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Ministerial Foreword

As Minister for the Department for Communities I am delighted to

welcome the publication of the Government response to the Notice to Quit consultation for the Private Rented Sector.

Delivering an ambitious reform of the Private Rented Sector in this mandate, accompanied by primary legislation was always going to be challenging. However it is clear reform is urgently needed to improve protections in the Private Rented Sector particularly for the most vulnerable in our communities. This need has been brought into sharper focus in dealing with the uncertainty of how the pandemic is affecting those living in the sector.

I feel that the Notice to Quit period needed to be longer and asked my officials

to explore what further options

could be possible. Those options were set out in the Consultation which asked key questions in relation to a reasonable length of Notice to Quit and whether some exemptions should be considered. The results of the consultation and my

Departments response are set

out in this document.

Deirdre Hargey
Minister for Communities

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Background

In September 2021, Chartered Institute of Housing carried out research on behalf of the Department on "Private rented tenancies in Northern Ireland and notice to quit periods."

The research report can be viewed on page 2 of the following link:

Publications (cih.org)

A consultation on Notice to Quit periods ran for 9 weeks from Wednesday 1 December 2021 to Tuesday 25 January 2022. On behalf of the Department for Communities, Chartered Institute of Housing has completed an analysis of the responses received by stakeholders on proposed changes to the Notice to Quit period as laid out in clause 11 of the Private Tenancies Bill.

In total, 50 stakeholders responded to the consultation on Citizens Space: 20 responses were received on behalf of an organisation and another 30 responses were submitted by individuals. A further four responses were received by Department for Communities outside of the citizens space questionnaire; views from these additional responses have also been incorporated into the analysis to follow. It should be noted that all respondents did not answer every question, nor did all respondents provide additional comment to support the answer provided for each question.

Stakeholders were asked six questions in total; these questions formed the consultation questionnaire set out by the Department:

- Do you agree that the length of notices to quit for landlord and tenants should be different?
- Do you agree that Notices to Quit should vary depending on the length of the tenancy?
- Do you agree that the length of notice for shorter term tenancies of up to 12 months should remain at 4 weeks? If no, what length do you think it should be, and what information can you provide in support of this?
- What do you think the Notice to Quit period that a landlord will be required to give a tenant should be (where the tenancy is between 12 months and 10 years in length)?
- Do you think that there should be exemptions to this notice period? If yes, what should those exemptions be and what should the reduced Notice to Quit period be for those exemptions?
- Do you think the length of Notice to Quit for those tenants living in an HMO, or for exemptions to the Notice to Quit, should be different from that of other tenants in the Private Rented Sector? If so, in what way?

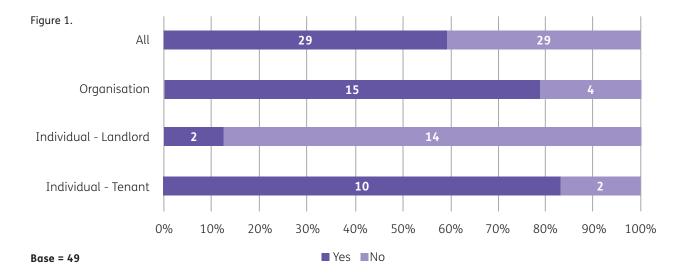
On 12 January 2022, Chartered Institute of Housing facilitated two consultation events on behalf of the Department to enable stakeholders to discuss potential changes to the Notice to Quit period as part of clause 11 of the Private Tenancies Bill. In total, 15 stakeholders attended the two events. Seven of the stakeholders represented tenants, six stakeholders represented landlords

and a further stakeholder represented both tenants and landlords. There was one participant unknown.

Breakdown of respondent type is at Annex A

Consultation question

Do you agree that the length of notices to quit for landlord and tenants should be different?



Almost three-fifths of respondents (59%) agreed that the length of Notice to Quit should be different, with 41% of respondents disagreeing. Analysis by type of respondent shows some variation in views. The majority of those responding on behalf of an organisation or as an individual with interest from a tenant perspective agreed that the length of Notice to Quit should be different for landlords and tenants. In contrast, the majority of individuals with an interest from a landlord perspective did not agree.

Many respondents referred to the current context of the private rental market to support their answer, citing current pressures which have led to an imbalance between landlords and tenants. As it stands, there is a significant difference in terms of the time and effort it takes for a prospective tenant to find a new property in comparison to the time and effort it takes for a landlord to find new occupants. The chasm between the lack of available rental properties and current high levels of housing need is continuing to widen.

