

Response to Consultation

Date: 7 August 2009
Consultation: Building Sound Foundations -
A Strategy for the Private Rented Sector 2009

Introduction

The Northern Ireland Federation of Housing Associations (NIFHA) represents 40 housing associations. This comprises 33 associations registered and regulated by the Department for Social Development (DSD) and 7 unregistered housing associations. Collectively, these associations provide well over 30,000 good quality, affordable homes for renting or equity sharing. Further information is available at www.nifha.org

Background

NIFHA's members are responsible for about twenty five percent of all social housing stock in Northern Ireland. Given the economic recession and the depressed state of the housing market, we feel that this review of the private rented sector is timely.

It should be noted that unregistered housing associations are classed as "private landlords" by many aspects of landlord and tenant law.

Comments

Chapter 1 – Vision and Principles

1. We endorse the Department's vision that the private rented sector should play a significant role in offering people choice of decent, well-managed homes. We also endorse the principles by which the Department proposes to assess the success of its policies for the sector.
2. To facilitate logical analysis and debate about the policy proposals, it would be helpful if the paper explicitly stated that private renting must be financially attractive for landlords: otherwise they may simply withdraw from the market.

Chapter 4 – Private Tenancies (NI) Order 2006

3. The Federation agrees that more publicity should be given to the significant roles that local authorities play in relation to protecting tenants' health and other rights.
4. Our view on mandatory registration of private tenancies is explained in point 5 below.

Chapter 5 – Tenancy Management Issues

5. A comprehensive register of private landlords and tenancies would be attractive from the perspective of public policy but the Federation believes it would be impossible to achieve at reasonable cost. The

private rented sector is so big and dynamic that NIFHA believes the most practical approach would be to require landlords to join a register to which only designated authorities would have access for the proper pursuit of their responsibilities. Landlords registering before a certain date (say, one year after introduction of the registration requirement) should pay no fee but thereafter a modest fee per landlord should apply. The addresses of their properties would not be included on the register.

6. Supporting People is an important programme helping people to live independently in the community. Residents of all tenures are eligible but in practice the great majority of the programme is directed to tenants in the social sector. The Northern Ireland Executive should increase the funding of the programme and the Supporting People Commissioning Body should take steps to ensure that the service is available to those private tenants who need it. This would be of great help to private landlords accommodating tenants with a variety of psychological or other difficulties.

Chapter 6 – Security of Tenure

7. The Federation is pleased that the Department for Social Development is drafting legislation to allow registered housing associations to undertake a wider range of housing and would be delighted to continue discussions exploring how housing need can be met at least cost to the taxpayer. Such discussions should also enable the Federation to obtain clarification of the points made in paragraphs 6.10 – 6.12, which seem to confuse a number of different issues.
8. As regards the proposal to extend the Notice to Quit for those who have been private tenants for many years, NIFHA would be concerned if the legislation lengthened the period of notice required of the tenant. If such a tenant were offered housing association accommodation it would be uneconomic for the association to hold the property vacant during a long notice period and the rules do not allow “overlapping” Housing Benefit to be paid for more than four weeks.

Chapter 7 – Standards of Fitness

9. NIFHA believes it would be reasonable to amend the fitness standard (and any replacement) to include a hard-wired smoke detector.
10. NIFHA agrees with the recommendations made by the Housing Rights Service in relation to the noting of tenants’ improvements by Rent Assessment Committees. At present there is no second stage appeal mechanism for tenants in relation to decisions made by a Rent Assessment Committee.

Chapter 8 – Deposits and Rent in Advance

11. The Federation believes that at least one statutory rent deposit scheme should be available to all private tenants in Northern Ireland.

12. NIFHA recommends that the rules and administrative procedures of Housing Benefit should facilitate households faced with high initial outlay to secure a suitable private tenancy.

Submitted on behalf of NIFHA by:

A handwritten signature in black ink that reads "D. Henderson". The signature is written in a cursive style with a large, looped initial "D".

Donall Henderson
Housing Policy and Research Manager