



Northern Ireland  
Assembly

Committee for Communities

# OFFICIAL REPORT (Hansard)

Private Tenancies Bill: Northern Ireland  
Housing Executive

23 November 2021

# NORTHERN IRELAND ASSEMBLY

## Committee for Communities

### Private Tenancies Bill: Northern Ireland Housing Executive

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**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  
Miss Aisling Reilly

**Witnesses:**

Ms Grainia Long	Northern Ireland Housing Executive
Ms Siobhan McCauley	Northern Ireland Housing Executive

**The Chairperson (Ms P Bradley):** I welcome Grainia Long and Siobhan McCauley to the meeting. Grainia, will you go ahead and begin your presentation?

**Ms Grainia Long (Northern Ireland Housing Executive):** Thank you, Chair, and good morning all. I have been asked to give a five-minute overview, which I will do, and then I will answer questions as they come up, if you are content with that.

**The Chairperson (Ms P Bradley):** Yes, that is grand.

**Ms Long:** Thank you very much. I am delighted to be giving evidence this morning. This is very important legislation that will have a critical impact on the lives of thousands of people who live in the private rented sector. It goes far beyond that, however, because, as the Committee well knows, all tenures are interlinked and the relationship between tenures is critical. When we get one tenure right, it has a positive knock-on effect on others and vice versa. Where we have improvements to make, they have a knock-on effect.

I am giving evidence in my capacity as chief executive of the Housing Executive. We are the strategic housing authority, so we look across and take a whole-systems approach to housing. The comments that I will make this morning are informed by our role as the strategic housing authority and our understanding of the role and function of the private rented sector and how it relates to other sectors. As you well know, the sheer scale and nature of housing need in Northern Ireland means that the private rented sector is an extremely important tenure, which, as I said, has knock-on effects for wider tenures.

We undertake a lot of research, including into the private rented sector, so what I am about to say is informed by that. We are also a major landlord, and, therefore, given the work that we undertake in relation to our homes, which number just under 85,000, there are some lessons that we and the wider sector can learn.

I will make some comments and observations as I set out the briefing. Just to be clear: it is our view that the forthcoming legislation will have a positive effect in the round. However, we feel that its scope is limited and that it is a missed opportunity not to include looking at wider fitness standards in the sector and the regulation of letting agencies. Those separate points, which are not covered by the forthcoming legislation, will limit the impact of what we are about to do. That is disappointing, but, nevertheless, we hope that those two other areas of focus will be brought forward with a level of urgency. It would certainly be in the best interests of tenants that that is done.

The second point to make is that the impact of the Bill on the private rented sector will, we hope, have a positive knock-on effect on levels of homelessness. I will give you an example: we have a view on the notice periods that are required and which should take place in the private rented sector. If we improve the approach to notice periods, we feel that that will have a positive knock-on effect on the numbers of people who present as homeless. From our experience, as the strategic housing authority and as a landlord, too many people are being made homeless because of shorter notice periods. They are not able to find other suitable forms of accommodation. I will touch on that, but, certainly, the interdependency between the private rented sector and wider sectors and levels of housing need is very stark. You will have picked up on that, and that will have been made clear to you in evidence given by other organisations. That needs to be borne out in the legislation as it comes forward.

Even though it is called the private rented sector and, of course, homes are owned by private individuals or organisations, it is a highly subsidised sector. As you well know, nearly half of those who live in the private rented sector receive financial support, either from housing benefit or universal credit, to meet their housing costs. A large amount of public money is invested in the sector in the best interests of those tenants in order to meet housing need. As the strategic housing authority, however, we are very clear that a more regulated sector will do better and do more in the best interests of tenants. That is our strong view in that regard.

I echo the points that other organisations have made in their evidence to the Committee. In Northern Ireland, we spend four times as much on subsidising rents as we do on investing in new builds and refurbishment. It is my job to make the point that, alongside this legislation, we need to ensure that we get a better balance between the level of subsidy in the private rented sector and that invested in new build social housing across the piece and refurbishment. I have no doubt, however, that we will come to that.

I echo the points that have been made by colleagues from other organisations about the number of low-income families with children who now live in the private rented sector, with higher rents and poorer conditions than if they were accommodated in the public sector. I echo the advice of the expert panel on the anti-poverty strategy, which made that point a year ago. There is a critical need now to look at conditions in the sector. Regulation can go some way towards doing that.

I have made a number of comments about standards in the sector. To be clear: the private rented sector plays a critical role. What I am saying is based on the need to improve it and continue its important role. It has certainly grown in size. I have a view on how we need to get a better balance between all sectors. The private rented sector makes a valuable contribution to the housing market. It provides much-needed housing for people who require it. Without question, there are landlords in the sector who are absolutely committed to standards, performance and the management of those properties. However, unfortunately, there are also many landlords who are not. Clearly, the Bill gives a huge opportunity to get the balance right.