It was noted that the potential consequences for tenants not being able to secure a suitable tenancy within a reasonable time period, and risking, for example, falling into homelessness, are considered to be far greater than the potential risks for landlords who may be unable to find suitable tenants within the same time period. Also of note is the number of local authorities who were of the view that tenants should be afforded a longer notice period than a landlord.

Stakeholders who responded on behalf of landlords or as a landlord themselves generally held a competing view to those responding on behalf of tenants; this group felt that there should be parity between tenants and landlords when it comes to Notice to Quit periods. It was noted that in instances were landlords serve a tenant with an Notice to Quit for cases of anti-social behaviour, that an extended notice period would exacerbate an already protracted and cumbersome legal process to remove tenants from the property. Similar concerns included the issue of rent arrears and the difficulty of prolonging the period of time that a landlord has their income stream disrupted. This could be problematic for landlords here that have a maximum of 1-2 rental properties and have

mortgages to meet on those properties. It is important to note that in Northern Ireland, the majority of landlords fit this particular profile.

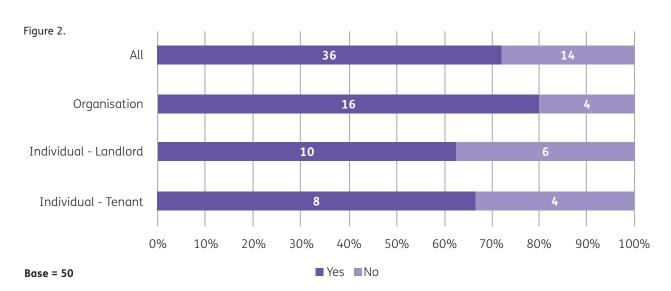
It was raised by several respondents that caution must be taken in regard to the unintended consequences of longer notice periods where a tenant, in a bid to secure a new property, finds themselves paying two rent bills until the notice period expires. This situation would be particularly problematic for those tenants reliant on social security to cover their housing costs; an unduly long notice period where tenancies overlap, regardless to whether the tenant is remaining within the Private Rented Sector or moving into the social sector, poses an increased risk of falling into rent arrears by essentially having to cover the cost of two tenancies for this period of overlap.

Government response to consultation question

This response supports previous research and policy development which led the Department to introduce different Notice to Quit periods for Landlord and Tenants in the Private Tenancies Bill. This will be monitored for future policy intervention.

Consultation question

Do you agree that Notices to Quit should vary depending on the length of the tenancy?



In responding to this question, 72 per cent of respondents agreed that Notice to Quit periods should vary depending on the length of the tenancy with 28% of respondents disagreeing. Analysis by respondent type shows a fairly consistent view, with the majority of all respondent types agreeing that Notices to Quit should vary depending on the length of tenancy. Despite support for this position, respondent views varied as to what the notice period should be depending on the length of the tenancy in question. There was an understanding that the longer a tenancy the more disruption caused by serving notice to individuals or families. Respondents cited distinct issues for long-term tenants, particularly those with children still in school and the disruption caused to their education

and childcare needs.

Another respondent, while supportive of longer notice periods, highlighted that while serving notice on a long-term tenant is considerably more disruptive than to tenants with a relatively short tenancy, the current difficulties in obtaining a suitable private rental property exist regardless to the length of tenancy in question given the current availability and affordability barriers facing prospective tenants.

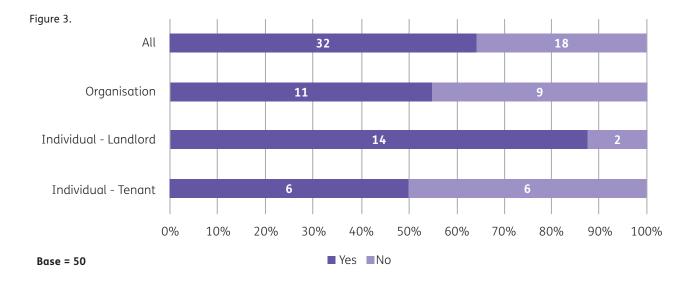
It was also noted that a significant differential in Notice to Quit periods, dependent upon the duration of the tenancy, risks disincentivising landlords from offering tenancy agreements beyond 12 months in a bid to ensure the notice period can be kept to the minimum statutory requirement.

Government response to consultation question

The Notice to Quit requirements based on length of tenancy has been reflected in the Private Tenancies Bill. The number of weeks is dealt with later in this paper and will continue to monitor.

