



Northern Ireland  
Assembly

Committee for Communities

# OFFICIAL REPORT (Hansard)

Private Tenancies Bill: PropertyPal

9 November 2021

# NORTHERN IRELAND ASSEMBLY

## Committee for Communities

### Private Tenancies Bill: PropertyPal

9 November 2021

**Members present for all or part of the proceedings:**

Ms Paula Bradley (Chairperson)  
Ms Kellie Armstrong (Deputy Chairperson)  
Mr Andy Allen  
Mr Stephen Dunne  
Mr Mark Durkan  
Ms Ciara Ferguson  
Mr Paul Frew  
Ms Áine Murphy

**Witnesses:**

Mr Jordan Buchanan                      PropertyPal

**The Chairperson (Ms P Bradley):** I welcome Jordan Buchanan to the meeting. Jordan, you are very welcome. It is good to see you again. Do you want to give your presentation?

**Mr Jordan Buchanan (PropertyPal):** Chair, thank you very much for the invitation to speak to you about the Bill. I will make some introductory remarks, go through each of the clauses and make some comments that I feel are fit. Hopefully, we can have some questions at the end. Will that work OK?

**The Chairperson (Ms P Bradley):** Yes. Go ahead.

**Mr Buchanan:** Very briefly, by way of introduction, for those of you who are not aware, PropertyPal is the largest listings portal in Northern Ireland, with 100% of estate agents and letting agents advertising their properties through it. That gives us a unique understanding of the underlying housing market dynamics. My remit is largely to try to understand the dynamics across the housing market.

To go straight into it, the immediate impacts of COVID-19 have had a profound impact on all households. Increasingly, the evidence suggests that low- to mid-income households, many of whom are in the private rented sector (PRS), have been increasingly hit by the financial pressures as a result of COVID.

As a whole, the PRS has grown considerably over the last decade, and we forecast that it will continue to do so. New evidence from an English housing survey suggests that about 7% of private tenants are in arrears, with a further 9% likely to fall further behind in their payments over the next three months. That suggests the underlying concerns that are bubbling below the surface in the private rented sector.

Since COVID-19 hit, overall rental price levels in Northern Ireland have accelerated by 5.5%, albeit there are underlying differences, whereby annual housing rental prices are growing at 6.4% versus 3.7% for apartments, which perhaps reflects the new demand patterns. It is also worth referencing that the growth in rental prices has not been consistent across Northern Ireland. For example, in Ards and north Down, rental prices are growing at 14% year-on-year, whereas, in Fermanagh and Omagh they are falling by 1.9%. It is very important that I address that point at the outset and make the Committee aware that there has not been a universal growth in rental prices across Northern Ireland. Rental pressures in some areas are greater than in others. Nonetheless, rental demand continues to remain exceptionally high. For example, we receive 52 enquiries for every rental property that we put up — about double the pre-pandemic average.

The most important point that I want to stress about the current dynamics in the rental market is that there simply are not enough properties coming to market or enough stock. We have added 4,000 fewer properties to the rental market this year, which is down 22% compared to 2019 levels. There is a real shortage against a heightened demand, which is leading to rising rental price pressures. Our research suggests that one of the reasons for that is that a lot of landlords are simply selling up and availing themselves of the stronger market conditions. We estimate that about 6% of properties that were previously on the rental market have since transitioned and have been sold on the open sales market.

The central tenet of these introductory remarks is that we need to be concerned about any additional regulations that would further discourage landlords from being in the sector. We have a shortage of properties, and we do not want any unintended consequences that would lead to a further exodus of landlords.

We speak to letting agents almost daily and to the public more so. Therefore, we get a really rich understanding of the principles from both perspectives. The Bill is very welcome and is a positive step forward in improving protections for tenants. My understanding is that its general objective is to create good-quality, secure tenancies that will prevent sudden rent increases. That is largely addressed in the Bill.

I have not given evidence on every clause, as there are some that I feel are not applicable to me and on which I would not feel qualified to give a perspective. In the pack that I provided, I have commented on several clauses and have also given you a deck of economic evidence that gives landlords' perspectives on some of the underlying economic measures that have been introduced in the rental market.

