

PRIVATE RENTED SECTOR IN NORTHERN IRELAND



Department for
**Social
Development**
www.dsdni.gov.uk

Newsletter Issue No 1 - 2011

Welcome to our first newsletter bulletin for private landlords. Our aim is to help keep landlords up to date with useful sources of information and to give practical advice on issues such as safety and what the law requires.

WHAT'S NEW?

One in six people in Northern Ireland live in the private rented sector. Figures taken from the 2009 House Condition survey indicate that there are 124,600 private rented properties accounting for approx 17% of all the total housing stock.

The sector is made up of a range of differing types of dwellings owned and managed by landlords who have entered the market for a variety of reasons. The tenants have come into the sector either through choice or are unable to access social housing or owner occupation. Over half (60%) of those living in the sector are under the age of 40.

To help and encourage the development of a healthy private rented sector catering for such a diverse range of needs and expectations and in recognition of the importance of the sector, on 24 March 2010, the Minister for Social Development launched the strategy for the sector entitled 'Building Sound Foundations'.

This will help private landlords deliver a better and more professional service through the introduction of arrangements for the protection of tenant's deposits, as well as the introduction of mandatory landlord registration. Other initiatives will include improvements to the physical fitness standard, as well as a focused programme of awareness raising for landlords and greater advice and information for private renting tenants. It's focus is on six key areas as follows:

- Improved knowledge and awareness
- Clear/effective legislation
- Protection for tenants deposits
- Longer notice to quit periods
- Enhanced fitness levels
- Effective tenancy management

Building Sound Foundations Update

Improved Knowledge and Awareness

New information packs including guides, leaflets, fact sheets and practical advice for landlords on a wide range of topics, including top tips for landlords, responsibility for repairs, templates for rent books and statement of tenancy terms are now available for landlords. In conjunction with the environmental health departments of local councils, the Department has carried

out a number of awareness sessions for landlords in Belfast, Lisburn, Portstewart, Ballymena, Omagh, Dungannon, Newry and Londonderry.

In addition, the Department recognises the vital role which Council staff play, in the implementation and enforcement of the law, therefore, a tailored programme to raise the profile of the Order is currently being run for Council staff.

Protection for tenants deposits

The introduction of tenancy deposit schemes in Northern Ireland will provide benefits for both landlord and tenant. All landlords who take a deposit will be required to safeguard it in a Departmental approved scheme. Approved schemes will include

arrangements to resolve disputes arising in connection with deposits paid. This will create a more professional approach to tenancy deposit protection and will reduce the number of disputes. The dispute service will be free and the schemes will be open to anyone who lets property and receives a deposit.

Enhanced fitness levels

A stakeholder group has been established to assist the Department to come up with the new fitness standard which will meet the needs of both landlord and tenant. The new standard will be fit for purpose, recognising the need to improve energy efficiency and

reducing the safety risk. The Department intends to use the current Decent Homes Standard as the starting point. Legislation to provide for the new standard in the private rented sector will be taken forward at the first available opportunity.

Clear/effective legislation

The Private Tenancies (Northern Ireland) Order 2006 provides a comprehensive legislative basis for the private rented sector. The amalgamation of the statement of

tenancy terms and rent book will reduce duplication. A new power of entry with regards to fitness will assist Councils to carry out inspections to improve the fitness standard.

Longer notice to quit periods

The Department will move to extend the notice to quit period in recognition of the need to provide long term tenants with a more reasonable period, in which to find alternative accommodation should their tenancy end.

Current legislative provisions will be amended as follows

- where the length of a tenancy is greater than 5 years and not more

than 10 years, the notice to quit period is not valid unless given in writing not less than 8 weeks before the date on which it is to take effect;

- where the length of a tenancy is greater than 10 years, the notice to quit period is not valid unless given in writing not less than 12 weeks before the date on which it is to take effect.

Effective tenancy management

Government will seek to make the introduction of mandatory landlord registration as effective as possible, minimising unnecessary hurdles, levels of bureaucracy, costs and unintended adverse effects on the availability of private rented accommodation. A stakeholder group which included a wealth of professional practitioner experience drawn from across all spheres and relevant representative organisations helped with the development of a landlord

registration specification document.

Mandatory registration will give local councils the means to communicate with private landlords allowing them to work with landlords to ensure compliance, raise awareness and, where necessary, take enforcement action. On registration, a landlord will receive an information pack with updates being provided on an ongoing basis.

Where legislation is needed, provisions are included in the Bill currently going through the Assembly process and intended to become law 2011 – 2013, with the exception of enhanced fitness levels which will be dealt with in future legislation. Landlords will be kept up to date on progress.

Frequently asked questions – by both landlords and tenants:-

Do I need to provide my tenant with a rent book?

Yes, a rent book must be provided free of charge to a tenant, within 28 days from the date a tenancy is granted.

Who is responsible for repairs to the property?

The division of repairing responsibilities should be set out in the tenancy agreement but where it isn't, there is a default provision set out in the Private Tenancies Order. The landlord is always responsible for gas and electrical appliances when provided.

Who is responsible for house insurance?

Generally speaking, the landlord is responsible for buildings insurance (this is usually a condition of the mortgage). Tenants will need to take out separate insurance cover for personal belongings.

My landlord enters my home when I am not there, is this allowed?

This could be interpreted as harassment. A

landlord should not enter a tenant's home without the authorisation of the tenant. The landlord should give reasonable notice to the tenant.

When does a property need a fitness certificate?

If your property was built before 1945 and let after 1 April 2007, then a certificate of fitness may be required. The Environmental Health Officer at your local council will advise on certificates of fitness and the circumstances when you need to apply.

What about a TV licence?

If a tenant wants to watch or record TV, then they are required to obtain a licence.

Who pays the Rates?

