

# Submission People's Housing Bill Consultation



# Homeless Connect Response to Consultation on the People's Housing Bill

#### Introduction

- 1. Homeless Connect has been working to prevent and alleviate homelessness in Northern Ireland since 1983. As an umbrella body, we represent over forty organisations working in the independent homelessness sector. We also support people with lived experience of homelessness to have their voices heard. We provide services that directly benefit people and communities, helping to sustain tenancies and diverting surplus nutritious food to charities and other not for profit groups. This response has been informed by contributions from our Policy Forum. We are grateful for their insights on the provisions of this Bill.
- At the outset, we want to thank the Bill Sponsor for meeting with us to discuss his People's Housing Bill. We found this to be a helpful and constructive conversation which gave us a greater understanding of the aims of the legislation and the motivation of the sponsor in bringing it forward.
- 3. At Homeless Connect, we passionately believe that preventing homelessness before it happens is infinitely preferable to responding to it after the fact. It is a tragic reality that far too many people living in this society are simply unable to access the suitable and affordable housing they need. The fact that 58,238 people, including 19,235 children, have homelessness status on the social housing waiting list should shock us all.¹ We have called for MLAs to take action to respond to the ongoing housing and homelessness crisis and we have been pleased to see constructive steps being proposed and adopted by MLAs across the political spectrum across the Assembly.
- 4. Due to the multi-faceted nature of homelessness and the multiplicity of factors which can lead to it, several different policy responses are needed if we are to effectively prevent and reduce homelessness here. Legislative reform is one element which requires consideration. However, as we know the Bill sponsor understands, questions around resources and practice are also central to the response to homelessness here.



### **The Consultation**

- 5. The consultation raises questions across a wide range of areas and we readily acknowledge that other organisations and stakeholders will have greater expertise regarding certain aspects of the consultation. We further know that our members have different views on elements of the consultation which may be evident in responses they may make on their own behalf.
- 6. In terms of the questions asked in the consultation document, we will provide our responses under the general sections of the consultation, namely Affordability, Vacant Properties, Security of Tenure, Housing Conditions and the Rental Board.

# **Affordability**

- 7. It is evident that many people are struggling with affordability of housing in the private rental sector (hereafter PRS). Between April 2016 and September 2024, the Housing Executive recorded 21,613 homelessness presentations resulting from the loss of private rented accommodation with 13,141 of those presentations leading to homelessness acceptances. In the last year for which statistics are available, October 2023 through to September 2024, there were 2,714 presentations recorded with 1,699 acceptances.<sup>2</sup> The number of presentations due to loss of private rented accommodation has been fairly steady over the last eight years with one notable exception- the period covered by Covid-19 when the eviction ban was in place.
- 8. It is important to be clear that the loss of private rented accommodation can be caused by factors beyond affordability. However, it is evident that affordability is a significant challenge which can lead households to enter the homelessness system. The loss of a private rented tenancy due to the rent arrears or the sale of a rented property is a significant factor in the number of presentations. In the year between October 2023 and September 2024, 1,428 households presented as homeless following the sale of rented accommodation they had been living in.<sup>3</sup> A further 232 households presented following loss of rented accommodation due to affordability issues. Households are finding once they have been evicted that it can be hugely challenging to identify alternative accommodation in the PRS due to high rents.
- 9. Private sector rents have risen considerably in recent years. The University of Ulster Rental Index up to Q2 of 2024 found an average monthly rent of £886 during the first half of 2024. In Belfast, the average monthly rent stood at £1,019.<sup>4</sup> The equivalent



figures five years before from January to June 2019 were £627 across NI and £716 in Belfast.<sup>5</sup> While rents here remain lower than in Britain and the Republic of Ireland, the rate of growth in rental prices has been higher. According to the Office for National Statistics, average rents increased by 9% between September 2023 and September 2024 compared to 8.5% in England, 8.3% in Wales and 7.2% in Scotland.<sup>6</sup>