Clause 3 says that the tenant is to be provided with a written receipt for payment in cash. That needs to be amended to make sure that it covers all payments from tenant to landlord, including non-rental payments. For instance, if the landlord were to give the tenant a bill for generic repairs of £250, that needs to be itemised to show how they got to that bill for the repairs, and a receipt needs to be given to the tenant for that payment. I also strongly believe that a receipt should be issued at the time of payment and not thereafter. As with every consumer transaction, you would expect a receipt at the time.

This may be a bit of a pedantic point, but I wanted to make sure that there is clear understanding of what a receipt actually is and of whether we need to have an introduction about whether a digital receipt is acceptable, or receipts such as an email acknowledgement of payment, a signed letter to the property address, or even simple things like a WhatsApp message. A wee bit of further understanding and clarity may be useful there.

I fully agree with the principle of clause 4 on the limit on the tenancy deposit amount. A similar provision should be introduced for rent that is paid in advance. The combination of those two features would go a long way towards alleviating some of the upfront affordability pressures at the commencement of any tenancy.

Clause 7 introduces provision to stipulate that rents can be increased only once in a 12-month period. From a high-level perspective, from what we see in our data sets and in our understanding, that is not a significant concern for those who take typical 12-month tenancy agreements, and it would be less common for that increase to be introduced in the middle of it. However, I have a question about whether this is specific to a calendar 12-month period or a tenancy 12-month period, irrespective of who the tenant is. For example, say there is a 12-month tenancy and then, by mutual agreement, the tenant and the landlord continue to have a rolling monthly contract, does the agreement move into the next 12-month period at that stage so that, if the landlord were to increase the rent, they cannot do it

with any of the subsequent monthly rents, or do they need to be in a fixed tenancy period, almost like a mortgage agreement, in which you know your fixed rent payment every month for that 12-month period and then go into the next rolling monthly arrangement?

In the case of tenancies that are 12 months or longer, written notice should be given to agreed changes in rent levels with a minimum of three months' notice. A shorter notice period could be applicable for a shorter-term let. I have a general point of caution in relation to that, and I think that one of the other submissions also suggests this. When you highlight to landlords that they are allowed to raise rents every 12 months, that can lead to a behavioural change and encourage them to do just that. However, many landlords do not increase rents every 12 months and may go for a couple of years before increasing them. There is one thing that I want to suggest, although I do not fully know how it might be implemented: could you introduce a provision that introduces a mechanism to allow tenants and/or landlords to justify any changes in the rent? For instance, if the landlord incurred significantly higher mortgage costs as a result of rising interest rates over the next two to three years, could they provide comparable market rent analysis to suggest that it is an appropriate value for rent based on the changed market conditions, with the same principle applying in reverse for tenants?

I would advise caution in how you word the exemptions for renovations, refurbishments, alterations and extensions, as it struck me initially as being a loophole that could be exploited. It is about how you quantify a significant investment in the property, rather than a minor cosmetic change, that will allow the rent to be changed.

Clause 8, to legislate for mandatory smoke and carbon monoxide detectors as soon as is practical, is a no-brainer. That should absolutely be introduced, and the tenant should be provided with guidance on how to operate and check those to make sure that they are working before any initial payment is made.

I know that this is for the second Bill, but I thought that it was useful to bring it to the Committee's attention. I have been doing some research on clause 9 and the introduction of energy performance certificate (EPC) legislation to improve the EPC rating to level C. I took a sample of about 10,000 properties advertised during 2021 in the private rented sector in Northern Ireland, and a stark 48% were below EPC level C. That is a huge percentage and highlights the scale of the change required to upkeep properties in line with better energy efficiency.

I wholeheartedly support the provision in schedule 2(5)(6) requiring consultation with Departments, councils, landlords and stakeholders. Before any legislation could even be considered, a huge piece of work needs to be done to understand fully the scale of the work required. Financial incentives for landlords will be every bit as important as the introduction of minimum standards from the tenants' perspective. There is a substantial pending cost to that that could significantly discourage landlords from staying in the sector.

I fully support clause 10, "Electrical safety standards regulations". However, I am not an electrician and have done no research into what the appropriate time should be — whether it should be a five-year period or not. A landlord has to renew their landlord registration scheme every three years. Could that be done at the time of registration renewal, or bi-renewal, meaning every six years? If you really want to incentivise longer-term tenancies, might you consider introducing an electrical safety regulation check every time a new tenant moved in? That would certainly be an incentive to keep longer-term tenancies.

