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GM-1424-2021

Dear Janice

## **PRIVATE TENANCIES BILL - INFORMATION REQUEST**

As you know, officials were asked to respond to the series of questions contained within the RaISe briefing on the Private Tenancies Bill which was delivered to the Committee on 21 October 2021 - the attached table contains the series of questions and Department responses.

If Members require any further clarification, please feel free to contact us.

Yours sincerely

**Diane Mulligan**  
Departmental Assembly Liaison Officer  
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<b>SUMMARY CLAUSES 1 &amp; 2</b>	<b>Research and Information Service (RaISe) comments</b>	<b>Departmental response</b>
<p><b>Clause 1: Tenant to be given notice regarding certain matters; grant of tenancy.</b> Clause 1 inserts new Articles 4A and 4B. Article 4A introduces a requirement for the landlord of a private tenancy to provide the tenant, free of charge, with a written statement of the main terms of the tenancy within 28 days of the granting of the tenancy. Subsection (4) refers that any landlord who fails to comply with paragraph (2) is guilty of an offence under this Order.</p> <p><b>Clause 2: Tenant to be given notice regarding certain matters; variation of certain terms</b></p> <p>Article 4B introduces a requirement for the landlord of a private tenancy to provide the tenant, free of charge, within 28 days with any variations of prescribed terms.</p>	<p>The information and details of the tenancy required to be included in the notices provided by landlords will be prescribed in regulations made by the Department. In anticipation of the regulations some issues that may merit further consideration.</p> <p>Exactly what information should be required in the notices?</p>	<p>It is the Department's intention to work with stakeholders to co-design the statement of tenancy terms. Examples of some of the information to be contained in the statement of terms will include length of tenancy, rent, and responsibility for rates payments, contact details for the Landlord or Agent and notice of termination.</p>

<p>Subsection (5) refers that any landlord who fails to comply with paragraph (2) is guilty of an offence under this Order .Amendments to Article 68 and 68A provides the powers for prosecution and punishment of offences up to level 4 of the standard scale on summary conviction with the two offences being subject to the fixed penalty notice regime of the 2006 Order.</p> <p>As previous Article 4 of the Private Tenancies Order (Northern Ireland) 2006 was repealed in error by the 2011 Housing (Amendment) Act (Northern Ireland). This clause permits section 1 of the Housing (Amendment) Act (Northern Ireland) 2011 to be omitted.</p>	<p>Will the statement of tenancy terms contain mandatory terms?</p> <p>If not, why not?</p> <p>Will the Department publish explanatory guidance to help landlords and tenants understand (a) the tenancy terms and (b) their rights and responsibilities?</p> <p>Similar to Scotland and England, should there be a duty on landlords to provide tenants with this explanatory information?</p> <p>Are there plans to develop model agreements to assist landlords and</p>	<p>Yes there will be mandatory terms within the Statement of Tenancy terms</p> <p>Comprehensive guidance will be provided and published to assist Landlords and Tenants with the new legislative requirements, including (a) and (b).</p> <p>A Communication Strategy will be developed to ensure that all Landlords, Tenants, advisory groups and Councils will be informed of the requirements.</p>
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	<p>letting agents with the new requirements?</p> <p>If so, are there plans to develop a digital model agreement similar to that in Scotland (with the option for landlords and agents to use their own agreements if they so desire, providing they contain the required information)?</p>	<p>The Department has not considered imposing a duty on Landlords, however guidance will be provided for both parties. This will be published and communicated through various means such as NI Direct. Landlord and Tenant advisory bodies will also be informed of the changes to legislation and requirements in this area.</p> <p>A model tenancy agreement will be designed and will be made available and shared with stakeholders.</p> <p>The Department intends to explore the introduction of a digital model, which would allow for the flexibility for Landlords and Agents to use their own agreements, and will do this once the Bill has passed and the model tenancy agreement designed and agreed.</p>
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SUMMARY CLAUSES	Research and Information Service (RalSe) comments	Departmental response
<p><b>Clause 3: Tenant to be provided with a rent receipt for payment in cash</b></p> <p>Clause 3 replaces Article 5 of the 2006 Order and introduces a requirement where rent is paid in cash, for the landlord of a private tenancy to provide the tenant, free of charge, with a rent receipt detailing the payment date, amount paid, if any amount remains outstanding that amount or if paid in full that fact.</p> <p>Subsection 5 paragraph (5) makes a breach of paragraphs (2) or (3) an offence under the 2006</p>	<p>Issues that may merit further consideration - is the current complaints and redress mechanism sufficiently accessible and robust to deal with failures to comply with the potential new requirements in relation to rent receipts?</p>	<p>As there is a requirement to supply a receipt there has to be a penalty if this requirement is not fulfilled. The Councils will investigate the circumstances prior to imposing a penalty.</p> <p>Subsections (5) and (6) of the clause amend Articles 68 and 68A of the 2006 Order. Where offences that are deemed to have been committed these are punishable on summary conviction with a fine.</p> <p>Councils have enforcement powers under the current legislation and the new provisions will increase their powers to enforce and The Department acknowledge this will place</p>