Again, I will highlight the fact that the Housing Executive has carried out and commissioned a number of research reports on the sector. They are available publicly. I am certainly keen to make those available to the Committee. One key point to make throughout the discussion, which, I am sure, we will cover again in questions, is about the scale of the rise in the cost of renting. The latest rent index reports show that, in the first half of this year, rents continued to increase. Average monthly rent is now £703 per month. That is a 9% annual increase. That is felt most potently and clearly by tenants themselves. We are critically aware of that. We see it daily through our housing solutions teams. The individuals who are presenting may be struggling to keep up rent payments or are concerned about whether that is sustainable for them and are looking for other forms of accommodation.

I want to talk briefly about how important the sector is in meeting housing need. We depend on the private rented sector to meet need more generally. As the Housing Executive, we would like to develop longer-term strategic partnerships through longer-term leasing models. We have to do that in the right way, and a better, more effectively regulated sector will enable us to do that. I think that it will be the case for a number of years to come that we continue to house and to meet our obligations to people through the private rented sector. In the longer term, we want to get a better balance between the number of people who are housed in social housing and the numbers who are placed in the private rented sector. There are a number of ways in which to do that. One answer is, of course, to build more social housing. However, there is an opportunity now to develop longer-term leasing models. That must ensure that there are strong protections for tenants, good property standards and good maintenance. That is required. The Bill should go a long way towards enabling us to do that, provided that we get it right. We are certainly looking at, and want to look at in partnership with the Department, private leasing models and other ways in which we can do that.

We strongly support the work that the Department for Communities is undertaking on developing an intermediate rent product. That provides a timely opportunity now to look at other products and models in the sector. Again, that is all about meeting housing need in an affordable and sustainable way, and getting the balance right between tenures.

Chair, very briefly, if I am OK for time, I will point to some of the clauses where we feel that it is important to do so. Obviously, clauses 1 and 2 deal with giving the tenant notice regarding certain matters of their tenancy. That is absolutely right. Those are basic standards that should be in place. The critical point here, which, I know, has been made by others previously, is that anything that can clarify for the tenant both their rights and what is required of them is a good thing. Critically, that is about the protection of tenants' rights and enabling them. Throughout my career, I have always been amazed by how difficult it is for some tenants to get advice and to understand the advice that is available to them and their rights and protections. Therefore, anything that landlords can do and, indeed, we can do, as the strategic housing authority, to enable tenants to understand what is available to them is really important.

With regard to clause 3, there is no question of the importance of a rent receipt for payment in cash. Again, those are basic minimum standards that should be in place. We strongly support limits on the tenancy deposit amount. There has never been a more important time for that, given the level of uncertainty and economic uncertainty for tenants. We strongly agree that deposits and letting fees can act as a significant barrier to those accessing housing in the private rented sector, so anything that the Bill can do to remove and reduce barriers will help.

We also agree with clause 6, in which certain offences in connection with tenancy deposits are taken forward. It is to be expected in this day and age that we would do that. That gives the legislation some teeth, and it is very clear what is expected then of landlords, and rightly so.

With regard to restrictions on rent increases in clause 7, we are keen to see, and certainly would like to see, an adequate notice given to tenants that the rent will be increased. That is the critical piece. The advice that we provide to tenants is often borne out of tenants not being given enough time and not being told properly and in an appropriate way that their rent is increasing. That strongly affects the ability of a tenant to sustain their tenancy, and, as the strategic housing authority, we provide advice and meet our obligations to people who become homeless. Tenancy sustainment and the ability to sustain tenancies is a critical lever in preventing homelessness, so we strongly support that.

As a landlord of 85,000 homes, we very strongly support clause 8, which relates to all the protections for tenants around building safety. We have been strongly making the case for building strong building safety legislation across Northern Ireland, and I am very pleased to see that coming forward in the provision of fire, smoke and carbon monoxide detectors. What will be very important is not just the provision of but the maintenance of those. It is really important that the Bill not only requires those detectors but that it is very clear that they are maintained and inspected throughout.

We feel very strongly about and agree with the points in clause 10 about electrical safety standards regulations — I jumped head there to bring fire and electrical safety standards for buildings together.

The final point from us is about energy efficiency. In its role as the Home Energy Conservation Authority (HECA) for Northern Ireland, the Housing Executive is very clear about the important role that property and residential accommodation in the form of housing plays in reducing CO2 emissions and greenhouse gas emissions. We are on an urgent path to decarbonisation with our stock and in our HECA role, and we strongly support energy efficiency regulations in the sector.

