

PRIVATE RENTED SECTOR IN NORTHERN IRELAND



Newsletter Issue No 2 – January 2012

Welcome to our second newsletter for private landlords. Our aim is to continue to 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.

Our first Newsletter was issued in January 2011, and can be accessed at the following link: [Private Rented Sector Publications](#) . This was sent via email and hard copy to approximately 2250 landlords and agents all over Northern Ireland.

We have taken on board all comments and suggestions received and in this issue we have clarified topics covered previously and update you on issues relevant to the private rented sector.

WHAT'S NEW?

RECENT CHANGES AFFECTING LANDLORDS AND TENANTS IN THE PRIVATE RENTED SECTOR

WITH EFFECT FROM 30 JUNE 2011:

- Councils have specific powers to enter a private dwelling house for the purpose of a fitness inspection.
- Councils have access to relevant data on rates and housing benefit to support them in the regulation of the private rented sector.
- The maximum fine for a landlord who fails to register a house in multiple occupation (HMO) is increased from £2,500 to £20,000.
- Landlords and tenants have to give a longer notice to quit period if the tenant has been there for more than five years (see the Department for Social Development's leaflet which can be accessed at: "[Are you a tenant living in the private rented sector?](#)")

Length of Tenancy	Notice to Quit
5 years or less	No less than 4 weeks written notice
More than 5 years and up to and including 10 years	No less than 8 weeks written notice
More than 10 years	No less than 12 weeks written notice

- Owners of a HMO must provide evidence of family relationship if requested by the Housing Executive .

These changes have been brought about by the [Housing \(Amendment\) Act \(Northern Ireland\) 2011](#) (which can be accessed by this link). This legislation also requires the Department for Social Development to lay before the Assembly by November 2012, legislation to introduce landlord registration and tenancy deposit schemes.

Launch of thinkpiece “Making the Most of Northern Ireland’s Private Rented Sector to Meet Housing Need”

The Department for Social Development (DSD), Chartered Institute of Housing (CIH), and SmartMove NI launched a thinkpiece on 28 November 2011 which debates how the private rented sector can work for people in housing need and which launches a new qualification to support current and new landlords.

“Making the Most of Northern Ireland’s Private Rented Sector to Meet Housing Need” looks at how the private rented sector is already working well as a housing option for some people in housing need and suggests some ways in which it could work better. Access, affordability and the right level of support are integral to making better use of the private rented sector to meet housing need.

CIH and SmartMove recognise the importance of professionalising the private rented sector to improve the experiences of tenants and landlords and have developed a brand new qualification to help do it, supported by DSD. **The new CIH Level 2 Certificate for Landlords (QCF) is an introductory vocational qualification for individual landlords letting one or a small portfolio of residential properties.** The qualification aims to: encourage, acknowledge and actively promote good standards of privately rented accommodation; assist landlords and tenants to undertake their responsibilities to each other; and provide some basic skills and knowledge to individual residential landlords to help them fulfill their role.

This is the first accredited qualification specifically designed for the private rented sector landlord, and Northern Ireland is leading the way in delivering this new qualification.

Delivery will begin in January 2012 and continue on a rolling basis thereafter. For more information, please contact Jennie Donald, Policy and Public Affairs Officer at the Chartered Institute of Housing on 02890 778222 or 07824304351 or at jennifer.donald@cih.org

Further information can also be accessed at the following link:

http://www.dsdni.gov.uk/making_the_most_of_the_private_rented_sector.pdf

Rates Collection Agency - Rates for vacant property

From 01 October 2011 rates will be charged on all domestic properties whether they are occupied or vacant. Where a property becomes vacant landlords are required to notify Land and Property Services.

Further information can be found at : [Rates payable on empty rental properties from October 2011 | News section | About LPS | D F P \(N I\)](#)

There are some exclusions that apply and the following leaflet will give you guidance:

http://www.dfpni.gov.uk/lps/lps_fact_sheet_reh_general_final_web.pdf

You may also be interested in the leaflet on Landlords Allowances:

http://www.nidirect.gov.uk/landlords_allowance_fact_sheet_8_jun11_final.pdf

On 8 July 2011, the Department of Finance and Personnel announced proposals to reduce the landlords allowance on rates collection from 15% to 12.5%. The proposed changes will take place from April 2012 **subject to Assembly approval**.