- 10. We would take the view that the evidence illustrates that there is a significant and growing challenge for many households when it comes to accessing affordable housing. With that acknowledged, the key question is what measures will help to meaningfully address this challenge without causing the unintended consequence of more households presenting as homeless to the Housing Executive due to the loss of private rented accommodation.
- 11. The area of rent controls has been subject to considerable research around the world in a wide variety of housing markets. Rent controls take a wide variety of forms with some being 'softer' and some 'harder'. The Chartered Institute of Housing produced research for the Department for Communities in September 2022 entitled "Rent Regulation in the Private Rented Sector in Northern Ireland" which helpfully summarises the range of forms rent control can take. In terms of efficacy, it is not necessarily straightforward to assess the impacts that different forms of rent control have had. We are aware of a range of literature pointing to different outcomes. There is considerable variation when it comes to the impacts reported depending on the detail of the statues passed and the resources given to practical enforcement.
- 12. We also know that there are varying opinions on the question of rent controls. While we are not opposed to the principle of rent control measures, especially when the intention is to prevent homelessness, we firmly believe that great care is needed to avoid any unintended consequences which could have the reverse effect of an increase in evictions. Any efforts in this direction would also need to be accompanied by sufficient resources for the purposes of enforcement (an issue which arises regarding alternative dispute resolution mechanisms which we will consider below in paragraph 21.) We look forward to assessing the detail of the proposals when they come forward following the consultation process.

# **Vacant Properties**

13. It is a simple fact of homelessness policy that you cannot prevent and reduce homelessness without an adequate supply of affordable housing suitable to the needs



of households. Measures which help to increase housing supply consequently are critically important when it comes to responding to homelessness. It is concerning that there are so many vacant properties here. In April 2024, the Land & Property Service recorded that there were 21,081 vacant homes. If even a proportion of these vacant homes were to be brought back in to use, this would have a positive impact in terms of housing supply.

- 14. We further note a recent answer to an Assembly question tabled by Andy Allen MLA which highlighted the fact that the figures for empty properties may not be "wholly accurate" due to the fact that "since the introduction of Rating of Empty Homes in October 2011 there is no financial advantage or requirement for homeowners/ ratepayers to notify LPS that the property is vacant." This would be likely to suggest that the figure for empty homes may be an underestimate.
- 15. Consequently, we welcome the attention being given to this area within the consultation. It is acknowledged that it is not straightforward to address this subject as there are practical and technical elements to this which would require care and consideration. Members of our policy forum described responding to this issue as being something of a 'minefield' and we know that the Bill sponsor is aware of the range of challenges. However, with that said, we do believe that further measures should be explored to bring empty homes back into use, including consideration of potential financial penalties. Action should also be taken to remedy the issue over the accuracy of the statistics. In recent years, despite the high level of need for housing, the number of vacant properties has continued to increase (the figure stood at 20,425 in 2022) so evidently the status quo is not generating the reduction in the number of vacant properties that we need to see.

# **Security of Tenure**

16. When it comes to security of tenure, we agree that further consideration should be given to measures which could meaningfully improve security of tenure for tenants. We accept that for too many households, the current legislative position is not providing sufficient security of tenure which can lead to anxiety regarding the possibility of eviction and homelessness. We look forward to seeing the detail of the proposals in this area; would advise that the views of households living in the PRS are central to deliberations on what measures should be taken in this space; and recommend consideration is given to valuable lessons which can be learnt from the experiences of other jurisdictions in considering this area of policy such as Scotland.



# **Housing Conditions**

- 17. When it comes to housing conditions, we believe further action is needed to improve standards in the PRS. It is widely acknowledged in the housing and homelessness sector and beyond that the current fitness standard in operation and is no longer fit for purpose. Dating back to 1992, the current standard no longer ensures properties in the PRS are up to the requisite standard. Unfortunately, the poor quality of some properties is a factor impacting on tenancy sustainment. This is especially the case regarding issues such as energy efficiency and poor insulation which can contribute to fuel poverty.
- 18. The Department for Communities is aware that this is the case and it is disappointing that further action has not been taken to introduce new housing standards. The Private Tenancies (NI) Act 2022 did however introduce reforms regarding elements of some housing standards and throughout the process of passing that Bill acknowledged that further reform is needed. Other jurisdictions such as Scotland, <sup>11</sup> England and Wales <sup>12</sup> have implemented reforms in this space without witnessing much evidence of private landlords leaving the sector.

#### **Rental Board**

- 19. Homeless Connect believes that the current enforcement measures in place for the private rented sector here are not fit for purpose. It is widely accepted that the court system currently operating is under-resourced and slow with many tenants not knowing what their rights are. Unfortunately, even if they do know their rights, tenants can live in fear of retaliatory action on the part of landlords if they seek to assert them. We also know that landlords can find the current system challenging to navigate.
- 20. We believe it is important for policymakers to consider options around the introduction of alternative dispute resolution mechanisms. There is considerable evidence from different jurisdictions that alternative dispute resolution mechanisms are an effective way of preventing disputes developing between landlords and tenants as well as resolving them after the fact.<sup>13</sup> However, the current legislative and regulatory framework in place sees tenants and landlords left with fewer options outside of litigation than are available in other jurisdictions.
- 21. The proposal to introduce a rental board is worthy of consideration, but we believe it should be considered within the need for wider consideration of alternative dispute



resolution. The introduction of such a board is one option which could be taken, but other approaches should also be considered. The Department for Communities has previously given consideration to the introduction of such mechanisms (see for example the "Review of the Role and Regulation of the Private Rented Sector" published in November 2015<sup>14</sup> and "Private Rented Sector in Northern Ireland-Proposals for Change" and the work which has already been conducted in this space should be built on.