Given the fabric of our buildings, which are terraced properties across Northern Ireland and properties that are built and designed together, it is very important now that, across 10 years, we see an alignment in standards. That is in the best interests of tenants, but I argue that it is also in the best interests of landlords. We have called for regulation across the sector to a standard assessment procedure (SAP) band rating of C by the end of this decade. That would bring us into line with other jurisdictions across the UK in the regulation of energy efficiency in the sector. It is only right and proper that, as we think about property in the round and about energy efficiency standards, we start to look at that in earnest now in the private rented sector.

That is probably enough from me. I am happy to take questions. My colleague Siobhan is here also.

**The Chairperson (Ms P Bradley):** Thank you for that, Grainia. That was a very detailed brief. I will open up to members straight away.

**Ms Armstrong:** Thank you very much for your presentation, Grainia. I want to go to the point that you raised at the end. I am sure that we will cover a lot more, but that point is about the alignment of standards across the sectors. In your paper, you note that the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 require landlords to have property electrics checked every five years. If that were to be considered as an amendment to the Bill, is that the type of standard that the Housing Executive would go for?

I also want to ask about SAP band C. I got an answer back from the Minister yesterday that stated that over 66,000 Housing Executive houses are over 40 years old. It will take some time to meet SAP band C, but, if we are to do that by the end of the decade, is that something that the Housing Executive can do? We are thinking about that alignment.

**Ms Long:** I strongly support the principle of alignment across the sectors for a number of reasons. When we look at the building fabric and the housing stock that has been designed and built across Northern Ireland, we see that we live in close proximity and homes are often built, as I said, one after the other in terraces or rows. Over the years, the Housing Executive has sold quite an amount of its stock. Our stock is often — you know the phrase — "pepper potted" across estates. It is important that, as a piece, we align the fabric of our properties so that they are as energy-efficient as they can be. As I said, trying to get that done as closely as we can together will really help tenants, but it will also help government as measures are brought forward to better insulate our homes. We play a key role in that.

I will come back to your point about electrical safety standards, but, on your point about SAP band C, the Housing Executive is on a path to improving its properties, and we want to be in the position, by the end of this decade, of being at, at least, SAP band C. We want to go beyond that. The challenges there will be with the funding models and the technology that we use. As you know, we have a range of construction types, and we are undertaking a European regional development funded retrofitting scheme across a number of council areas. That will retrofit up to, or hopefully more than, 1,900 homes. We are doing that this year, next year and the year after. We will learn a huge amount for our approach to retrofitting. That is why we feel very strongly that, given the number of homes in the private rented sector, some of which are former Housing Executive stock — many are not and have always been private-sector homes — we need to make sure that there is alignment and that it follows what is happening in other jurisdictions. When we look at the envelope of a row of properties, it is critical that we undertake energy efficiency measures. Where we can do that in one row at a time, it will make a huge difference. It will make life much easier for tenants as well.

On electrical safety standards and the standards more generally, to be clear to the Committee, I say that, in the main, we recommend the standards that we apply in our properties. For example, we provide mains-operated heat and smoke detectors. We also install carbon monoxide detectors in every property where a combustion appliance — a gas boiler or a solid-fuel fire — is in place. All our detectors are inspected manually as part of our annual safety check of heating systems. Again, we are keen to ensure alignment across the tenures here as much as we can and as much as is reasonable.

**The Chairperson (Ms P Bradley):** I will ask a supplementary question. In your briefing, you said that you hoped that all your properties would reach SAP band C by the end of this decade. What is the most common theme or thread that needs to be addressed? Will it be insulation or something else that will bring all the properties up to SAP band C?

**Ms Long:** It would be a combination. We certainly take a fabric-first approach to it, Chair. That is where we start. That is a combination of ensuring that there is insulation in properties and reducing defects in insulation. We are well aware of the defects. We release data on insulation regularly, and there is a huge amount of work to do on cavity wall insulation. A whole-house, fabric-first approach is our priority, and that is why we wanted to undertake the retrofitting solutions that we are undertaking. As you well know, as part of our Home Energy Conservation Authority role, we undertake much intervention beyond our stock, and I am sure that Siobhan will want to touch on that.

Once we get under way in that scale with a fabric-first approach, through which we will look at roofing and cavity wall insulation and the wider envelope of the house, in this decade, we will also move at pace to look not just at the fabric of buildings but at heating systems and decarbonising those. We are undertaking a number of pilot projects to look at the ways in which we can decarbonise heating through, for example, the use of heat pumps, hybrid heat pumps and so on. Those pilots are under way, and we want to undertake that at scale.

To be really clear: our focus has to be — it certainly is — on the fabric of the building. That is why we are really ramping up our approach at scale to roofing and cavity wall insulation.