Further information on all rates issues can be found at: www.nidirect.gov.uk (Property and Housing) or by telephone – 0300 200 7801 and ask for the landlords team.

Rent Book and Statement of Tenancy Terms

Section 1 of the Housing (Amendment) Act 2011 which repeals Article 4 of the Private Tenancies Order 2006 – (requirement to provide statement of tenancy terms) **has not yet been commenced**. This is because it would have the unintended consequence of removing the existing requirement for landlords to give tenants notice of any variation in the terms of a tenancy and to record such variations in the rent book. It will not be commenced until primary legislation is amended. Therefore landlords are still required to provide a statement of tenancy terms for all tenancies commenced after 1 April 2007 and a rent book regardless of when the tenancy started.

What other help is available?

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.

NIHE – The Northern Ireland Housing Executive 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.

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

nibusinessinfo.co.uk is a free service provided by invest NI, which brings together key information from government departments and agencies to deliver the most authoritative business advice. Access the business support finder to search from over 2,500 grants, loans and support schemes and find customers or suppliers in a directory of over 90,000 local companies. To find out more visit: Business support, information and advice | nibusinessinfo.co.uk

What else is happening?

Evaluation of the Impact of changes to the Local Housing Allowance(LHA)

The Department for Work and Pensions (DWP) in England commissioned a research consortium to undertake a programme of independent research on the impact of recent changes to Housing Benefit (HB) introduced across Great Britain on 01 April 2011. The research will run for 2 years with a final report to be produced by late Spring 2013.

The overall evaluation is being led by the centre for Regional Economic and Social Research (CRESR), an independent research centre based at Sheffield Hallam University and Professor Ian Cole from CRESR is leading the research study. The evaluation is being funded by the Northern Ireland Executive, the Department for Work and Pensions, the Department for Communities and Local Government, the Welsh Government and the Scottish Government.

The questions that the evaluation will seek to answer include:

- What effects are the new LHA limits having on tenants and landlords? Will tenants move to cheaper accommodation or will they negotiate rent reductions with the landlord in order to stay in their current accommodation?
- If tenants are moving, where are they moving to: are they staying within their existing council area or are they moving out of the area?
- What will be the impacts on landlords' rent-setting decisions and the supply of properties available to rent to HB claimants?
- Will working claimants on low incomes be affected differently from those who are not in work? What will be the effects on children if HB claimants move as a result of the changes? Will any other groups experience specific impacts, such as black and minority ethnic communities, older people, large families, people with disabilities?
- How will the impacts on tenants, landlords and the market differ spatially across Britain?
- What are councils doing to help claimants with any changes in benefit-related income?
- What advice channels are claimants using and what kind of problems are being raised?

The Department for Social Development (DSD) is working in partnership with DWP on researching the impact of the Housing Benefit changes in Northern Ireland. A Northern Ireland Advisory Group is being set up to take this forward and the group will reflect key elements of the housing market likely to be affected by the changes. DSD's Housing Markets and Supply Branch, deliver private rented sector policy in Northern Ireland, will sit on the group and will ensure that landlords are advised and consulted where necessary.

Survey of Private Landlords in Three Areas of Northern Ireland on the Impact of The Housing Benefit Reform

As part of the major research, the team from CRESR is undertaking a postal survey of landlords in three case study areas in Northern Ireland: West Belfast, the Greater Shankill and Armagh. There will also be an opportunity for those living in these 3 areas to reply to the survey on-line if they prefer. The research team is extremely interested in finding out how much landlords and letting/managing agents are aware of the reforms that have already been introduced and those that will be phased in over the coming year.

The research team would like to hear whether the changes are likely to impact on the rental markets in West Belfast, the Greater Shankill and Armagh, on landlords and the rental business, either now or in the future. Given the level of interest in the potential effects of these measures on the housing market, the researchers want to secure a robust evidence base that

reflects the views and concerns of landlords of all kinds operating in different local housing markets.