<p>Order and permits that where a landlord fails to comply it punishes the landlord and where an agent has been appointed to provide the receipt, also that agent. If there is no agent and there is a breach then the landlord is guilty; if there is an agent and there is a breach, then both the landlord and agent are guilty.</p> <p>Paragraph (6) applies in the case of a controlled tenancy.</p> <p>This clause provides consequential amendments to Article 50 and inserts (4) to clarify that “similar document” does not include a receipt under Article 5(2); and additionally amends Article 66(1)(a) to “a rent book”</p> <p>Paragraph (8) provides for the offence to be a continuing offence and allows for punishment where a landlord is deemed to commit a further offence.</p>	<p>Are there groups of tenants that may find it particularly difficult to make a complaint should a landlord fail to provide a receipt (e.g. tenants from black and minority ethnic communities, older tenants, tenants who are migrant workers etc.)?</p> <p>What additional support is, or should be, available to such tenants?</p>	<p>additional responsibilities/pressures on their resources. There is no complaint mechanism at present, The Department have no controls and no arbitration panel in place to deal with this but once the Bill is passed then the council can impose a fixed penalty notice on a Landlord if they increase the rent more than once in a 12 month period. However the amount by which a Landlord increases the rent after the 12 months is not restricted.</p> <p>The Department acknowledges that there are some groups living in the private rented sector who may find it difficult to access information relating to their tenancy and their rights surrounding receipts.</p> <p>A Communication Strategy will be developed to ensure that all Landlords, Tenants, advisory groups and Councils will be informed of the requirements. This strategy will include outreach to groups who represent such Tenants. The Department will utilise existing</p>
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	<p>How are, or could, such tenants be protected from 'retaliatory eviction' or intimidation should they request a receipt or raise a complaint in relation to the issue?</p>	<p>support services such as Housing Rights – Landlord helpline and mediation pilot</p> <p>Retaliatory or unlawful evictions are an offence under Article 54 of the Rent Order 1978 punishable by a fixed penalty notice being imposed by local Councils.</p>
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SUMMARY CLAUSES	Research and Information Service (RaISe) comments	Departmental response
<p><b>Clause 4: Limit on tenancy deposit amount; Breach of tenancy deposit limit; recoverability of excess</b></p> <p>Clause 4 new Article 5ZA limits the amount of deposit that is required in connection with a private tenancy to no more than 1 month's rent and where an excess of 1 month's rent has been paid then the amount exceeding that amount is recoverable by the person that paid it. This will only apply to deposits received after the commencement of this Bill and not</p>	<p>Some points in relation to letting agent fees and the regulation of letting agents which may merit further consideration – The Minister for Communities and the Minister of Finance signed a joint communiqué relatively recently to reaffirm court rulings on the legality of particular fees. What impact has the communiqué had?</p>	<p>The Department has no clear evidence of the impact made by the Communique however is aware of anecdotal evidence which suggests that some Tenants still face fees being charged. Under the DoF legislation, The Commission on Disposals of Land (Northern Ireland) Order 1986 redress for Tenants is on a case by case basis and is dealt with through the small claims court.</p> <p>As the Committee are aware the Minister has committed to addressing the issue of letting agent fees and regulation in a future phase of Private Rented Sector reform.</p>



<p>retrospectively to those deposits taken before the legislation comes into operation.</p> <p>Subsection (2) provides a definition of 1 month's rent in cases where the private tenancy does not calculate rent monthly.</p> <p>New Article 5ZB provides for the breach of tenancy deposit limit and recoverability of excess and takes account of different circumstances where the deposit might be retained by the landlord.</p> <p>Subsection (3) introduces punishment and prosecution of offences up to level 4 on the standard scale, subparagraph (4) refers to the option to consider a fixed penalty notice under the 2006 Order fixed penalty regime.</p> <p>This Clause provides a number of consequential amendments.</p>	<p>Is there evidence that tenants are still being charged fees that the law does not permit to be charged?</p> <p>What is the anticipated timeframe for the development of proposals on a potential regulatory framework for letting agents and letting fees?</p>	<p>As above.</p> <p>The future phase of the Private Rented Sector reform will be in the next mandate. Department of Justice statistics are not available.</p>
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SUMMARY CLAUSES	Research and Information Service (RaISe) comments	Departmental response
<p><b>Clause 6: Certain offences in connection with tenancy deposits to be continuing offences</b></p> <p>Clause 6 amends Article 5B of the 2006 Order making the offences under Article 5B (3) or (6) a continuing offence as long as the tenancy deposit breach persists. There will be no time barrier on prosecuting a person who fails to comply with the set requirements.</p>	<p>Some issues which may merit further consideration –</p> <p>How many successful prosecutions have been brought against landlords since the beginning of the introduction of the Tenancy Deposit Scheme?</p> <p>Is it possible to quantify how many potential cases were unable to proceed as a result of the current ‘time bar’?</p>	<p>Responsibility for enforcement rests with Councils and they have reported that from 01/07/2013 to 30/06/2021 - 23 fixed penalty notices were issued and 17 cases taken to court proceedings.</p> <p>Responsibility for enforcement rests with Councils and they have reported that from 01/07/2013 to 30/06/2021 23 potential cases were unable to proceed as a result of the current time bar.</p>