**The Chairperson (Ms P Bradley):** That is grand. Thank you. Paul, do you want to come in?

**Mr Frew:** Yes —

**Ms Siobhan McCauley (Northern Ireland Housing Executive):** Chair —

**The Chairperson (Ms P Bradley):** Sorry, Siobhan. Do you want to add something?

**Ms McCauley:** I want to come in, exactly as Grainia said, on the link to the private rented sector. At present, 43% of the stock is A to C, so we should be ambitious and say that, by 2050, yes, it could be SAP C across the board. Between 2001 and 2015, we did around 120,000 properties with the warm homes scheme, and currently we have around £53.8 million of lifetime fuel cost savings.

In addition to the warm homes scheme and the affordable warmth scheme, the Northern Ireland sustainable energy programme (NISEP) is running a scheme for the Utility Regulator and has done 416,000 measures, so there has been quite a bit of intervention in the sector, as Grainia said. What is good, as well, is that we do a survey every year for the work carried out and are getting 90% satisfaction. That is on the private rented side.

On the landlord side of our business, we are doing external cyclical maintenance, and trying to roll that out every five years. That is a range of measures, from the outside fabric of a building to insulation, and then the replacement of heating systems. That will, of course, depend on the funding that we can get. The aim is to be like Scotland and England, whose target for SAP C is also 2050.

**Mr Frew:** Were the 43% of properties in band A to C that you spoke about Housing Executive stock?

**Ms McCauley:** Of the private rental market. Currently, that percentage of private rental is band A to C.

**Mr Frew:** What is the equivalence for Housing Executive stock?

**Ms McCauley:** I will have to move back to Grainia on that. Apologies. I think that the majority of our stock is between D and C, but I will have to double-check on that for you.

**Ms Long:** I will send the exact figures to the Committee later today. We have those. We are data rich as an organisation in understanding the energy performance of our stock.

The point about insulation is important in relation to what we are undertaking with our stock. Loft insulation, from our perspective, and, I think, is the case more generally, is one of the main measures to maintain warmth in the home. It is critical now in that it can help to cut fuel costs for households, and that is at the front of minds given the soaring energy prices being experienced by our tenants.

Just to be clear: building regulations are not retrospective. They apply only when we come to do appropriate works, and that is the approach that we take. We comply with the standards in place at the time, and we are undertaking an upgrade of our properties to 270 millimetres when we undertake

planned maintenance schemes. We have a huge planned maintenance programme for this year. We hope to invest up to £218 million in our homes in this financial year. A huge amount of that enables us, while we are upgrading our properties, to upgrade insulation to 270 millimetres.

That is undertaken on an incremental basis. You are well aware that the shortfall in our funding for stock investment is significant, so while we are undertaking planned maintenance work, we will upgrade properties and loft insulation. We are doing that this year at scale as we go through our planned maintenance programme.

**Mr Frew:** Your commentary on clause 9 states:

*"The Housing Executive's House Condition Survey reports that PRS tenants experience higher levels of fuel poverty than other housing tenures, with properties having lower energy efficiency measures in place."*

I get that, but can you then tell us the comparison between the private rented sector and the Housing Executive?

**Ms Long:** Yes, I can. I will pull up a report that we commissioned and launched this year with the British Research Establishment (BRE), which has given us more data on that. If you are content, I will be able to give you that as we go through the other questions. I just want to make sure that I give you the right answer.

**Mr Frew:** Even if you want to send it in writing, that is fine, Grainia. I am not going to hold you to it now, if it is not to hand, so do not worry.

I want to ask you about fire, smoke and carbon monoxide alarms. Is all Housing Executive stock fitted with all three?

**Ms Long:** Yes. We provide mains-operated smoke and heat detectors to our properties. We also install carbon monoxide detectors in every property where there is a combustion appliance; that is, a gas boiler or a solid-fuel fire. That is the work that we undertake as a landlord.

As I said, in relation to the private rented sector more generally, it is very important that detectors are not just provided or installed; they must be inspected. All our detectors are inspected annually as part of our annual safety checks of heating systems. They are replaced if they are found to be missing or defective. That is the role that we undertake as a landlord. We have a compliance team in the Housing Executive that undertakes a rolling programme of inspections, and, as I said, where any detectors are found to be defective or in need of an upgrade, we will do that as part of the annual rolling programme.

**Mr Frew:** Are you refused entry anywhere? Some people can step outside of a scheme. Do any of your tenants refuse you entry to fit a carbon monoxide detector?

