

Department for Communities
Private rented sector in Northern Ireland – Proposals for change
Consultation response

April 2017

1 Introduction

- 1.1 The Equality Commission for Northern Ireland welcomes the opportunity to respond to this consultation, and would also welcome the opportunity to discuss further the points raised in our response.
- 1.2 Responses have not been made to all of the proposals. The response uses the format of the Department's proposal followed by the Commission's response, as appropriate. Some additional comments may be found at the end of the document.

2 SUPPLY

Explore opportunities to use money available for shared housing through the Fresh Start agreement to incentivise the development of more mixed-tenure housing areas, including private rented accommodation, underpinned by a shared ethos.

- 2.1 The Commission has consistently called for the expansion of shared housing as a necessary step to progress integration in our society. These calls have included for measures to be put in place to build trust and confidence between divided communities, and to set out proposals for building shared neighbourhoods.

- 2.2 We note that the Department for Communities' draft Programme for Government delivery plan relating to housing commits: 'to support more shared housing and reduce the extent and impact of residential segregation, we will develop a programme of financial incentives using money available through the Fresh Start agreement to incentivise the development of more mixed tenure, mixed use sites underpinned by a shared ethos'.
- 2.3 The Commission reiterates its comments in this regard, while welcoming the delivery plan commitment to incentivise developments, the scale or format of the financial incentives is not provided nor are there any details as to how this action would work in practice. For example, it does not specify how a 'shared ethos' would be achieved, demonstrated or measured. We reiterate our recommendation that this is addressed in a revised delivery plan.
- 2.4 Research suggests that the Northern Ireland population favours sharing over segregation. The 2014 Northern Ireland Life and Times survey results¹ found that 70% of respondents had a preference for living in a mixed religion neighbourhood.
- 2.5 The Commission values shared housing as the way forward in our society, with socially, ethnically, politically and religiously integrated housing as a preferred option and long-term goal. The Commission also recognises that people need to feel safe where they live, and considers that actions are needed to encourage and incentivise the integration of communities.
- 2.6 While reiterating the importance of ensuring that housing need is met on the basis of objectively assessed need, the Commission also recommends actions designed to develop safe, shared communities based on equality, dignity and respect. Shared communities should include shared housing, as well as shared education, shopping and places of leisure.

¹ ARK (2014) Northern Ireland Life and Times Survey

- 2.7 A 2015 Community Relations Council (CRC) study² into new residents' experiences of contact in mixed areas of Belfast found that 'mixing was a secondary concern for new residents - it was not the main or even an important reason for the move. They were financial, practical and family reasons.' As such, the attractiveness of any particular schemes to potential tenants may be impacted by location, amenities and accommodation type ahead of the desire for living in a mixed neighbourhood.
- 2.8 Additionally, whilst research indicates that minority ethnic and migrant groups are not interested in becoming involved in sectarian conflict in Northern Ireland³, Shimada (2010) found that they are nonetheless impacted by the challenges of navigating contested space^{4, 5}. Wallace (2015) argues that this has implications with regard to their housing choices and experiences⁶.
- 2.9 Actions to advance sharing should extend beyond a narrow focus on community background. We reiterate our recommendations that the focus of actions to advance sharing should be across all Section 75 grounds; and across a range of public policy domains (housing, employment, education and leisure etc).

Scope the opportunities with housing associations for greater involvement in the private rented sector.

- 2.10 Given their experience in providing support to a range of tenants, housing associations could, with adequate resourcing, share their expertise within the private rented sector,

² CRC Stevenson (2015) Exploring new residents' experiences of contact in mixed areas of Belfast

³ Wallace, A. (2015) Housing and Communities Inequalities in Northern Ireland.

⁴ Shimada, L.D. (2010) *Transforming Earth and Fire: New Narratives of Identity and Place in Northern Ireland Peace Process*.

⁵ Bell et al. (2010) define contested space as a 'situation where there is tension over access to public space in a largely segregated community'. Bell, J., Jarman, N. and Harvey, B. (2010) *Beyond Belfast: Contested Spaces in Urban, Rural and Cross Border Settings*.

⁶ Wallace, A. (2015) Housing and Communities Inequalities in Northern Ireland.

particularly with regard to older and younger tenants and tenants with disabilities.

3 AFFORDABILITY

To introduce legislation to stipulate that rents can only be increased once in any 12 month period.