Consultation question

Do you agree that the length of notice for shorter term tenancies of up to 12 months should remain at 4 weeks? If no, what length do you think it should be, and what information can you provide in support of this?



Just under two-thirds of respondents (64%) agreed that the length of notice for shorter term tenancies of up to 12 months should remain at four weeks, whereas 36% did not agree. Analysis by type of respondent showed that while opinions were split for organisations and those responding as individuals with an interest from a tenant perspective, the majority of individuals with an interest from a landlord perspective agreed that the length of notice for shorter term tenancies of up to 12 months should remain at four weeks.

However, many respondents noted that regardless of the tenancy length, landlords should nonetheless have to provide either an 8 or 12 week notice period to tenants to reflect the difficulty in securing accommodation in the Private Rented Sector; therefore, treating these tenants equally to those living in a property longer than 12 months.

Respondents also raised the financial implications of treating those with tenancies of up to 12 months any differently than those with longer term tenancies on the basis that the former will have recently paid a deposit, and on occasion rent in advance, and will need to have the finances available to repeat this to secure their next tenancy. Respondents felt that in this regard giving them 4 weeks' would place them under financial pressure which could leave them in debt or risk homelessness.

However, a number of respondents raised the issue of the incompatibility of extending the statutory notice period beyond four weeks while the current homelessness legislation states that an individual can only be assessed as a 'Full Duty' homeless applicant by the Housing Executive if they are likely to become homeless within the next 28 days. Those who raised this issue were concerned about the unintentional harm caused by extending the notice period without revising this legislation in tandem. Alongside this point, one respondent referenced statistics to highlight that 'loss of rental accommodation' is cited as one of the top reasons for homelessness in Northern Ireland.

It should be noted that one respondent raised concern around the lack of clarity on the terminology around this question. They highlighted that the Notice to Quit proposals as set out in the consultation document in Section 4.9 refer to tenancies of "less than 12 months" and tenancies of "more than 12 months", giving a twelve-month tenancy an undefined Notice to Quit period. Meanwhile, the consultation questionnaire sets out proposals for tenancies of "less than 12 months" and tenancies "from 12 months". They have asked the Department to ensure that any wording used in amending the Private Tenancies Bill is sufficiently clear with regard to Notice to Quit periods for tenancies of twelve months' duration.

Government response to consultation question

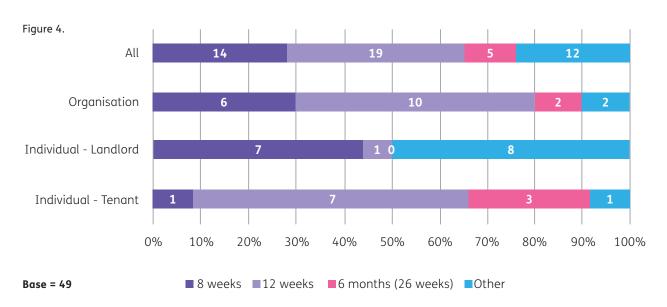
The Department notes this finding and has ensured that for tenancies up to 12 months the Notice to Quit required remains at 4 weeks to allow flexibility for the tenant to move to alternative accommodation.

The Department will continue to monitor this. The Department has noted the Northern Ireland Housing Executive's primary aim is to prevent homelessness and believe that an extension of Notice to Quit periods will contribute to this aim by giving tenants more time to find, and move to, alternative suitable accommodation before being made homeless.

Consultation question

What do you think the Notice to Quit period that a landlord will be required to give a tenant should be (where the

tenancy is between 12 months and 10 years in length)?



Almost two-fifths (38%) of respondents think that the Notice to Quit period that a landlord will be required to give a tenant should be 12 weeks. Just over a quarter (28%) of respondents selected 8 weeks as the notice period and 10% of respondents thought this period should be 6 months (26 weeks). Almost a quarter (24%) of respondents selected "Other" with responses ranging from remain at 4 weeks or staggered period suggestions. . Individual respondents with an interest from a landlord perspective were fairly evenly split in selecting 8 weeks and 'other'. In contrast, individual respondents with an interest from a tenant perspective were more likely to think that the Notice to Quit period should be 12 weeks when the tenancy is between 12 months and 10 years in length.

Of those respondents who supported a 12-week notice to quit period, a number said they support this view as it seemed like good balance between the current position and other options such as extending it to six months. It was also noted that the 12-week notice period has been tried and tested as a result of the temporary extension of the notice to quit period which was introduced through the implementation of The Private Tenancies (Coronavirus Modifications) Act (Northern Ireland) 2020.