**Ms Long:** Yes, from time to time. Again, I can provide the Committee with the percentages, but they are pretty low. Getting access to homes to undertake inspections is a routine challenge for all landlords, social or private. Obviously, during COVID-19 restrictions, that was made more difficult. We fully understood that, and we put a number of measures in place to ensure that tenants felt safe when we were going into people's homes. We paused some of our inspections for a short time during the very early restrictions, and the roll-out of inspection programmes has recommenced, as you can imagine.

It is fairly routine for landlords anywhere to be refused entry. We work very closely with our tenants. Sometimes, the tenants may not understand why we are there. We will always do follow-ups. As a landlord, we are very used to that, and our patch managers will be on-site to work directly with tenants to explain what the issues are and will call back. It is part and parcel of being a landlord, and we are used to that. Certainly, we do not want to have to take interventionist measures to do that, but it is very important that we ensure that everybody in the household is kept safe. We will go to the lengths that are required, if we are refused entry by one member of the household, because the other members of the household still have a right to be safe. That is fairly common and standard in housing-management practices.

**Mr Frew:** In your commentary on clause 10, you state that landlords should check their property electrics every five years. Does the Housing Executive check its electrical installations every five years, and, if not, should it?

**Ms Long:** Yes. We have a programme of electrical inspections. Again, I will give you details of the rolling programme. We ask for and recommend that in relation to this tenure partly because of the lessons that we have learned in doing our electrical checks. We undertake that as part of our approach to compliance, and we report that internally, up through our relevant governance and committees. Again, that is part of a rolling programme of compliance and inspection by us as a landlord.

**Mr Frew:** Thank you, Grainia.

**Ms Ferguson:** My question relates to the rolling checks and annual inspections. Obviously, during the COVID pandemic, there was a higher than average use of emergency accommodation by the Housing Executive. In relation to emergency accommodation, what is the level of safety checks and inspections by the Housing Executive with regard to the private rented sector?

**Ms Long:** Without question, we have seen that. I have used the word "soaring", but I have run out of adjectives to describe the scale of the demand for temporary accommodation during COVID-19. That came about for a number of reasons. In some council areas, homelessness presentations reduced or flatlined, because the restrictions meant that people did not feel safe moving accommodation, and sometimes they stayed in very inappropriate accommodation, and we were extremely concerned about that.

In other areas, across the piece, we saw an increase in temporary accommodation placements of up to 170% and, sometimes, 190%. Again, that was really concerning for us. I have been very clear on the record in saying that we have struggled to access forms of temporary accommodation, and we have had to use private-sector accommodation, including single let accommodation in the private rented sector, emergency accommodation and hotel accommodation, much more than we would want to do. I certainly do not want to place families in hotel or bed and breakfast accommodation. We do not want to place any vulnerable household in accommodation that does not meet the required standards.

Unfortunately, because of demand, we have not been able to catch our breath. We are spending more than we want to spend and placing too many people in temporary accommodation. As a result, we are limited in the inspections that we can make, because they are not our properties, and we do not have the right of access to some of those accommodations. Obviously, we will undertake minimum checks in relation to standards when we are agreeing a lease and a booking, but we are limited in what we can do. I am not content or comfortable with that.

**Mr Durkan:** Thank you, Grainia and Siobhan. I have a follow-on question to what Ciara asked on temporary accommodation. I hope that I am not straying too far from the reason for your being here. Grainia, it was no surprise to hear you talk about the huge increase in demand for temporary housing. You are using it more than you would like to, and it is costing more than you can possibly afford. Will you quantify that? How many units in the private rented sector are being used for temporary housing? You spoke about how heavily subsidised the private rented sector is. Are the units in the private rented sector that are being used for temporary housing more heavily subsidised?

**Ms Long:** I will send the Committee the up-to-date numbers so that you can see the trends. You will see the scale at which we are increasing our use of temporary accommodation. There is one clear reason for that: need is growing, and the availability of other forms of accommodation is limited. You know the waiting list figures for social housing. Over the past number of years, we have seen a continuation of high levels of public subsidies for social housing in Northern Ireland, which is wonderful to see, but the gap between demand and supply is structural, and it is widening. We feel very strongly that it requires significant reform. That is under way. In the meantime, we have had to place many households in temporary accommodation. Much of that is COVID-related, but it was on the increase pre COVID. As I said, particular aspects relating to the pandemic meant that we have seen the gap between demand and supply widening. We work very closely with our partners in the voluntary and community sector — they have done an outstanding job in making accommodation available — but voluntary and community sector hostels, for example, had to reduce their bed spaces because of restrictions. That meant that some hostels in which we maybe had 10 bed spaces available to us were able to offer us only five because of restrictions. We had to find bed spaces elsewhere, and that

sometimes meant getting five hotel rooms or going to a single let. You can see how COVID has made a material difference, and much of that is still in place. We have not quite recovered from that. I will send you the numbers. The amount of money that we have had to spend on single lets and hotel rooms is fairly eye-watering. It is in the public domain; in fact, in the past month, I have been answering Assembly questions on the issue. I will send those details to the Committee so that you can see what we are spending. I would much rather spend that money in social housing, because that is an asset in perpetuity and in the public interest, and that is where we want to get to.