I fully support the provision in clause 11 to amend the notice-to-quit period from four weeks to two months. Our data suggests that, pre-COVID, it took about 40 days to find and agree a rental property. Moreover, you have moving time and the logistics associated with moving, so two months is the minimum required. The alternative, which could be implemented, would be a banded scheme, such as one month's notice to quit for every six months of a tenancy. So, one month if you have a six-month lease, two months if you have a 12-month lease, and three months if you have an 18-month lease. You could implement a floor and ceiling of perhaps one and three months, but that incentivises a longer notice period for people in longer-term tenancies.

A concern that I had with changing the notice-to-quit period was whether landlords would charge double rent or a higher deposit to compensate for a potential period of lost income. It is imperative that that be covered through clause 4, "Limit on tenancy deposit amount".

The Housing Executive's landlord survey found that about 70% of landlords offered an initial term of 12 months. However, a further 61% would be encouraged to offer longer-term tenancies if — this was

the number-one reason — it became easier to remove problem tenants. By the same principle, could a provision be introduced as a mechanism to allow landlords to challenge and justify if they do have problem tenants that would allow them to expedite the notice-to-quit period perhaps earlier than the legislative requirement?

With any change in legislation, communication is key. How can the Bill, and any amendments to it, be transparently communicated to tenants? As an open invitation, what role can property advertisement sites, such as PropertyPal, play in improving the accessibility of information? Could there be a mandatory requirement for tenancy rights to be displayed in every property advertisement on the site so that we have to change our structures so that it directly links, for example, to a Department for Communities section with all the changes from the Bill that affect tenancy rights? Those could also be provided in tenancy packs.

My final point is about the landlord registration scheme. As it stands, anyone can check the landlord registration scheme based on an individual property search or landlord's name search. The problem with that is that there is no way to have a bulk download of all that information. We would like to be able to cross-check every property advertisement with the landlord registration scheme to make sure that the property has a registered landlord and what period is left on the registration scheme for that landlord so that the tenant understands the position going into that. It would also allow council authorities to play an active role in ensuring that all rented accommodation in their jurisdiction is appropriately registered. At the minute, the problem is that that is done on an individual search basis. Given that we are adding between 15,000 and 20,000 rental properties a year, it is not possible to do that as a manual exercise. Hopefully, there will be a simple amendment to allow that. That would improve the upfront information for the tenant.

That is everything that I wish to say. I am happy to take questions.

**The Chairperson (Ms P Bradley):** Thank you very much, Jordan, for your detailed briefing paper and oral briefing. You have raised many issues, some of which are of concern and some that we will have to ask the Department to clarify. It is worrying that the private rented sector is being used in Northern Ireland more and more, not least because of our lack of social housing and the fact that young people cannot get on to the property ladder because of deposits and how that is working. We know that we have an over-reliance on the private rented sector. It is worrying.

You said that we need to be concerned about any regulations that will "further discourage landlords" from the sector. When we look at any Bill, we look at its unintended consequences. That is certainly one of the unintended consequences that we need to be wary of. Will you give us more information about that? How do you see that projecting into the future if the Bill is not amended? What amendments do you suggest would help keep homes in the private rented sector?

**Mr Buchanan:** That is exactly what I tried to do. As I said, the Bill, in its current format, has tenants at its heart. That is absolutely the right thing, because change is needed to improve arrangements for tenants. However, given the strength of current market conditions, we have already started to see landlords move out of the sector. The most recent surveys, including the Housing Executive's landlord survey, show that the biggest barriers to them, and what would make them leave the sector, are strong market conditions or increased regulation. We are seeing the former, and this is going to increase the latter.

I suggest that we find out how to encourage landlords into the market or find out from them the potential regulation changes that would be most problematic. If they say that it is the change to the notice-to-quit period, for example, we might consider the suggestions that I have made. Could we introduce a mechanism to allow a landlord to justify shortening a problem tenant's notice-to-quit period? It is about allowing them to give their perspective. The perception that we have of landlords exists in a lot of cases. However, the reverse is also true: there are good landlords and problem tenants. It is about finding the balance between giving them the option to work round the Bill while retaining its central focus on tenants.

