

|                          |   |
|--------------------------|---|
| <b>Report on</b>         | Private Tenancies – update on current proposals |
| <b>Date of Meeting</b>   | 15 <sup>th</sup> June 2021                      |
| <b>Reporting Officer</b> | Fiona McClements                                |

|   |     |   |
|---|-----|---|
| <b>Is this report restricted for confidential business?</b>         | Yes |   |
| If 'Yes', confirm below the exempt information category relied upon | No  | X |

|            |  |
|------------|--|
| <b>1.0</b> | <b>Purpose of Report</b>   |
| 1.1        | To inform members of recent communications from the Department for Communities regarding Departmental Response to the Review of the Private Rented Sector; draft Private Tenancies Bill and regional Environmental Health response; and proposals to transfer registration of Landlords to councils.   |
| <b>2.0</b> | <b>Background</b>  |
| 2.1        | In 2017 the Department for Communities (DfC) carried out a consultation “Review of the Private Rented sector”. MUDC were consulted as part of this process and comments were agreed by MUDC and forwarded to the Department for Communities.   |
| 2.2        | <p>The aim of the review was to consider the current and potential future role of the sector and assess the effectiveness of current regulation, identifying where improvements could be made to help make the private rented sector a more attractive housing option.</p> <p>It set out proposals on:</p> <ul style="list-style-type: none"> <li>• Supply</li> <li>• Affordability</li> <li>• Security of Tenure</li> <li>• Tenancy Management</li> <li>• Property Standards</li> <li>• Dispute Resolution</li> </ul> |
| 2.3        | The Department subsequently published a “Proposals for Change” document which set out the feedback received from consultees.   |
| 2.4        | <p>A link to The Proposals for Change document is below:</p> <p><a href="https://www.communities-ni.gov.uk/consultations/private-rented-sector-northern-ireland-proposals-change">https://www.communities-ni.gov.uk/consultations/private-rented-sector-northern-ireland-proposals-change</a></p>  |

|            |   |
|------------|---|
| <b>3.0</b> | <b>Main Report</b>  |
|            | <u>Departmental response to Proposals to Reform the Private Rented Sector</u>   |
| 3.1        | On 4 <sup>th</sup> May 2021, the Communities Minister, Deidre Hargey published the Departmental response to the consultation on proposals to reform the private rented sector. She advised that she intended to ask the Executive to bring legislation to the Assembly to implement some of the proposals published in the response to the consultation.  |
| 3.2        | The new legislative proposals will include a longer notice to quit period will also look to implement a number of other proposals including ensuring that all private tenants are issued with a written agreement of tenancy terms, making it a mandatory requirement for private landlords to provide smoke and carbon monoxide detectors and to carry out periodic electrical checks and restricting rent increases to once in any 12 month period. |
| 3.3        | The Departmental response to the Consultation on the Review of the Private Rented Sector (PRS) published on 4 <sup>th</sup> May 2021 is attached at Appendix 1.   |
|            | <u>Proposal to transfer the registration of landlords to local councils</u>   |
| 3.4        | The Department for Communities have also initiated work to improve the PRS through a proposal to transfer the registration of landlords to local councils. This would see councils being provided with additional powers to strengthen and provide local enforcement of the PRS, funded by registration fees.   |
| 3.5        | An update presentation by Environmental Health provided to elected members at a Housing update meeting on Thursday 27 <sup>th</sup> May is also attached for your information at Appendix 2.  |
| 3.6        | A meeting of the regional Working Group that DfC has set up to examine the proposals is due to take place in the next few weeks (date to be confirmed by DfC).  |
|            | <u>Private Tenancies Bill</u>   |
| 3.7        | DfC have also issued correspondence attached at Appendix 3 to stakeholders including the regional Environmental Health Managers Group (EHNI). DfC have advised that they plan to bring forward some of the proposals during the current NI Assembly mandate; with others that require further research such as Letting Agent Regulation, the introduction of Grounds for Eviction and Fitness Standards, brought forward in the longer term.          |
| 3.8        | A draft of the proposed Private Tenancies Bill has been forwarded to regional Environmental Health managers group and Public Health and Housing Subgroup for consideration and review.  |

|            |   |
|------------|---|
| 3.9        | <p>Key Proposals in the Bill include:</p> <ul style="list-style-type: none"> <li>• restriction on rent increases;</li> <li>• deposit amount restricted to one month's rent;</li> <li>• time limit to protect a deposit with one of the scheme administrators extended to 28 days and time limit to provide confirmation to tenant extended to 35 days;</li> <li>• certain offences in connection with tenancy deposits to be continuing offences;</li> <li>• tenants to be given prescribed information relating to the tenancy;</li> <li>• requirement for receipts to be provided where rent payment is made in cash;</li> <li>• extension of the length of the Notice to Quit period to be provided by landlords;</li> <li>• providing a statutory limit on the tenancy deposit amount requested for a private tenancy;</li> <li>• making it a legal requirement for private landlords to have working smoke and carbon detectors installed in their rented properties and to carry out periodic electrical checks;</li> <li>• provision to make regulations concerning the energy efficiency of dwelling-houses let under a private tenancy.</li> </ul> |
| 3.10       | The Bill is currently being finalised and the Department hope, subject to Executive approval, to progress the Bill through the NI Assembly before the end of the current mandate which is March 2022.   |
| 3.11       | The proposed primary legislation will outline the wider principles of the legislative changes with much of the detail to be provided in subsequent regulations.   |
| 3.12       | Additionally it is proposed that DfC officials will carry out a subsequent engagement exercise with key stakeholders on the proposed detail to be included in regulations which will provide for the new proposed standards and clarify responsibilities and obligations expected.  |
| 3.13       | The regional Environmental Health groups' response to the proposals is attached at Appendix 4.  |
| <b>4.0</b> | <b>Other Considerations</b>   |
| <b>4.1</b> | <b>Financial, Human Resources &amp; Risk Implications</b>   |
|            | Financial: N/a  |
|            | Human: The proposed legislative changes will have significant resource implications for the Environmental Health service.   |
|            | Risk Management: N/a  |

|            |   |
|------------|---|
| <b>4.2</b> | <b>Screening &amp; Impact Assessments</b>   |
|            | Equality & Good Relations Implications: N/a   |
|            | Rural Needs Implications: N/a   |
| <b>5.0</b> | <b>Recommendation(s)</b>  |
| 5.1        | Members are asked to note the content of this report.   |
| 5.2        | Members may consider writing to DfC to welcome the proposals which strengthen the regulation of the Private Rented Sector, and request that the Department give due consideration to providing Councils with suitable funding arrangements to enable them to effectively implement any new legislative requirements which Council may be responsible for. |
| <b>6.0</b> | <b>Documents Attached &amp; References</b>  |
| 6.1        | Appendix 1 – Departmental response published 4 <sup>th</sup> May 2021.  |
| 6.2        | Appendix 2 – Environmental Health Presentation- May 21.   |
| 6.3        | Appendix 3 – DfC correspondence to stakeholders, including EHNI.  |
| 6.4        | Appendix 4 – Regional EHNI response.  |
| 6.5        | Appendix 5 – Draft Private Tenancies Bill   |