- 22. One significant challenge related to the introduction of any alternative dispute resolution mechanism is the need for it to be properly resourced and well designed. It is challenging for a Private Member to determine the degree of resource which would be needed to introduce and enforce such provisions. If the Bill Sponsor does go down this path in his Bill, we would recommend that he engages with the Department on discerning costings.
- 23. Finally, the section on the Rental Board includes a question on whether the Housing Executive should have a statutory duty to prevent homelessness placed upon it. We have previously outlined that we believe that a statutory duty to prevent homelessness should be explored in Northern Ireland. However, in our estimation this duty should go beyond the Housing Executive to incorporate other statutory and public authorities. The Housing Executive already has statutory responsibility to respond to homelessness and has called for the introduction of a duty of this nature to be placed on them. However, they have also noted that homelessness prevention goes far beyond the Housing Executive and that a duty should apply to other statutory authorities.
- 24. It is worth noting that the Housing Order (NI) 1988 includes the following provision in Article 6A regarding the requirement of the Northern Ireland Housing Executive to produce a homelessness strategy: "(5) The following shall take the homelessness strategy into account in the exercise of their functions—

(a)the Executive;
<u><b>F3</b>(b)</u>
(c)Health and Social Care trusts;
(d)education and library boards;
(e)registered housing associations;
(f)district councils;



- (g)the Secretary of State (in relation to any function exercisable in connection with prisons in Northern Ireland);
- (h)the Probation Board for Northern Ireland;
- (i)the Department of Education;
- (j)the Department for Employment and Learning;
- (k)the Department of Health, Social Services and Public Safety;
- (I)the Department for Social Development."16

While this legislative provision is helpful in so far as it goes, in practice we know from experience that major challenges exist when it comes to interdepartmental working to prevent and reduce homelessness in Northern Ireland. We have seen little evidence that this provision is generating positive outcomes when it comes to homelessness prevention and amelioration. However, it does helpfully establish the principle that responding to homelessness is a matter which goes far wider than the Housing Executive alone.

25. We would particularly like to draw the attention of the Bill Sponsor to the Housing (Scotland) Bill recently brought forward to the Scottish Parliament. Part five of the Bill includes a section focused on homelessness prevention. As our sister representative body in Scotland note, this part of the Bill "contains new 'Ask and Act' duties which make preventing homelessness a shared responsibility across the public sector. The overarching policy objective of the homelessness prevention measures is to shift the focus away from crisis intervention and towards prevention activity which can eliminate the need for a household to go through the trauma of homelessness in the first place, but without diluting the existing rights for people who are homeless." The bodies which are subject to the duty include health boards, local authorities, Police Scotland, Registered Social Landlords and Scottish Minister's functions where they relate to prisons and young offenders institutions amongst others. The Bill Sponsor may wish to consider whether a similar approach would prove fruitful in Northern Ireland.

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#### References

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- <sup>2</sup> Department for Communities, "Northern Ireland Housing Bulletin July to September 2024", 21 November 2024, accessed 7 January 2025, https://www.communities-ni.gov.uk/system/files/2024-11/ni-housing-bulletin-jul-sep24-tables\_0.xlsx. Note that the same household can present on more than one occasion within a year and across different years.
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- <sup>4</sup> Ulster University, "Performance of the Private Rental Market in Northern Ireland", H1 2024, Issue Number 23, https://www.uldata/assets/pdf\_file/0010/1655173/PrivateRentalReport\_H1-2024.pdf
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- <sup>11</sup> See mygov.scot, "Tolerable Standard" accessed 7 January 2025, <a href="https://www.mygov.scot/landlord-repairs/tolerable-standard">https://www.mygov.scot/landlord-repairs/tolerable-standard</a> and Scottish Government, "The Repairing Standard", accessed 7 January 2025, <a href="https://www.mygov.scot/landlord-repairs/repairing-standard">https://www.mygov.scot/landlord-repairs/repairing-standard</a> <sup>12</sup> See gov.uk, "Landlord and tenant rights and responsibilities in the private rented sector", accessed 7 January 2025, https://www.gov.uk/government/publications/landlord-and-tenant-rights-and-responsibilities-in-the-private-rented-sector/landlord-and-
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