- 3.1 While clarity as regards rent increases is to be welcomed, this does not tackle the issue of affordability within the private rented sector for a range of Section 75 groups, including those negatively impacted or to be impacted by welfare reform.
- 3.2 For example: changes to Housing Benefit in the Local Housing Allowance⁷ resulted in single people aged 35 years old and under only entitled to a shared accommodation rate. This is lower than the full housing benefit rate. Research to date has been of small scale but found that since the changes came into force around one in ten landlords no longer rent to under 35 year old single people⁸. Furthermore, over one third of landlords participating in that research stated that they might cease letting to Local Housing Allowance single tenants under the age of 35.
- 3.3 We welcomed the commitment within the draft Programme for Government delivery plan⁹ to develop affordable housing solutions to meet the needs of single people aged under 35 on benefits, and look forward to reviewing specific action plans and implementation reviews in due course.

⁷ Northern Ireland Housing Executive's website: Benefits and Grants/Local Housing Allowance

⁸ Centre for Regional Economic and Social Research, Sheffield Hallam University funded by the Department for Social Development (Mar 2014) Monitoring the impact of recent measures affecting Housing Benefit and Local Housing Allowances in the private rented sector in Northern Ireland: Final Report

⁹ NI Executive (2017) PfG Delivery Plan indicators 8 and 48

4 SECURITY OF TENURE

Tenancy Agreements

The Department will seek to bring forward legislation to ensure all private tenants are issued with a written agreement which must contain mandatory terms regardless of the type or length of the tenancy.

- 4.1 The Commission welcomes this proposal, and suggests that the agreement is produced in an accessible, user friendly format to ensure all tenants are fully aware of the contents and their implications. This may include the development of formats accessible to those from Section 75 groups who may have particular requirements. We suggest that the Department also considers the use of signposting as appropriate to adequately resourced advisors for those who may require additional support.
- 4.2 Research suggests there is potentially limited awareness of rights and/or limited accommodation choices available to migrants and minority ethnic groups. Furthermore, these groups may lack a wider network of family and friends with knowledge of the Northern Ireland housing market, which would enable them to make better informed choices. Greater awareness of rights and the market could act to empower potential tenants to explore the full range of options open to them.
- 4.3 Such information should be provided in methods and formats accessible to the identified audience both in terms of language and dissemination channels.
- 4.4 Migrant workers may not be in a financial position to buy their own property or obtain a mortgage, and social housing may not be an immediate option due to waiting lists and other

restrictions. The private rented sector is therefore where many¹⁰ minority ethnic groups, particularly migrant workers, seek accommodation.

- 4.5 Local studies¹¹ have shown that ‘...the private rented sector in Northern Ireland has largely grown to meet the increased demand from inward migration over the last decade, suggesting that minority ethnic groups have relatively easy access to this sector of the housing market.’
- 4.6 While suiting some, the private rented sector lacks security of tenure relative to other tenures. Wallace¹² reported that ‘poor quality and management is a concern for families or other households with vulnerable members’. 2013 research¹³ also reported that ‘There are also some indications that some private landlords in Northern Ireland impose different conditions on minority ethnic groups, which can constrain access if they have no deposit or guarantor.’

5 TENANCY MANAGEMENT

Knowledge and Skills of Landlords

1. To review the impact of the CIH training course and explore the funding options for an extension of the course.

- 5.1 The Commission suggests that the syllabus of this course includes reference to particular requirements a range of tenants and potential tenants from Section 75 groups may have and how to meet them. This includes on grounds of disability or

¹⁰ NISRA (2013) Census 2011: Detailed Characteristics for Northern Ireland on Ethnicity, Country of Birth and Language, 76% of EU Accession migrant populations live in the private rented sector

¹¹ Campbell and Frey, 2010, quoted in Wallace, A. (2015) Housing and Communities Inequalities in Northern Ireland at page 111

¹² Wallace, A. (2015) Housing and Communities Inequalities in Northern Ireland

¹³ Wallace, A., McAreavey, R. and Atkin, K. (2013) Poverty and Ethnicity in Northern Ireland: An Evidence Review

age. We also suggest that landlords' legal obligations under anti-discrimination laws are made clear within the course's delivery.

2. The Department will fund a pilot dedicated landlord advice line. This would ensure that landlords get advice and information from professionally qualified advisors. They would have a single point of contact for landlords to access information. This in turn would help professionalise the sector.

- 5.2 The Commission welcomes provision of this resource, and looks forward to sight of the evaluation of the pilot.

Tenants' Knowledge of their Rights and Responsibilities

To develop a tenant information pack which a landlord must provide to the tenant at the commencement of the tenancy. This will contain user friendly advice and information. This would detail their roles and responsibilities and what is expected of them as a tenant. This is already a common practice in other jurisdictions.

- 5.3 The Commission welcomes this proposal, and repeats the comments made in response to the proposal regarding tenancy agreements, at paragraphs 4.1-4.6 above.