Generally, the landlord is responsible for paying the rates and needs to collect an amount from the tenant as part of the rent to cover rates. This should be detailed in the tenancy agreement and rent book.

So who does what?

Who and what is there to help you if you are living and/or working in the private rented sector?

Environmental Health Officers deal with issues around public health & housing, health and safety, pest control, food hygiene, dog wardens and home safety. Environmental health officers provide advice to private tenants and landlords and enforce housing and public health legislation.

NI Direct – brings together lots of information from government departments and agencies. It provides information and services on many topics including buying, selling or renting a home, your neighbourhood, rates, building regulations, homelessness and evictions. For further information, visit www.nidirect.gov.uk

DSD – amongst other things, the Department for Social Development has strategic responsibility for housing, social security benefits, pensions and child support. For information regarding the private rented sector visit www.dsdni.gov.uk/index/hsdiv-housing-link.

NIHE – NIHE can provide advice and information on many aspects of housing including improving energy efficiency of private rented dwellings

NIHE also deals with housing benefit applications and payments. To find out more visit www.nihe.gov.uk. or telephone 03448 920 902.

What else is happening? :

Fuel Poverty Strategy:

A public consultation paper “Warmer Healthier Homes” was issued last year and public meetings were held throughout Northern Ireland during September 2010.

From the responses received there was overwhelming support for the **Warm Homes Scheme** * to continue as the main tool in tackling energy inefficiency.

The Department is in the process of finalising the strategy document which is hoped to be launched soon.

** The Warm Homes Scheme is open to both home-owners and private tenants, who are in receipt of a qualifying benefit or tax credit.*

*Under the scheme, your tenants could receive a range of insulation measures including **Loft insulation, Cavity Wall insulation and a Hot Water Tank Jacket.***

*If your tenants do not have a heating system or are reliant on Solid Fuel, Bottled Gas (LPG) or Economy 7 **they may be eligible for a new fully controlled, energy efficient oil or gas central heating system.***

*For more information or to apply call **0800 988 0559** or visit www.warm-homes.com*

Rates Collection Agency:

Empty homes will be liable to the same rates as occupied homes from 1 October 2011.

Consultation on the proposal to reduce the landlords allowance from 15% to 12.5%, ended on 28 Oct 2010

Further information can be found at: www.lpsni.gov.uk

Energy Performance Certificates (EPC)

By law you must have an EPC as soon as the property is marketed for rental.

It is the responsibility of the person who owns the property to get an EPC.

An EPC is valid for 10 years.

An EPC should be made available to tenants on request.

Further information can be found at <http://epc.direct.gov.uk/index.html>

or telephone the EPC team on 0800 022 3004.

What does the rent officer/rent office do?

From the introduction of the Private Tenancies (Northern Ireland) Order 2006 (PTO) at 1 April 2007, the rents of 1119 protected and non - protected unfit properties have been registered by the rent officer. The role of the rent officer is to determine the status of any private tenancy to decide if it is subject to rent control and the amount of rent which can be charged for the tenancy. The Rent Officer also maintains a register of rents and reviews the level of registered rents at the request of the Department.

The rent assessment panel will reconsider the rent determined by the rent officer. This includes conducting an inspection and/or public hearing and liaising with the landlord, tenant and/or their representatives on any matter regarding the reconsideration process.

The rent office can be contacted on: Tel: (028) 9082 9262
Email: info@rentofficer-ni.gov.uk
The rent register can be viewed at: Web: www.rentofficer-ni.gov.uk

Gas Safety and the Law

Landlords and tenants both have a responsibility to ensure the safety of their premises.

When it comes to carbon monoxide safety and the law, it depends on what type of fuel you have. More information and detailed factsheets are available from the Health & Safety Executive Northern Ireland (HSENI) who can be contacted at 83 Ladas Drive, Belfast, BT6 9FR, telephone (028) 9024 3249 or www.hseni.gov.uk.

The HSENI has launched a new public awareness campaign to raise awareness of the dangers of carbon monoxide poisoning at : www.hseni.gov.uk/watchout

Fire Safety

In accordance with the law, (Furniture & Furnishings (Fire) (Safety) Regulations 1988), furniture included as part of rented accommodation must be fire resistant.

Tenants and landlords can take practical steps with regard to fire safety including:

- ensuring your property has adequate fire precautions and escape routes;
- fitting smoke alarms which meet the British standard 5446 and which are tested regularly;
- not covering heaters by leaving washing over them;
- not leaving burning candles unattended; and
- not overloading adaptors with too many plugs.

This is not an exhaustive list. Further information on fire safety can be found at:

<http://www.nifrs.org/firesafe/>

Product Safety in Rented Accommodation

The Electrical Equipment (Safety) Regulations 1994 & The Plugs And Sockets (Safety) Regulations 1994

What the Law Says: -

- the Regulations apply to any person who supplies electrical equipment in the course of a business. The safety of any electrical equipment that is supplied as part of furnished accommodation that is hired or let, is controlled by the Regulations. All mains electrical equipment, new or second-hand supplied with the accommodation must be safe. If it complies with, and continues to comply with a currently acceptable standard, e.g. a British /European Standard, then it will normally meet the safety requirements.

The Department hopes to issue a newsletter at least twice a year. If you have found it useful or wish to suggest other private rented sector topics which you would like us to cover, please contact us – see contact details below.

If you wish to receive updates of developments in the law governing the private rented sector or to learn of any emerging issues and you have not left your email details with Housing Division, please contact us – see contact details below.

If you have received a hard copy of this newsletter it would be useful if you would contact us and give your e-mail address so we can contact you more easily.

Tel No: Belfast 9082 9259 or email housing.policy@dsdni.gov.uk

Copies of this and future newsletters can be downloaded from our [Publications page](#) on the DSD website.