**The Chairperson (Ms P Bradley):** As MLAs, we come across the poor landlords more than the good ones, due to the nature of the work that we do in our constituency offices. We know that the majority of landlords are good landlords, and we want to support them as well as the renters. Each of us could tell a horror story about a private rental that we have had cause to visit. The issues probably fall into clause 9, which relates to poor heating systems and poor energy efficiency — something that puts

more of a burden on the renter. In fact, you said that clause 9 is possibly the most critical part of the Bill.

If landlords are asked to bring properties up to a certain standard, will it have a knock-on effect on the price of rentals, because landlords will want to recoup their money? I was interested in what you said about rent increases. Would that be another unintended consequence of the Bill? My daughter has lived in a private rental for three years, and there has never been a rent increase. She is happy, and so is the owner. Will it be an unintended consequence that landlords take that to mean that they have to increase rent every year because of the work that needs to be carried out? Are there unintended consequences for the renter?

**Mr Buchanan:** Yes, absolutely. I have two points on that. To take a typical example, the average rent in Northern Ireland is about £700 a month. If you factor that in over a year and net off any taxes, you are talking about net £4,500 or £5,000 of income for the landlord from that year's rent. When you factor in the average cost of raising an EPC D rating to an EPC C rating, which is about £6,000, you find that a year's income is gone, just to improve the property. Many people who are the smaller, "accidental" landlords do not have such income set aside to put into that. Creative thinking is needed along the lines of low-cost loans to incentivise landlords to do that in a way that will not lead to significant rent increases as they pass the cost on to the tenant.

That having been said, there is a lot of misinformation about the impact of improving a property's EPC rating on the material or capital value of the property. As you said, there is no clarity about how surveyors or lenders value properties. Should, in three to five years' time, much greater emphasis be put on the EPC rating and the corresponding value that that has on the property overall, the landlord may not need to pass on the cost in rent because they will experience the benefit through greater improvement in the capital value of the property, if you follow what I mean.

At present, however, that is not the case, and there is no real evidence to suggest that there is a significant premium for properties that have a better EPC rating. As things stand, I struggle to see a scenario in which a landlord who had to meet the significant cost of renovating a property to improve the EPC rating could do so without passing it on through significantly higher rent. Yes, that could be a considerable unintended consequence.

**The Chairperson (Ms P Bradley):** Installing a new, more energy-efficient boiler will cost at least £3,000. That is a massive proportion of a landlord's income, so it will be reflected in rent.

That is grand. Thank you for that, Jordan. I will open up the meeting at this stage. Kellie, you indicated. Anyone else who wants to come in should let me know.

**Ms Armstrong:** Thank you, Jordan. The presentation was invaluable, as always. I will go back to your comments on clause 9 first. You said that pre-legislation preparation needs to be done to consider the energy performance certificates and what the requirements will be. I want to pick your brain on this: do you know of any actions in England and Wales to help fund private landlords to reach the ratings? Was there a grant available to help to upscale private tenancies? Was anything like that brought forward? It will be important for us to reference that in our report.

**Mr Buchanan:** Yes, there are. I am trying to remember off the top of my head. I have written it down in a few places, so I can send the information to the Committee afterwards, if that would be helpful. Grants for upkeep were certainly available. There were maximum cost ceilings for landlord investment in the property, and similar measures were introduced to mitigate the direct financial impact on landlords.

From a broader perspective, I feel that there needs to be a much bigger piece on state intervention on access to a pool of low-cost loans at low, if not flat, interest rates to incentivise homeowners and private landlords to invest in their property for its longer-term potential. Although we are doing lot of work on the climate and green housing agendas, it will take a lot more than suggesting to people, "You could save £200 a year on your bills as a result of this introduction". The upfront barrier is that a minimum investment of £5,000, £6,000 or £7,000 will take years, if not decades, to claw back through monthly savings. There needs to be an initial upfront support from a pool of funds to encourage that shift rather than keep delaying it.

**Ms Armstrong:** If you are sending information to the Committee, I would appreciate finding out whether any criteria are attached to those loans. For instance, it may be that the landlord cannot sell

the property within x time of receiving the uplift to enable the premises to meet the required EPC ratings. The landlord may be prevented from getting that benefit and then selling the property.