All responses to the survey will be completely confidential and anonymous. No details provided by the respondents will be made available to any government department or anybody other than the research team. All the information will be collated to produce anonymous statistics for a detailed report.

The team would also like to hear general views on the Housing Benefit reforms from as wide a range of landlords and letting/managing agents as possible.

If you have any questions or would like to comment then please contact Emma or Sarah at the Centre for Regional Economic and Social Research (0114 225 3073) and they will route your enquiry to a member of the research team, or via email at CRESR@shu.ac.uk.

Important Changes to the benefits system

The Government is currently taking forward the most radical changes to the welfare system in 60 years in an attempt to simplify the current system and ensure that those who work will be better off than those on benefits.

From a housing perspective, the reforms relating to Housing Benefit will certainly have an impact on those living across the private rented, social and owner occupied sectors.

Further information can be found at: [Important changes to Housing Benefit | The Housing Executive](#)

The Caravans Act (Northern Ireland) 2011

The Caravans Act came into effect from 16th September 2011 and introduces for the first time in Northern Ireland specific legislation which outlines the rights of:

- (i) people who live in a caravan as their main home i.e. residential occupier and
- (ii) those renting a caravan pitch and in both cases the rights of the site owner.

Part 3 of the Caravans Act allows Councils to introduce proceedings against a site owner when the owner is guilty of an offence of evicting and/or harassing the residential occupier of the caravan. A short booklet can be found at: www.dsdni.gov.uk/caravans-act-guidance-booklet.pdf

The main guidance for the Caravans Act which applies to residential caravans owners only can be found at: http://www.dsdni.gov.uk/caravans_act_2011_detailed_guidance.pdf

Pilot Boiler Replacement Scheme

A pilot Boiler Replacement Scheme has been launched. It will allow 1,300 vulnerable households to receive up to £1,500 towards the replacement of their own inefficient boiler. This includes the upgrading of an existing oil or gas boiler, switching from oil to gas or switching to a renewable heating system such as a wood pellet boiler.

To be eligible to apply for a boiler replacement allowance you must be:

- Over 60 years **and**;
- An owner occupier or private tenant **and**;
- Qualify for rates relief but not Housing Benefit and have an inefficient boiler over 15 years old. **OR**

- Aged 70 + and in receipt of Lone Pensioner Allowance and have an inefficient boiler which is at least 15 years old.

If you think you are entitled to apply for the allowance you should contact the NIHE on : **03448 920 900**. You can find out more about the scheme and how to apply at the following link: [Boiler Replacement Allowance | nidirect](#)

Warm Homes Scheme

The Warm Homes Scheme is open to both home-owners and private tenants, who are in receipt of a qualifying benefit or tax credit. To find out if you qualify please visit: [Warm Homes - Warm Homes Scheme NI](#)

There are two levels of help available:

Warm Homes – offers a range of insulation measures to households on a qualifying benefit. Under Warm Homes you may be able to receive the following help:

- Cavity Wall Insulation
- Loft Insulation
- Hot Water Tank Jacket
- Benefit Entitlement Check
- Energy Advice

Warm Homes Plus offers:

- Insulation and heating measures to households in receipt of a qualifying benefit and who are identified through the assessment process to have Economy 7, Solid Fuel, Bottled Gas/LPG or no system at all.
- Conversion of an existing bottled gas (LPG), solid fuel or Economy 7 heating system to oil or natural gas. (If you live in an area where Natural Gas is available that will be the fuel of choice) *For more information or to apply call 0800 988 0559 or visit www.warm-homes.com.*

Power NI (previously know as NIE Energy)

Power NI has several incentives ongoing that may be helpful to landlords:

- **Free Insulation is available up to a maximum of £800 for homes from Power NI :** [Saving Energy At Home | Power NI](#)
- **Snug Plus - £1,500 off a new gas heating system.** <http://www.powerni.co.uk/index.php/saving-energy/heating/snug-plus/>

Both are available to:

- Single person household with an income / pension less than £18,000 gross **or**
- Couple or single parent family with an income / pension less than £25,000 gross **or**
- Single person household / Couple with an income / pension of less than £30,000 gross **and** over 70; **and**
- You must be a homeowner or private renter. (For Snug Plus you must also live within the Phoenix Natural Gas area)

For further information please visit the website at [Saving Energy | Power NI](#)

Power NI Keypads

Keypads are ideal for rented properties as all tenants are held responsible for the electricity used in the property.