SUMMARY CLAUSES	Research and Information Service (RaISe) comments	Departmental response
<p><b>Clause 7: Restriction on rent increases</b></p> <p>Clause 7 applies to any private tenancy, except a controlled tenancy, and amends the 2006 Order by inserting 5C after 5D which provides that the rent payable under a private tenancy may not be increased more than once in any 12 month period. This will mean that there is no restriction upon when the first increase may take place but there must be a minimum of 12 months between increases. Any proposed increase should be made in writing.</p> <p>The Department may make regulations under the draft affirmative procedure to prescribe</p>	<p>Some issues that may merit further consideration in respect of rent increases and notices – There is research to suggest that landlords prefer a long-term stable tenant and not to uplift rent on a regular basis to retain that tenant. The Chief Executive of the Scottish Association of Landlords is reported to having suggested that a similar once yearly restriction of rent increases in Scotland has led more landlords to raise rents every 12 months after the provision came into force, whilst previously many didn't raise the rent for years.</p>	<p>The Department's policy is to protect Tenants by restricting the frequency of rent increases and give a level of rent certainty.</p> <p>It is not the Department's intention to introduce legislation which results in Landlords increasing rents every 12 months for a Tenant however there could be similar unintended consequences for long term Tenants in NI.</p>

<p>circumstances where this restriction in paragraph (2) does not apply.</p> <p>Subsection 5D paragraph (1) applies to any private tenancy, except a controlled tenancy, and provides the requirement to give written notice of increase specifying the date on which the rent will take effect and the rent payable after the increase. The details of the notice will be specified in regulations made by the Department.</p>	<p>Could there be similar unintended consequences for long-term tenants in NI?</p> <p>When the landlord provides the notice of the rent increase to the tenant in writing, will delivery of that notice (e.g. if it is by post) be factored into the required timeframe for the notice to be served?</p>	<p>The Department acknowledges that there is the potential for Landlords in Northern Ireland to follow the reported practice of some Landlords in Scotland, however our communication strategy and guidance will set out clearly the policy intent.</p> <p>The Department is working with the Office of Legislative Counsel (OLC) to ensure these clauses are as robust as possible with loopholes which may give rise to unintended consequences being addressed as part of the drafting process.</p> <p>Minister has asked Departmental officials to explore further how the Department could ensure rents,</p>
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	<p>Issues that may merit further consideration regarding failure to comply with the new duties relating to rent increases.</p> <p>Is the current complaints and redress mechanism sufficiently accessible and robust to deal with failures to comply with the potential new requirements?</p>	<p>including those in the Private Rented Sector, are fair and this will form part of a future phase of work.</p> <p>Delivery of the notice is not factored into the timeframe for the notice to be served however, the legislation states that the effective date of the increase must not be less than 2 months after the date on which the notice is given to the Tenant. Delivery of the notice will not be factored into the timeframe for the notice to be served. The notice must be a minimum of two months in order to comply with the legislation.</p> <p>There is no complaint mechanism. At present, the Department has no controls and no arbitration panel in place to deal with this issue. Once the Bill is passed</p>
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	<p>Are there groups of tenants that may find it particularly difficult to make complaints should a landlord increase rent more than once within the 12-month period (e.g. tenants from black and minority ethnic communities, older tenants, tenants who are migrant workers etc.)?</p> <p>What additional support is, or should be, available to such tenants?</p>	<p>then the council can impose a fixed penalty notice on a Landlord if the Landlord increases the rent more than once in a 12 month period. However the amount by which a Landlord increases the rent after the 12 months is not restricted.</p> <p>Clause 7 states that the rent can <i>only</i> be increased in the manner described. So, if a landlord purports to increase the rent more than once a year, or if they do not give the right notice (or any notice), then <i>the Landlord's action has no legal effect</i> — that is to say, the rent remains unchanged. The Landlord cannot actually change the rent without serving a notice: they cannot enforce the so-called increased rent in court, and if they harass the Tenant for the increase, they will be liable in the same way as if they tried to harass the Tenant for any other money that is not due to him. Once the effect of the legislation becomes known, Tenants should not be misled — they should simply ignore any notice or demand that is outside the legislation based guidance that the rent can only be increased as described.</p> <p>The Statement of Tenancy Terms will include the amount of rent and the period for which it will remain unchanged i.e. 12 months. The Communication and</p>