For respondents who support retaining the current statutory notice period of four weeks, a number of reasons were put forward. Those favourable to this felt that regardless of the tenancy length itself, the barriers, whether perceived or otherwise to securing a new tenancy would be the same for all prospective tenants.

One respondent cited the risk of disincentivising landlords by extending the Notice to Quit period beyond eight weeks. They added that in the context of changing notice periods, the department should consider what incentives they can offer landlords to encourage more long-term tenancies.

A number of respondents suggested the adoption of staged approach where the notice period reflects the length of the tenancy. One example put forward was as follows:

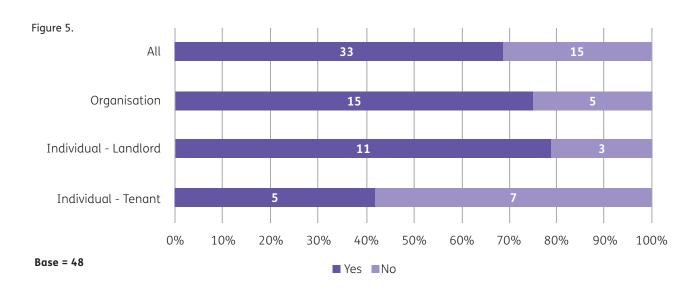
- 4 weeks at 0-1 year
- 6 weeks at 1-3 years
- 8 weeks 3-5 years and
- 12 weeks 5-10 years

Government Response to consultation question

The Department, in Clause 11 of the Private Tenancies Bill, has included provisions for a Notice to Quit period of 8 weeks for tenancies from 12 months up to 10 years and 12 weeks for tenancies over 10 years. However as there are a diversity of opinions expressed in the consultation, the Department will take forward further work and consider the need for any change by way of further consultation / legislation, in particular taking into account the need for exemptions (see below).

Consultation question

Do you think that there should be exemptions to this notice period? If yes, what should those exemptions be and what should the reduced Notice to Quit period be for those exemptions?



Over two-thirds (69%) of respondents thought that there should be exemptions to this notice period, whereas 31% did not think there should be exemptions. Analysis by type of respondent shows that those responding on behalf of an organisation and individuals with an interest from a landlord perspective had similar views on whether there should be exemptions. However, individuals with an interest from a tenant perspective were slightly more likely to disagree that there should be exemptions.

Several respondents cited anti-social behaviour and criminal behaviour as top reasons for exemptions to any statutory Notice to Quit period. Respondents also said that cases of serious rent arrears should be exempt; views varied on the extremity of rent arrears in cases where exemption should apply. Periods of rent arrear of four weeks, eight weeks and three months were all put forward as suggestions for how

long a tenant should be in arrears before exemptions are activated.

Less generic reasons associated with tenancy breakdown were noted, such as a situation where an individual is fleeing domestic violence or where a tenant dies during a tenancy and the next of kin or executor of a will requires time to clear belongings from a property.

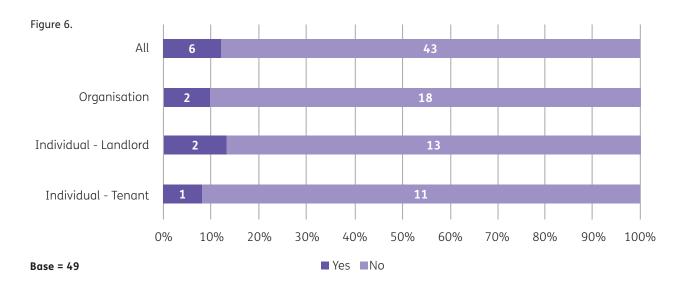
A number of respondents felt that exemptions should be given more clear thought given the negative connotations for both tenants and landlords where no fault has been caused by either one or both parties. Similarly, it was noted that the consideration of exemptions would have been better placed to run alongside a review of the eviction process. A concern was further raised that the communities committee did not receive sufficient opportunity to scrutinise this proposed clause.

Government Response to consultation question

The consultation indicated that there is strong support for exemptions linked to the previous question– however further work is needed to develop a detailed policy intervention, with further engagement with stakeholders. Clause 11 of the draft Private Tenancies Bill includes a provision to enable this approach.

Consultation question

Do you think the length of Notice to Quit for those tenants living in an Houses in Multiple Occupation, or for exemptions to the Notice to Quit, should be different from that of other tenants in the Private Rented Sector? If so, in what way?