For further information please visit their website at: [Landlords and Tenants | Power NI](#)

Landlords Energy Saving Allowance

If you are a landlord and make energy saving improvements to your property, you could reduce the tax you pay. You can do this by claiming the Landlords Energy Saving allowance (LESA).

You can claim LESA if you are a landlord renting out residential property and are either:

- an individual landlord – someone who pays income tax on profits from letting;
- a corporate landlord – someone whose rental business is registered as a company and you pay corporation tax on profits from letting.

However you **can't** claim if you are a landlord:

- claiming an allowance under the Rent A Room scheme;
- of a property rented out as furnished holiday accommodation.

You can claim LESA up to 01 April 2015 when the availability of this allowance will end.

To find out what the allowance covers and how to apply for it click on the following link: [Letting your home | nidirect](#)

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. The following new factsheet from Department of Health, Social Services and Public Safety may be useful for you; [Warning signs of carbon monoxide poisoning | nidirect](#)

Fire Safety

The Furniture & Furnishings (Fire) (Safety) Regulations 1988 apply to furniture and furnishings included in holiday homes and residential furnished accommodation (such as houses, flats, and bedsits). They therefore affect persons (including estate agents and letting agents) who let such accommodation as a business activity.

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 : [NIFRS | Fire Safe](#)

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 supplied as part of accommodation that is 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.

Advice on protecting your property in winter

NI Water has some advice on its website on how you or your tenant can protect the property to prevent costly repairs when freezing weather conditions occur:

- Lag/insulate water pipes both inside and outside the house, especially in areas such as roof spaces and garages
- Fix dripping pipes
- Leave the trap door to your roof space slightly open to allow warm air to circulate
- Keep your home warm, even when you are out.

More information can be found at: [Winter Freeze - Advice/Campaigns - Household](#)

Frequently asked questions – by both landlords and tenants:-

Is there help available if my tenants' first language is not English?

The Department for Social Development has made available in 3 other languages (Polish Lithuanian and Slovak) a booklet entitled Private Tenancies- Advice for Tenants. You can access this at: [Private Rented Sector Publications](#)

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.

For further information on who is responsible for rates on a rental property: [Rental properties | nidirect](#)

When is Landlord Registration being introduced?

The Department is currently drafting legislation and it is envisaged that Landlord Registration will become effective in 2013.

When is the Tenancy Deposit Scheme being introduced?

The Department is currently drafting legislation and it is envisaged that the Tenancy Deposit Scheme will be introduced in 2013.

When is the pilot Boiler Replacement Scheme due to finish?

The pilot boiler replacement scheme will finish on 31 March 2012. Further information on the scheme can be found at: [Boiler Replacement Allowance | nidirect](#)

What can landlords do about anti-social behaviour?

Under current legislation (Housing (Northern Ireland) Order 2003), landlords can deal with anti-social behaviour, by or affecting their tenants. A landlord can be granted an injunction which involves seeking a Court Order to restrain any individual over 18 from behaving in an anti- social manner. However, a landlord must act on his own volition and cannot be forced down this route. You can find out more on this at: [The Housing \(Northern Ireland\) Order 2003](#)

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

If you do not have access to a home computer, library computers are free of charge for library members to use. Non library members can book and pay to use a computer in the library.

PLEASE NOTE:

If you wish to receive future electronic copies of the newsletter you should provide us with your e mail details by contacting us at: housing.policy@dsdni.gov.uk

If however you still wish to receive a paper copy please telephone 028 9082 9259.

If there is any issue regarding the private rented sector which you would like us to cover in a future issue, then please email us at: housing.policy@dsdni.gov.uk and we will consider your request.