6 Regulation in Enforcing Standards

1. Amend the Landlord Registration Regulations to incorporate a fitness declaration at the point of registration. Sample checks could be carried out by

councils on these declarations. Options for meeting the costs of these checks would need to be explored.

- 6.1 While welcoming steps to improve the fitness of homes provided within the private rented sector, the Commission has a number of queries around the current proposal.
- 6.2 Given that the fitness declaration will be required at the point of registration, it is unclear when those landlords already registered will be required to make the declaration.
- 6.3 In light of the absence of clarity around how ‘sample checks’ would be funded, and the scale of checks – further information around how the fitness declaration would be effective in enforcing standards is sought.

2. To introduce a regulatory framework for all letting agents including bringing forward legislation to ban letting agent fees.

- 6.4 In 2013 a Housing Rights Service mystery shopper exercise on upfront fees in the private rented sector¹⁴ reported evidence of a lack of consistency and transparency among those letting agents sampled. It raised, for example, the possibility of both landlords and tenants being charged for the same single service. The Commission is concerned that those from minority ethnic groups, who may lack knowledge of the private rented sector or their rights, may face additional risk from such practices. In our response¹⁵ to the discussion document on this issue, the Commission agreed that regulation of letting agents was an issue that should be addressed.

¹⁴ Housing Rights Service (2013) The Hidden Costs of Private Renting in Northern Ireland

¹⁵ ECNI (2016) Response to consultation on the DSD Review of the Role and Regulation of the Private Rented Sector

7 PROPERTY STANDARDS

2. To introduce legislation around EPC ratings similar to that in England. Consideration should be given to exempting certain types of property where the costs of making sufficient energy efficiency improvements would be prohibitive.

- 7.1 Fuel poverty impacts most on older people across both social and private housing tenures in Northern Ireland¹⁶. While we recognise that some progress has been made, including improvements in energy efficiency through the Affordable Warmth Scheme, we reiterate that, as recognised in the Active Ageing Strategy 2016 – 2021, addressing fuel poverty should remain a priority.
- 7.2 Clarity around the energy performance of a property would assist potential tenants in making informed choices when selecting a property.
- 7.3 Research shows that fuel poverty particularly impacts on older people. In Northern Ireland in 2011¹⁷ 52% of people aged 60-74 years were in fuel poverty, rising to 66% of those aged 75 years and over; compared to 34% of the under 60 age group.

8 DISPUTE RESOLUTION

The Department will examine the financial case for establishing an independent housing panel for Northern Ireland.

- 8.1 Should such a panel proceed, it is essential that parties are dealt with on an equal footing, with safeguards in place to

¹⁶ Public Health Agency, 2013

¹⁷ Public Health Agency, 2013

ensure those who may face barriers to engaging with the process are facilitated to do so.

9 ADDITIONAL COMMENTS

A number of issues are not addressed within the proposals. For example,

- 9.1 How the private rented sector will meet demand from the full range of tenants / potential tenants, particularly as regards smaller accommodation; accommodation with adaptations; or easy access to them. Also, we recommend steps are taken to make accessible private rented accommodation easier to identify. In 2012, United Kingdom wide research¹⁸ of young people with disabilities (mostly wheelchair users and people with reduced mobility) found that ‘for many young disabled people, finding rental accommodation that suits their daily living needs can be a major challenge as letting agents are unaware of accessible properties and landlords can be reluctant to adapt their properties to the requirements of a disabled tenant.’ It further reported that 94% of participants said that more web-based information on available accessible properties would improve their experience of looking for accommodation.
- 9.2 In light of the complex needs tenants and prospective tenants within the private rented sector may have, the provision of support services is a crucial factor. Whether, and if so how, such services will be provided is unclear from the consultation document.
- 9.3 Action is required to extend the Disability Discrimination Act to include reasonable adjustments to communal areas in residential properties. Currently under disability discrimination legislation, landlords and managers of rented residential premises must make reasonable adjustments to the disabled person’s home. In addition, they cannot unreasonably refuse permission for disability-related alterations to be carried out. Landlords however are not required to make disability-related

¹⁸ Trailblazers (2012) Locked Out

alterations to the physical features of the common parts of let residential premises, such as stairs and hallways; even if they are reasonable to make and paid for by a disabled tenant. We recommend¹⁹ that the disability discrimination legislation is extended to require landlords to make disability-related alterations to the physical features of the common parts of residential properties, such as stairs and hallways.

Equality Commission for Northern Ireland

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¹⁹ ECNI (2012) Strengthening Protection for Disabled People