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	<p>How are, or could, such tenants be protected from ‘retaliatory eviction’ or intimidation should they make a complaint regarding a landlord failure to adhere to the new requirements in relation to rent increases?</p> <p>Some points in relation to the affordability of tenancy upfront costs that may merit further consideration – The Irish Government has introduced legislation to limit a rent advance to the equivalent of one month’s rent; what are the pros and cons of a similar provision in Northern Ireland?</p>	<p>Information Strategy for the whole Bill will address this area.</p> <p>The Department acknowledges that there are some groups living in the private rented sector who may find it difficult to access information relating to their tenancy and their rights.</p> <p>A Communication Strategy will be developed to ensure that all Landlords, Tenants, advisory groups and Councils will be informed of the requirements. This strategy will include outreach to groups who represent such Tenants. The Department will utilise existing support services such as Housing Rights – Landlord helpline and mediation pilot</p>
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	<p>What support is, or what initiatives are, currently available to assist tenants with the upfront costs associated with tenancies?</p>	<p>Should any retaliatory eviction or intimidation be attempted or taken by a Landlord, Tenants can report such proposed actions to their local Council for investigation. Retaliatory or unlawful evictions are an offence under Article 54 of the Rent Order 1978 punishable by a fixed penalty notice being imposed by local Councils.</p> <p>The Department has carried out research on practices in other jurisdictions with regard to limits to the deposit that can be asked for and restrictions on the rent in advance.</p> <p>The merits of such a scheme here could be –</p>
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	<p>What scope is there to provide additional support?</p>	<p>Help with affordability and access to the sector for those on a lower income; and</p> <p>Preventing Landlords from imposing unrestricted charges.</p> <p>One of the cons could be that Landlords may feel they are unable to mitigate the risk of having Tenants who are unable to provide a guarantor and cannot take additional payment upfront. Another potential con could be the prevention of a Landlord from renting a property to a pet owner, as they will be unable to charge a larger deposit to protect from damage associated with keeping a pet.</p> <p>Discretionary Support can make a loan award for rent in advance providing the customer meets the eligibility criteria, can afford to repay a loan and has scope for the award within their £1500 debt limit.</p>
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	<p>The paper provides an overview of schemes in other jurisdictions to assist tenants with upfront costs e.g. deposit bond schemes, deposit loan initiatives, rent guarantee schemes.</p> <p>Is there scope for such initiatives to be adapted for use in Northern Ireland?</p> <p>Is there potential for a 'lifetime deposit' to be developed in the longer term (what are the associated pros and constraints)? Is there any evidence that tenants in Northern Ireland are using high interest loans to pay for upfront costs?</p>	<p>Awards for rent in advance to private Landlords are restricted to the Local Housing Allowance rate for the amount of weeks required.</p> <p>Customers will be required to provide evidence of the rent in advance required e.g. a tenancy agreement or letter from landlord. They will also need to show that the award of rent in advance will help to alleviate a crisis, i.e. if a customer is in a hostel and is moving to a private tenancy that would satisfy crisis criteria.</p> <p>The type of help available to Universal Credit customers includes Budgeting Advances - a repayable loan to help with one-off or unforeseen expenses which may include rent in advance or a deposit. Eligibility conditions that apply include – person has been receiving universal credit for 6 months or more, earned less than £2,600 (£3,600 jointly for couples) in the past 6 months and have paid off any previous Budgeting Advance.</p> <p>Although the funding bid for the replacement Private Rented Sector Access Scheme (PRSAS) was successful in June monitoring, NIHE advised that any new scheme</p>
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		<p>would not be in place in this financial year. Feedback will be sought on the local initiatives funded through the Homelessness Prevention Fund. Access, prevention and sustaining tenancy will all be considered along with the possibilities of a bond scheme which would assist clients in accessing the Private Rented Sector. After all of these factors are taken into account the NIHE will engage with the Homelessness sector in progressing this further.</p> <p>The Department is currently looking at Discretionary Housing Payment (Discretionary Financial Assistance Regulations (Northern Ireland) 2001) and any potential there may be to use this for deposits.</p> <p>The Department funds Housing Rights Service to provide advice and information to Tenants and Landlords.</p>