**Mr Durkan:** Me too. I will bring you back a wee bit. Your submission states that the Housing Executive is calling for support for landlords to implement energy-efficient measures. What sort of support are you talking about? Is it purely financial support, or is it advisory or practical support? Do you see yourselves — the Housing Executive — as the vehicle to deliver that support, given that you have administered previous schemes?

**Ms Long:** We all know that, over the next 30 years — between now and 2050 — all housing tenures in Northern Ireland need to be decarbonised rapidly. Collectively, we have to do that, and we know the cost of it. The cost of decarbonising over 600,000 homes to SAP band B will be just over £9 billion. We have done the research, and we understand the cost of that. I am not sure that separating out all that property on a tenure-by-tenure basis is the way to do it. On a single street, there might be an owner-occupied home next to a Housing Executive home next to a privately rented home. We have to take a fabric first approach, wrapping all those homes in more energy-efficient building technology and insulation. Why would we not look across those three homes at the same time? That will require a particular type of finance and a particular approach to financing. Neither we in the Housing Executive nor central government at UK or Northern Ireland Executive level are there yet. In the next number of years, we need to get the regulation right, be clear on the path that we need to go on and start putting in place funding models so that the Housing Executive understands how it will fund its stock and that landlords then understand how they will raise the funding for their stock. Some of that may well be subsidised, or there may be a combination of low-interest borrowing plus some public subsidy. There also needs to be a conversation about how homeowners can access finance to fund that in their homes.

We have a big piece of work ahead of us. I hope that some of that work will come through in the energy strategy from the Department for the Economy, and some of it will come through from the Department for Communities. As the Home Energy Conservation Authority, we will certainly play our role. Siobhan is responsible for HECA, and I do not want to add suddenly to her responsibilities, but I think that it is fair to say that, if and when landlords need advice and assistance to do that, it would be appropriate for the strategic housing authority to play a role. That is to be expected. We really need a significant, strategic approach to decarbonising our housing stock in the round.

**Ms McCauley:** Yes, absolutely. In the intervening period, we will use the interventions that we have. There are grants for landlords of up to 50%. We hope and anticipate, however, that, exactly as Grainia said, there will be a partnership approach and that we will come with different solutions.

In the HECA role, we are also looking at pilots. We used to do boiler replacements and installations, so we hope that our new models will also introduce much more innovative solutions that we can bring into place collectively. A fair few funds have recently become available in the UK. We hope to have discussions to see what we as a collective can do to try to meet that 2050 figure of getting a very low level of carbonisation in our properties.

**Mr Durkan:** Thank you.

**Ms Armstrong:** I hope that you do not mind, Grainia and Siobhan, that I want to move on to the comment in your submission about notice periods. On page 2, under "Affordability" — it is page 118 in the Committee pack — you mention the 12-month period. We have notice periods. You suggest that, for someone with a tenancy of under 12 months, the four-week notice period should be extended to two months. I will ask this for clarification. How does that fit in with the homelessness strategy? As you said, quite a number of people have contracts of under 12 months. Would that extension to two months rather than four weeks help to reduce homelessness? Can you tease that out for me?

**Ms Long:** I am very happy to do that. We have had significant discussions within the organisation about that. We feel very strongly that we have to ensure alignment so that what we say applies to one sector but that we also take account of the effects that that has on other sectors. The view that we should extend the notice period to eight weeks is fundamentally born of the lessons that we have

learned about homelessness from listening to people who have experience of homelessness and have said to us, through our work and our partner organisations in the voluntary and community sector, that shorter notice periods directly contribute to becoming homeless. That is why our view is that a longer notice period of eight weeks would have a material impact. As you know, we are consulting on our homelessness and temporary accommodation strategies. We spent many months listening to the sector and to people who have experienced homelessness. That is their view. I do not know whether it is their view that it should be eight weeks necessarily, but it is certainly our view on the basis of those conversations.

I do not think that we will ever find a perfect timeline, because someone else might make a strong argument for 12 weeks. We recognise that we need to give people as much time as we can, but it must also be a reasonable period that also balances the needs of landlords. That is why we say that eight weeks feels like the right balance. However, we must learn from all these things, and we must come back to this issue after a time to see whether it has had the hoped-for effect and whether it was the right thing to have done. We certainly do not say that this is the perfect solution, but it would give tenants more stability. Without question, it will have a positive impact for some people in preventing homelessness.