**Mr Buchanan:** No problem. I will have a look at that and try to pull something together. I will send it through to you this afternoon.

**Ms Armstrong:** I have looked at the landlord register. I assume that the register is updated and maintained by the Department for Communities. In the roll-out of the legislation, there appears to be a much bigger role for councils. Do you envisage the register moving to councils, or will it be held centrally by the Department for Communities, with councils then updating details?

**Mr Buchanan:** Truthfully, I do not know the answer to that. I was trying to explain that it is one of those loopholes, whereby I can do an individual search but not a bulk search. That creates a barrier for the likes of us who want to make that information freely available. Not being able to work around the existing technical systems is a frustration. Councils certainly have a big role to play in that, but I do not know who will be responsible for holding the central register. There is, however, something to be said about looking at the system in order to try to improve it.

I will make another comment on that. Last night, I was compiling some examples just to try to find information on the register. It is very clunky to use, particularly if one is searching for apartments, because they tend to be in blocks. For example, if I want to search for unit 2C of apartment block A, it is very difficult to find that on the register. I do not know whether it is set up or equipped in such a way so that one can easily extract that unit from the block. If I were a tenant looking for that information, a barrier to trying to find out whether the property has a tenant would be put in front of me at the very start. There are quick fixes that could be done to try to help the tenant get better information up front.

**Ms Armstrong:** I absolutely agree with you. One frustration that I had with the register was that, when I looked up a landlord's name, I got a reference number but not the list of the properties that that landlord owned.

Take councils, for instance. Ards and North Down Borough Council is one of my council areas. If a landlord has properties in, say, Belfast or mid-Ulster, unless councils are in constant communication with other councils, how are they to know whether that landlord has defaulted on a rental deposit scheme or has failed to meet electrical safety standards elsewhere in the country? The information is there, but it is difficult to access it on the site.

**Mr Buchanan:** I completely agree.

**Ms Armstrong:** Those are all my questions for you, Jordan. Thank you very much, as always. As I said at the start, it is brilliant to have that sort of information come through. It certainly helps me with the Bill.

**Mr Frew:** Thank you very much for your presentation. It was very good and very detailed. I will take you through some of my concerns, which you raised in your response. First, clause 3 deals with rent receipts being provided for payments in cash. In your experience, how many landlords do not offer a choice of payment method and permit only cash payments? It strikes me as being unfair not to give tenants a choice of payment method, other than to pay cash. That leads to all sorts of problems, dilemmas and transparency issues further down the line. How big an issue is that?

**Mr Buchanan:** In truth, I can speak only anecdotally. I am not on the ground enough to know the extent to which that happens. My understanding from conversations with letting agents is that most tenants pay by bankers' automated clearing system (BACS), and there is no issue there. There is an electronic trail from that. Again, we have all heard the stories of people paying by cash and not being given a receipt, and it is then questioned whether they paid their rent. Whether we are working on legislation to address something that is common or to address the minority, it seems that the provision needs to be implemented to remove any ambiguity and to keep things consistent.

**Mr Frew:** It strikes me that we need to do something about choice. I agree with you that the clause should cover all cash payments to landlords, not just rent payments. That strikes me as being sensible. We will probably have to look at making changes there.

Proposed new article 5(3) in the Private Tenancies (Northern Ireland) Order 2006, under clause 3(2), states:

*"The receipt must be provided—  
(a) at the time the payment is made, or  
(b) if that is not possible, as soon as reasonably possible after that time."*

When would there be an occasion on which someone is handing over cash but the recipient is not able to give a receipt for it? It strikes me that cash should not be handed over until there is a fair exchange of cash and receipt.

**Mr Buchanan:** Absolutely. That is it: the tenant should not hand over any cash unless the landlord is in a position to give a receipt there and then. If the landlord says, "I don't have a piece of paper, so I can't sign it", or whatever the reason is, either the tenant does not give the landlord the cash or, as I have suggested, we try to understand what a receipt is. Is it a WhatsApp message from the landlord confirming it, or is it a scribble on a napkin that says that the rent was received on that date? How do we define what a receipt is in a situation in which the landlord calls to the house demanding payment, and the tenant has to pay there and then, but the landlord is not able to provide a receipt? Is there a quick workaround, such as the digital receipt that I suggested?