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		<p>There is no available evidence that Tenants are using high interest loans to pay for upfront costs.</p> <p>The Department is mindful of the important role which the Private Rented Sector provides in making available homes for people and families who select a home in the sector, who are living in PRS accommodation while awaiting a social housing allocation, or who are intending to move on to home ownership. The range of PRS tenants and properties reflects this range of aspirations. However the Department is conscious that there are, particularly for vulnerable households (for example due to lower income) accessing and maintaining a private rented tenancy can be challenging. To complement the anticipated statutory provisions (contained within the Private Tenancies Bill), officials have been exploring the opportunity to make better use of existing private rented stock through long-term leasing arrangements, often referred to as 'Private Sector Leasing'.</p> <p>A Private Sector Leasing (PSL) Scheme seeks to address some of the existing barriers to accessing and maintaining a private rented tenancy (albeit within a limited number of dwellings). This would involve the longer-term leasing of existing private rental properties (on a voluntary basis) in order to</p>
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	<p><b>Challenging “unreasonable” rent increases?</b></p> <p>Some issues that may merit further consideration with respect to rent increases.</p> <p>Has the Department considered the mechanisms introduced in Scotland and the Republic of Ireland to provide adjudication</p>	<p>be able to offer private tenancies in them to tenants on more attractive terms than the prevailing market conditions. In other similar schemes eligibility criteria apply both to participating prophetic and to participating Tenants. This can ensure that good quality properties are included in the scheme and that tenancies are made available to tenants groups who could benefit most from a product of this kind.</p> <p>For Tenants a PSL scheme may include providing better security of tenure, access to good quality and well-maintained homes, and provision of tenancy support services to help tenants access and maintain their PSL tenancy. Tenancies can be offered over multiple years (rather than the “norm” of 6/12 month tenancies) and Tenants may request to build up their tenancy deposit over the first 6-12 months of a tenancy, rather than providing it upfront.</p> <p>For Landlords, a PSL scheme can take away some of the “hassle” of finding a Tenant, managing a property and the tenancy, with a guarantee of rental income and their property</p>
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	<p>where the tenant believes the rent increase to be unreasonable?</p> <p>If so, what are its views on this?</p> <p>What are the views of landlords and landlord representative bodies on this issue? What are the views of tenants and tenant representative bodies on this issue?</p> <p>Some wider issues relating to affordability that may merit further consideration.</p> <p>What other safeguards, initiatives and incentives could be put in place to encourage landlords to keep rent and rental increases to an affordable level, particularly for lower income households?</p> <p>Note that the main body of the paper explores examples of initiatives in other jurisdictions that have been developed to improve access to the private rented sector and/or improve security of tenure for low income and vulnerable households. Such initiatives are relatively less commonplace in</p>	<p>returned in an agreed condition at the end of a lease period.</p> <p>PSL tenancies and properties would remain subject to the overarching statutory requirements applicable to all private rented tenancies and properties, including any new/revised requirements resulting from the passage of the Bill.</p> <p>Initial informal engagement with housing stakeholders (including Private Landlords and existing Private Rented Tenants) has taken place, with initial feedback being positive on the benefits of such an arrangement. This information, alongside a significant body of research (informed by examples such as the Welsh Government PSL pathfinder and the Homes for Good model in Scotland) is helping to support the development of proposals for a forthcoming public consultation on a Private Sector Leasing scheme for the housing market here. Proposals are expected to publish in the first half of 2022, subject to approvals.</p>
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	<p>Northern Ireland, although the paper explores one such example (i.e. Smartmove).</p>	<p>NIHE who administer the Supporting People Programme are currently researching local initiatives to assist clients with access to the Private Rented Sector. Access, prevention and sustaining tenancy will all be considered along with the possibilities of a bond scheme. After all of these factors are taken into account the NIHE will engage with the Homelessness sector in progressing this further.</p> <p>The Department has considered the introduction of an independent housing panel for Private Tenants in Northern Ireland. This was consulted on in the 2017 Review of the Private Rented Sector and there was widespread support for such a panel which would have the potential to deal with and adjudicate on a range of housing issues. As a first step in informing the remit of such a panel the pilot mediation service was put in place. This is being delivered by Housing Rights Service and will inform the formation of an independent panel.</p>
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		<p>Landlord and Tenant representative bodies were both supportive of the introduction of an independent housing panel and there is a divergence of views between both groups on restrictions on rents. Whilst the Department is aware of the Scottish and Republic of Ireland models, no specific consideration has been given at this stage to their introduction.</p> <p>Minister has asked Departmental officials to explore further how the Department could ensure rents, including those in the Private Rented Sector, are fair and this will form part of a future phase of work.</p>
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		<p>This is a significant and important piece of work that Minister wants carried out in the next mandate.</p> <p>Smartmove is no longer funded through the Supporting People Programme but as reported in a previous response NIHE are currently looking at initiatives to assist Private Tenants to access the market.</p>
