe this is an important measure to ensure the safety of tenants.

23. Should consideration be given to requiring a minimum standard of energy efficiency for all private rented properties as in England and Wales?

Yes

No

Please provide your reasons

The Department should consider the merits and benefits of introducing a minimum standard of energy efficiency for private rented properties in Northern Ireland.

## Review of the Role and Regulation of the Private Rented Sector

### Contact Details

24. Are there any other comments you would like to make?

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25. If you wish to be kept up to date with progress on the review please give your name and contact details

Name	NIACRO
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Phone Number	
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