**Mr Frew:** My thinking on the Bill is still very primitive, but I am moving towards considering the removal of proposed new article 5(3)(b).

Proposed new article 5(4), under clause 3(2), states:

*"A tenant must not be required to make a payment in respect of the provision of the receipt."*

Do you know what that means? Because I do not. Does it mean that, if someone produces a receipt, payment must be made, or am I completely wrong on that? Do you have any understanding of that paragraph?

**Mr Buchanan:** I read it as you described it. If there is a payment to be made for something associated with the property that originated with the tenant, and it is their responsibility to pay for it, they have to do so. That receipt should be provided there and then as well, however. That is how I understand it, but, again, even the fact that we have to debate the meaning of that means that the provision is exposed to being interpreted differently. If we do not fully understand it, it will be difficult for the tenant and the landlord to manipulate.

**Mr Frew:** I will put the Department on notice that we want clarification on that. I know that officials will be listening in.

I want to ask you about the frequency of rent increases in clause 7. I get what you are saying about the stipulation of 12 months. Once that is put in train, it will become almost a habitual move. Personal experience tells me that good tenants are worth their weight in gold. They are worth far more than a rent increase. You would forgo that increase if you were trying to secure a tenancy so that your property was looked after. I would therefore worry about having that stipulation in the Bill.

Interestingly enough, proposed new article 5C(3), under clause 7(2), states:

*"The Department may by regulations specify circumstances in which paragraph (2) does not apply."*

Paragraph (2) is the stipulation of the 12 months. Do you know of any circumstances that would necessitate proposed new article 5C(2) not being in play?

**Mr Buchanan:** No, I do not. That is the point that I made. Do we need to introduce a provision to include a mechanism that allows the landlord to justify any rent increases beyond, say, the ninth month if the lease is for a 12-month period? I felt that such a provision is almost being implemented through that paragraph. It implies that there is an exemption in place to omit that 12-month period. It rang an alarm bell with me that there was already a mechanism in place, but I was not sure what the justification process was for it. That is why I asked whether we needed evidence of the additional



costs to the landlord as a result of a renovation or to bring in a comparable market rent analysis to show that it is a fair value, based on whatever the amendment to the property is.

**Mr Frew:** The Department may just be trying to cover all fields with the clause. It is a very general thing, but, again, generalism is not necessarily great in a Bill, so we will need to explore the clause further with the Department.

I take your point on the justification for rent increases. A year is a relatively short time. If you were renegotiating your mortgage as a landlord and ended up with a worse deal and more payments to make, which could result in your struggling and needing to increase rent, surely there would come a time, even 12 months down the line, when you would be able to do that. You would then cater for the mortgage increase and the time in which you have already been paying it. It would therefore almost level out after a period. Even if you did start to pay a horrendously higher mortgage, you would have paid for, at most, 12 months before you would be able to increase the rent accordingly. Surely that is a fair enough time duration.

**Mr Buchanan:** Yes. I do not disagree with what you say. We do not know what the pass-on payment would be, however. If landlords had just to get on with it for 12 months, once they got to the end of that period, they might say, "I incurred an additional £500 to £600 of mortgage costs last year, so I am going to increase the rent this year through an inflationary rise and an additional amount to get back the lost revenue". That is almost like applying a double rent increase at the end of the period.

**Mr Frew:** Yes.

**Mr Buchanan:** I raised that just to highlight the potential for it to happen. It is like property sales and everything else: a comparable rent analysis would need to be done to show that the rent was not out of kilter with prevailing market conditions at the time.

**Mr Frew:** Clause 9 is on energy efficiency regulations. You probably know as well as we do that some of the Housing Executive stock is in a really bad state of disrepair, its heating systems especially. What happens is that the Housing Executive puts tenants on to a repair scheme, which is then delayed for years. Even if a tenant has been promised a boiler replacement or external or internal maintenance around the house, and the work is earmarked to be done at the end of the year, the chances are that it will be done at the end of three years. That is how the Housing Executive operates.

Although I understand that the housing stock is getting worse in the private rented sector, the same is true of the stock in the public sector. Do we therefore need to be careful about the stipulations and pressures that we apply to private landlords, as those could end up having unintended consequences? Should we let the Housing Executive have a freer rein, when both parties — private landlords and the Housing Executive — are producing housing stock that we desperately need?