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<b>SUMMARY CLAUSES</b>	<b>Research and Information Service (RaISe) comments</b>	<b>Departmental response</b>
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<p><b>Clause 8: Fire, smoke and carbon monoxide</b></p> <p>Clause 8 is intended to reduce the risk of injury or death caused by fire, smoke and carbon monoxide.</p> <p>Subsections 11B to 11E set out a requirement on private landlords to provide fire, smoke and carbon monoxide detectors and details the landlord and tenant duties with regard to these. The Department will subsequently bring forward proposals in regulations with the standards expected which are intended to reduce the risk of injury or death caused by fire, smoke or carbon monoxide.</p> <p>Subsection 11F paragraph (3) provides that a landlord is guilty of an offence under this Order with punishment and prosecution of offences up to level 4 on the standard scale, paragraph (4) refers to the option to consider a fixed penalty notice under the 2006 Order fixed penalty regime.</p> <p>This clause also contains various consequential amendments.</p>	<p>Some issues relating to Clause 8 that may merit further consideration.</p> <p>The clause enables the Department to make regulations setting out minimum standards. Will these standards specify the types of alarms that must be installed and the locations where they must be installed?</p> <p>Will the Department publish guidance for landlords on the new requirements?</p> <p>If so, will the guidance be statutory or non-statutory?</p> <p>The new requirements are applicable to private tenancies on or after the date in which Section 8 of the new Act becomes law. It will also apply to inspections tenancies before that date but only from a “prescribed date”; what will this “prescribed date” be?</p>	<p>It is the Department’s intention to engage with stakeholders before the minimum standards are set.</p> <p>From development of regulations, the Department will publish guidance to assist Landlords on the new requirements.</p> <p>The guidance will be non-statutory</p>
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	<p>How will compliance with the new duties be monitored and enforced?</p> <p>Will there be mechanisms established whereby information can be shared by the Fire Service and local councils in respect of potential failures to adhere to the new requirements?</p>	<p>The Department is unable to say at this point in time what the prescribed date will be. This will be dependent on comprehensive engagement with stakeholders and robust regulations being developed. It is our intention to have the Regulations in place as soon as practicably possible.</p> <p>The Department is keen to ensure that Landlords are given sufficient time to achieve standards expected.</p> <p>Offences under this order will be prosecuted by district Councils and any penalty will be decided by Councils who will investigate the circumstances prior to imposing a penalty.</p>
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		<p>There are various ways in which Councils will be able to obtain evidence to verify that the new standards are complied with, which will include direct inspections with evidence from third parties confirming certain requirements have been checked by an appropriate certifier. The Department will work with Councils to provide detailed guidance and agree future monitoring and reporting arrangements. Offences under this order will be prosecuted by district Councils and any penalty will be decided by Councils who will investigate the circumstances prior to imposing a penalty.</p> <p>The Department will look at arrangements already in place which can be built upon. For example it is our understanding that a Memorandum of Understanding is in place between the NIFRS and Councils to clarify and co-ordinate the roles and responsibilities with respect to fire safety in HMO premises</p>
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SUMMARY CLAUSES	Research and Information Service (RaISe) comments	Departmental response
<p><b>Clause 9: Energy Efficiency Regulations</b></p> <p>Clause 9 introduces Schedule 2 and notes its purpose with the provision of an enabling power to make regulations concerning the energy efficiency of dwelling houses let under a private tenancy.</p>	<p>Some issues relating to Clause 9 that may merit further consideration (bearing in mind that the detail will be contained in forthcoming regulations should this Clause 9 and Schedule 2 become law)</p> <p>What minimum EPC standard are appropriate for private rented sector properties in Northern Ireland?</p>	<p>There are currently no minimum standards for Private Rented Sector properties in Northern Ireland. The Department is working in partnership with colleagues in the Department for Economy to undertake/examine further research to agree a new minimum EPC rating. For</p>

	<p>Should there be a staged approach to their introduction i.e. a lower minimum threshold set initially with a more ambitious target set for a later date? Should there be exemptions?</p> <p>If so, what should these be?</p>	<p>our legislative proposals, it will be crucial to have the most up to date and reliable evidence when progressing this matter.</p> <p>Officials will then consult closely with stakeholders before the detail of setting and implementing a minimum standard for the Private Rented Sector is determined. The Department is keen to ensure that Landlords are given sufficient time to achieve minimum levels and will seek to consult the sector re? this linked to any incentives needed to improve the energy efficiency of privately rented properties.</p> <p>Similar to other jurisdictions, It is our intention to have a staged approach to the increasing of the EPC standards in private rented properties and this will also informed by Department of Economy Energy Strategy.</p> <p>It is our intention that the regulation making powers will allow for exemptions from the prohibition imposed under 11G (1) which will allow us more time to consult and consider suitable requirements.</p> <p>The Department is working in partnership with colleagues in the Department for Economy to undertake/examine further research. Work on the Regulations will commence as soon as this work is completed and when stakeholders and the Department have had the opportunity to consider options for</p>