**Ms Armstrong:** Where that notice period has come along or there are issues with a tenancy, are you aware of the dispute resolution mechanism and how it works? Have you any thoughts on that type of process for tenants?

**Ms Long:** Yes. There are a number of dispute resolution models, here and in other jurisdictions, from which we can learn. Such models have worked well where landlords and tenants are able to come together and find an approach to dispute resolution that is timely, appropriate and proportionate. My insight into tenancy dispute mechanisms is that they need to be proportionate. They cannot be overly complex. They need to be timely for tenants and landlords and they need to be able to deal with this in an urgent way. When I say "urgent", I do not mean rapid. It needs to be a well-resourced model that could increasingly be provided — for example, by independents and voluntary or advice organisations that have a real knowledge of where and why disputes arise. We can learn from models elsewhere and from how the matter has been dealt with here.

**Ms Armstrong:** Your submission mentions:

*"an independent housing panel, which could provide an opportunity to resolve issues before they result in court action, eviction, or homelessness."*

At least there would be a place to which tenants, or even landlords, can go if there is a dispute. You mentioned the community and voluntary sector. Should anybody else be on that housing panel?

**Ms Long:** I know from our organisation that housing advisers, in the Housing Executive and in the voluntary and community sector, are really experienced and professional. They are experts in housing and complex legal issues. I would certainly bring together housing advice experts as well as contract and tenancy experts, legal advisers and so on. A small number of mediation experts would also be needed to develop those models. That feels about the right balance. I have listened to the evidence from organisations such as Housing Rights, Citizens Advice and others. All those organisations probably play an informal role right now and, in some cases, a formal role in dispute resolution. That is to be welcomed. Why would we not spend additional resource and energy on anything that can help tenants and landlords to resolve disputes and get to a position in which homelessness, or any volatility in somebody's housing circumstances, is prevented. That is to be encouraged.

**Ms Armstrong:** This is my final question. Your submission refers to the local housing allowance. I wonder about the role of the independent housing panel. Say, for instance, someone's rent has been put up and it is no longer anywhere near within their local housing allowance. That means that they cannot afford the rent, and, if they have 12-month contracts and have to give two months' notice, do you think that that independent housing panel could help to influence policy or advise the Department?

**Ms Long:** Absolutely. There are models elsewhere where independent panels do not just look at that issue on a case-by-case basis but are able to stand back and ask, "What are the strategic problems that need to be resolved?". You are absolutely right: that is exactly how we would see a panel taking a view. Yes, they would look at individual cases, but they would also be able to give insight and advice to government and to what bears a relation to that.

**Ms Armstrong:** Thank you.

**Ms McCauley:** Our housing solution staff have intervened like that before. As Grainia said, that is very much in our homelessness prevention strategy; that is what we are about. It is about getting in and having a panel at a very early stage so that we can get it resolved rather than getting into a legal dispute. In addition to that, we support Housing Rights and Citizens Advice, both of which have strong expertise in the area, so they are involved in that as well. As stated in our submission, we see the aim of the exercise being to get to a mediation position as early as possible so that we can try to keep the tenant in the property for as long as possible. If there is a long-term arrangement, that can be beneficial to the landlord too. It is better to have someone longer term, even if the rent is lower, than for a short period.

I want to come back on one or two questions that we have not answered; apologies on my side. As for where we set our stock, we rate our stock, using the SAP rating, from 0 to 100. Our stock at present is rated as being between 55 and 68, which hits from band D and links in with some of our good stock at band C. Ideally, we want our stock up at band C.

On the homelessness question, the private rented sector is utilised heavily at the moment, Mark. We are using 16% to 18% of homes in the private rented sector. A big part of that is because of COVID. When we had a number of lockdowns, we were not able to turn over our stock and could not do our change of tenancies. In addition to that, as Grainia said, because of social distancing, facilities with shared rooms or communal areas had to be remodelled. That led to a pressure in the system. We hope that, as we try to transition to living with COVID, being open all the time will allow us to utilise more of our stock again.

**The Chairperson (Ms P Bradley):** Thank you, Siobhan. I am conscious of time, folks. I know that Paul has a further question, but, before I move on, is anybody here required in the Chamber at 10.30 am? I know that I am down for bench duty, but I can sort that out. OK. That is fine. Paul, go ahead.

**Mr Frew:** On dispute resolution, your submission states:

*"The Housing Executive supports the establishment of an independent housing panel, which could provide an opportunity to resolve issues before they result in court action, eviction, or homelessness."*

What powers should an independent housing panel have? What disputes should it not get involved in?