The majority of respondents (88%) did not think that the length of notice to quit for tenants living in an Houses in Multiple Occupation, or for other exemptions to the notice to quit, should be different from that of other tenants living in the Private Rented Sector, with 12% of respondents agreeing that it should be different. Analysis by type of respondent shows fairly consistent views with regards to whether Houses in Multiple Occupation tenants should have a different length of notice to quite or different exemptions.

Many respondents made clear that Houses in Multiple Occupation should not be omitted from attempts to strengthen security of tenure for those living in the Private Rented Sector and that tenants living in an Houses in Multiple Occupationproperty should therefore receive the same legislative protections. There was a recognition that often tenants living in Houses in Multiple Occupation properties prefer the flexibility shorter tenancies provide, such as students or young professionals.

However, it was noted that due to welfare reform, tenants are now relying on Houses in Multiple Occupation for longer-term tenancies than previously was the case.

Many respondents stated that tenants in Houses in Multiple Occupation are often occupied by young, single people who are only entitled to the shared accommodation rate of housing allowance, as well as more vulnerable groups such as asylum seekers or people living with addiction where the risk of homelessness is more prevalent.

Although the majority of respondents support parity between Houses in Multiple Occupation and private rentals, a handful of respondents said that Houses in Multiple Occupation should be considered as a 'subset' of the private rental market, where tenants needs are often different to those living in the rest of the Private Rented Sector, and often short, fixed-term rentals was the draw for these tenants.

Government Response to consultation questions

The Department recognises the needs of tenants and landlords and that legislation should apply to all types of rental accommodation. Therefore the Notice to Quit applicable to Houses in Multiple Occupation is the same as the private rented sector and addresses the short term tenancy issue.

Appendix A

Summary

Question 1 "Please confirm whether you are replying as an individual or submitting an official response on behalf of an organisation:"

Total	Total
I am responding as an individual	30
I am submitting an official response on behalf of an organisation	20
Total	50

Question 2 "If you are responding as an individual, which of the following best describes your interest in the consultation? (please tick one)"

	Total
I am interested from a tenant perspective	12
I am interested from a landlord perspective	16
Other (please specify in the space below)	2
Total	30

Question 3 "If you are responding on behalf of an organisation, which of the following best describes your organisation? (please tick one option)"

	Total
Private Landlord	0
Social Landlord	0
Property agent	1
Letting agent	2
Local Government/Council	6
A housing sector representative body	3
Charity dealing with housing issues	2
Other (please specify in the space below)	6
Total	20

Question 4 "Do you agree that the length of notices to quit for landlord and tenants should be different?

	Type of respon	dent			
	Individual Tenant	Individual Landlord	Individual Other	Organisation	Total
Yes	10	2	2	15	29
No	2	14	0	4	20
Total	12	16	2	19	49

Question 5 "Do you agree that Notices to Quit should vary depending on the length of the tenancy?"

	Type of respon	dent			
	Individual Tenant	Individual Landlord	Individual Other	Organisation	Total
Yes	8	10	2	16	36
No	4	6	0	4	14
Total	12	16	2	20	50

Question 6 "Do you agree that the length of notice for shorter term tenancies of up to 12 months should remain at 4 weeks?"

	Type of respon	dent			
	Individual Tenant	Individual Landlord	Individual Other	Organisation	Total
Yes	6	14	1	11	32
No	6	2	1	9	18
Total	12	16	2	20	50

Question 7 "What do you think the Notice to Quit period that a landlord will be required to give a tenant should be (where the tenancy is between 12 months and 10 years in length)?"

	Type of respon	dent			
	Individual Tenant	Individual Landlord	Individual Other	Organisation	Total
8 weeks	1	7	0	6	14
12 weeks	7	1	1	10	19
6 months (26 weeks)	3	0	0	2	5
Other	1	8	1	2	12
Total	12	16	2	20	50

Question 8 "Do you think that there should be exemptions to this notice period?"

	Type of respon	dent			
	Individual Tenant	Individual Landlord	Individual Other	Organisation	Total
Yes	5	11	2	15	33
No	7	3	0	5	15
Total	12	14	2	20	48

Question 9 "Do you think the length of notice to quit for those tenants living in an HMO, or for exemptions to the notice to quit, should be different from that of other tenants in the Private Rented Sector?"

	Type of respon	dent			T
	Individual Tenant	Individual Landlord	Individual Other	Organisation	Total
Yes	1	2	1	2	6
No	11	13	1	18	43
Total	12	15	2	20	49

Available in alternative formats.









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