**Mr Buchanan:** Yes. Again, there needs to be a joined-up strategy for public, social and private housing needs. The green space issue is going to change everything in housing in the next decade. Having different time frames for different bodies just adds to the confusion. A joined-up strategy on retrofitting should certainly be brought together, but we also have to look at the wider perspective and ensure that we have the skills and talent pool across our construction industry to do that.

If the introduction to the clause had stated "For new tenancies by 2025 and for existing tenancies by 2028", that would factor in the disruption to the tenant at the time if significant work were required to be done to the property. It is a bit of a get-out-of-jail clause, because it is a huge piece of work to do on that across the board. It cannot be rushed. Consultation is needed with all the groups representing tenants and all those representing landlords, as well as, importantly, construction companies, contractors and the universities to ensure that we have a pipeline of talent to facilitate the green movement in housing. That cannot be overlooked, as it will be a really significant feature over the next decade.

**Mr Frew:** My final point is on clause 10, which deals with the electrical safety standards regulations. I declare an interest as an approved electrician. I like your point about the bi-renewal of landlord registration, because, if landlord registration renewal is every three years, that is probably too soon for electrical installation testing. I could be wrong, but I think that, in a private house that is owner-occupied, testing is recommended every decade, or something of that nature. I know that you probably need to be more particular with the rented sector and have a regime of more testing. The bi-

renewal of landlord registration really strikes a chord with me. Testing every other time that a landlord registers would probably be fair.

The point that I am making, and I make it every week, is that it is not necessarily the electrical installation that you need to keep an eye on but the portable equipment that is plugged into that installation, of which I would be fearful from the landlord side and the tenant side. I am more concerned about the testing regime for portable equipment. The full burden for doing that should not necessarily lie with the landlord when so much of the portable equipment will be owned and used by the tenant. Do you have any views on that? I know that you said that you are not an electrician, but do you have any views on portable appliance testing (PAT)?

**Mr Buchanan:** On your first point, I do not know whether 3, 5, 6 or 10 years is appropriate. There needs to be expert advice sought on that, but I like the idea of its happening during the renewal of the landlord registration or else bi-renewal, because, to go back to what Kellie said earlier, you could put that on to a central database and have all the information up front. It would then be much easier to track. Very simply, landlords would not get their registration renewed if they did not have their electrical safety approval. That fits as a natural, cohesive link.

You asked about PAT. If landlords are providing a property to a tenant, it is their responsibility at the outset to make sure that all electrical safety standards are met and that equipment is working effectively. They should do that, although at the time [*Inaudible.*] PAT is a really interesting concept, and, truthfully, I do not know the correct answer to your question, because having to do that would be an additional cost to tenants, who are already being squeezed financially as a result of the pressures. My inclination is therefore that that should not be a requirement. Tenants should be encouraged to test portable equipment, and there is potentially some sort of scheme with approved contractors for doing so, but it should not be a mandatory requirement. To enter the premises, however, tenants will need to be aware that there is an approved electrical safety standard.

**Mr Frew:** Thank you very much for your time and for your answers.

**The Chairperson (Ms P Bradley):** Thank you so much for coming in today. As Kellie said, it was a great briefing. We know that we can rely on you to provide any other information that we need.

**Mr Buchanan:** No problem.

**Mr Frew:** May I ask one more question? I scribbled something on the front of the Bill. Do you have any views on letting agent fees and regulations around those? The issue is not covered in the Bill, but we have heard from some quarters that the Bill should include increased checks for landlords when they register, increased fitness standards and more ways in which to resolve disputes between tenants and landlords. Does your organisation have a role to play there, or even a responsibility when it comes to letting agents? Should there be something in the Bill about letting agents?

**Mr Buchanan:** Potentially. Again, it is very hard to say whether there should be. It would depend on the nature of what was to be included. Could our organisation have a remit there? As a central point between consumers and letting agents, we absolutely could play a role, as we do not have a particular interest in one group over the other. There is merit in exploring it, but, like everything, it would depend on the detail of what you were trying to include in the Bill.

**Mr Frew:** OK. Thank you very much.

**The Chairperson (Ms P Bradley):** Thank you, Jordan, for your time today.

**Mr Buchanan:** No problem. Thank you all so much. Good luck.