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	<p>Is there a tentative timeframe for the introduction of the new regulations?</p> <p>The Department has indicated that they will work with industry experts and the Department for the Economy to bring forward proposals in relation to the minimum EPC standard and exemptions.</p> <p>Has this work begun or, if not, when will it be taken forward?</p> <p>How effective are current schemes (e.g. Affordable Warmth) in incentivising</p>	<p>implementation and better understand what is required. It is likely The Department will not be in a position to commence this work until the next mandate. However listed buildings is one example of an obvious exemption.</p> <p>This is at an early stage and will be taken further when work on the Regulations commence</p> <p>As above.</p> <p>Local Councils make referrals of households eligible for the Affordable Warmth Scheme to the Housing Executive.</p> <p>As at 31 October 2021, the Housing Executive has received 1,623 referrals for privately rented properties</p>
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	<p>landlords to make improvements to their properties?</p> <p>Are there examples of financial assistance models in other jurisdictions that could be adapted for use by tenants or landlords in Northern Ireland?</p>	<p>since the scheme's inception. This represents approximately 5% of all scheme referrals.</p> <p>Of those referrals for privately rented properties the Housing Executive has issued 1,445 approvals to Landlords. The Landlord agrees to make a 50% contribution to the cost of installing those measures identified through the technical assessment which will add to the thermal comfort of the home. The average grant-aid award approved is £2,026 – a 50% contribution to the total cost.</p> <p>Of the households in privately rented properties which have been referred, the Housing Executive has been informed that 1,515 cases report having a child under 16 and 1,483 cases were assessed with a single household income. There are no figures pertaining to disability.</p> <p>Forms of financial assistance will be considered in association with work on the Regulations and work with Department of Economy as they develop the</p>
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		Energy Strategy. There are grants and loans from the UK Government, local authorities and energy suppliers depending on the situation e.g. Green Deal loans and Private Rented Sector Landlord loans.
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<b>SUMMARY CLAUSES</b>	<b>Research and Information Service (RaISe) comments</b>	<b>Departmental response</b>
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<p><b>Clause 10: Electrical safety standards Regulations</b></p> <p>Clause 10 introduces Schedule 3 and notes its purpose with the provision of an enabling power for the Department to make regulations concerning electrical safety standards in private tenancies.</p>	<p>Again, it should be noted that the details of the electrical safety standards requirements will be contained in regulations.</p> <p>However, some issues that may merit further consideration include</p> <p>How often will periodic checks be required in PRS properties in NI?</p> <p>Is there a tentative timeframe in terms of when the regulations will become operational?</p> <p>Will the safety inspections involve one or two elements, i.e. just an Electrical Installations Conditions Report (EICR), or an EICR and a Portable Appliance Test (PAT)?</p> <p>Will there be detailed technical guidance provided in respect of the new requirements?</p>	<p>It is the Department's intention to engage with stakeholders before the minimum standards are set.</p> <p>The Private Tenancies Bill permits Regulations to make provisions for when checks are carried out so this will be defined in Regulations. However it is anticipated that the checks will be specified in Regulations to be carried out every 5 years</p> <p>Work on the Regulations will commence when the Bill is passed into law.</p> <p>This will be defined in Regulations.</p>
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	<p>Will this guidance be statutory?</p> <p>The Scottish Government guidance contains a section on 'good practice' which is not part of a landlord's statutory duty but is recommended as good practice (e.g. annual visual inspections by the landlord to detect damage and wear and tear).</p> <p>Will similar good practice advice be part of guidance issued to landlords (and domestic property managing agents) in Northern Ireland?</p> <p>How long will landlords be given to organise inspections before the regulations come into force?</p> <p>Are landlords likely to pass costs associated with new electrical safety standards onto tenants (e.g. in the form of rental increases or higher rents)?</p>	<p>From development of Regulations, the Department will publish guidance to assist Landlords on the new requirements.</p> <p>The guidance will be non-statutory.</p>
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SUMMARY CLAUSES	Research and Information Service (RaISE) comments	Departmental response
<p><b>Clause 11: Notice to Quit</b></p> <p>Clause 11 introduces a number of amendments to Article 14</p> <p>This clause will now extend the mandatory notice to quit period for landlords to provide to tenants to 8 weeks (after the first 12 months and until the tenancy is 10 years old). The notice to quit for tenancies longer than 10 years will remain unchanged at 12 weeks.</p> <p>In the case where a notice by a landlord is issued for a tenant to quit a dwelling house</p>	<p>Some issues that may merit further consideration</p> <p>Minister Ní Chuilín indicated in her Ministerial Statement of 3 November 2020 that she wished to explore whether extending the Notice to Quit period to 6 months was possible.</p> <p>The Department states (in a Departmental response paper) that it has commenced a consultation process to gauge the</p>	

<p>under a private tenancy this will have to be provided in the prescribed form and must contain prescribed information as subsequently set by the Department in regulations.</p> <p>In the case where a notice by a tenant is given such a notice will need to be given in writing with the relevant period being 4 weeks if the tenancy has not been in existence for more than 10 years; 12 weeks if the tenancy has been in existence for more than 10 years.</p> <p>This clause includes a provision to alter the notice to quit periods by way of regulations by draft affirmative procedure and must consult with landlord and tenant representatives before laying any drafts.</p> <p>This clause also contains various consequential amendments.</p>	<p>implications of this and to seek the views of the sector.</p> <p>Are there any early indications as to the views of stakeholders on this issue?</p> <p>Are the Department looking at initiatives that could expand the availability of good quality, longer-term, affordable homes within the PRS?</p> <p>If so, what kind of initiatives are being considered and what stage in the development process are they at?</p>	<p>The Department commissioned research carried out by CIH which is being used to inform a consultation document seeking views on extending the notice to quit period beyond the eight weeks currently contained in the Bill.</p> <p>Engagement with Renters Voice has shown that they are supportive of extending the notice to quit period to six months while during some informal engagement with Landlords concerns were raised about extending the notice to quit period any further.</p> <p>The Department have previously mentioned work ongoing within the Department in relation to Private Sector Leasing Scheme.</p> <p><b>Private Sector Leasing</b></p> <p>Officials are also exploring ways in which The Department can make better use of existing private</p>
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		<p>rented sector properties through a long-term leasing scheme known as 'Private Sector Leasing'.</p> <p>Private Sector Leasing seeks to long-term lease existing private rented properties, offering tenants longer tenancies in good quality, well maintained properties, giving Tenants a sense of feeling 'at home' in a community, which traditional 6 or 12 month tenancies makes much more difficult. Consultation proposals for public consultation are expected to publish in early 2022.</p> <p>Both Intermediate Rent and Private Sector Leasing can help overcome some of the major barriers to accessing and maintaining a private tenancy by providing enhanced security of tenure and by offering effective tenancy and property management services to Tenants.</p> <p><b>Intermediate Rent</b></p> <p>Minister Hargey is commitment to increase affordable housing supply and expand housing options, and on 18<sup>th</sup> October proposals for consultation were</p>
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		<p>published on one such affordable housing product: Intermediate Rent.</p> <p>Intermediate Rent, in terms of rental costs and length of tenancy offered, occupies the space between the social and private rented homes, and seeks to deliver a new supply of more affordable, good quality, well-managed homes providing an additional rental choice for lower income households. It may provide a suitable housing option for people and families who are living in the Private Rented Sector and struggling with high rents and poor housing conditions.</p> <p>The consultation closes on 14<sup>th</sup> January 2022 and a government response will be published in due course. Subject to approvals for a scheme and its funding, the first homes could be available during 2023.</p> <p><b>Housing Supply Strategy</b></p> <p>Moreover, increasing the supply of good quality, affordable, and sustainable homes and broadening</p>
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		<p>housing options to meet a wider range of needs is at the heart of the Minister’s delivery of a new Housing Supply Strategy. The Strategy takes a ‘whole system approach’. This recognises that pressures on one sector are likely to have a ripple effect across the whole housing system. It also recognises that many of the challenges to meeting housing demands are common across all tenures.</p> <p>Crucially, as reflected in the Minister’s aim, increasing supply is about more than numbers but involves considerations of standards, cost, location and the wider carbon agenda. The Strategy will provide the longer term framework for the transformative and collaborative work needed across central and local government, the private and third sectors to tackle our supply challenges and, most notably, delivering for those in most housing need. This includes many of those currently in the Private Rented Sector.</p> <p>It is anticipated that the Minister will launch a draft Strategy for consultation in the near future. This will build on the Call for Evidence consultation and engagement earlier this year. It is planned that the</p>
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		<p>Strategy will launch in March 2022, subject to Executive agreement.</p> <p>Phase two of the improvements to the Private Rented Sector, which will be taken forward in the next mandate, will include a review of the current fitness standard and the previously mentioned work on rent.</p>
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