**Ms McCauley:** The purpose of an independent panel would be to get us away from bringing a legal case that ends up going to court and having to do prosecutions. An independent housing panel would be an early stage intervention. It is about seeing whether we can come to some agreement. For example, if it is a case about rental for a short period, can we renegotiate the position on the rental? Can it be extended for a longer period? If there is a problem with the tenant, can we provide some wrap-around support to aid and assist the tenant? The independent panel that we are looking at is very much a first step in the process to try to get an early stage mediation.

**Mr Frew:** Given that the Housing Executive is a strategic regional housing authority and a landlord, would that independent housing panel be able to intercede in not only the private rented sector but Housing Executive stock?

**Ms Long:** As a landlord rather than a strategic housing authority, there are a number of dispute resolution mechanisms that are already built in to our role. For example, we have a well-established complaints process. In my experience, since coming into the organisation and spending a lot of time looking at how we undertake complaints, we take the view that we prefer to resolve an issue before it becomes a formal complaint. Again, our complaints data is openly available, and our approach to housing management is that we prefer to resolve issues before they become complaints.

If it becomes a stage 1 complaint, we will look at that at a local level. If a tenant wants to continue with a complaint, it moves to stage 2 and comes right through our complaints process to me, as chief executive and chief accounting officer. All tenants then have the right to go to the Northern Ireland Public Services Ombudsman (NIPSO) and so on. We have well-established procedures in place for tenants who feel aggrieved or unhappy. As I said, in the first instance, we will resolve issues well in

advance of their becoming complaints. As housing managers and housing professionals, we do that very proactively. As I said, all tenants have very clear rights in relation to resolving disputes. The panel will not necessarily add anything further to that, because we have a NIPSO-led and NIPSO-governed approach to complaints resolution and dispute resolution. That is my view.

**Mr Frew:** OK. That was very clear. As a strategic regional housing authority, should you play a part in interceding in dispute resolution involving private tenancies?

**Ms Long:** As the strategic housing authority, we will play whatever role is asked of us. That will always be our view. If it is the view of the Northern Ireland Executive and the Assembly that we can play a role in that and it is felt that we are the right organisation, I will certainly ensure that we have the resources, skills and capacity to do that in the right way. There is no in principle reason why that would be an issue at all. In the past, as an organisation, we have always ensured a holistic approach to looking across the tenures, so there is no in principle reason that that role would not sit with us.

I am not necessarily a great believer in assuming that everything has to be done by the strategic housing authority, and that is not in any way my passing the buck at all. I look to the skills and capacity in our voluntary and community sector partners too, and they have proven over the years that they have significant capacity, skills and experience. If we get the balance right, there is a *[Inaudible owing to poor sound quality]* model that could be developed, for sure.

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

**The Chairperson (Ms P Bradley):** I am very conscious of time, Grainia, so I do not want to keep you too much longer. I know that you will send stuff to us, but you could maybe send further information. Your submission states that there are not "sufficient numbers of long-term tenancies". How does that look? The submission also says:

*"templates could be drawn up for three different lengths of tenancy".*

It would be good for the Committee to know how that would work. There is also the build-to-rent model, which is available in Europe and GB. How would that work for tenants?

I want to ask you about something else. You can send all this on to us. Given that we are stuck for time, I am not asking you to give us answers right now. In the Republic of Ireland, rents are reviewed only every 24 months, with a 90-day notice having to be given. I do not know how long that has been in effect. Is there any evidence of how that is working? It would be good for the Committee to know that, because part of this is to do with the notice period and the increase in rents. You can send that through as well.

**Ms Long:** Certainly. There is a lot of research out there, and I have asked our head of research to look into the effect of regulation of rent levels and regulation of rent setting. There is a lot of research from the Republic of Ireland, which, when it was developing its model, looked to Germany. A number of cities in Germany have their own citywide approach to rent regulation, so there are a lot of lessons that can be learned. I am very happy to send that information to the Committee and to follow up.

It may be useful, Chair, if you would like, for us to come back at some point to talk to you about — it is a very complex area — how we are using accommodation in the private rented sector. Our temporary accommodation strategy, which is out to consultation, is very clear, and I feel very strongly that we need to develop longer-term strategic partnerships in the private sector to meet housing need. Ultimately, I really want to meet need through more social housing. We want to do that more and more with our housing association partners. There will always be a need for us to work with partners in the private rented sector. A longer-term model is certainly needed. Right now, it feels too volatile and too exposed to the market. Rents are going up. I do not want public subsidy to be chasing private sector rents; that does not feel like good value for public money. We need to get the balance right. That is why I would like to explore long leasing models. That, essentially, is what I mean when I talk about long-term strategic partnerships. They have to be based on professional standards, standards of management, property standards and all the things that we are trying to achieve with the Bill. That would have a really positive effect, but I would want it to be seen as one solution alongside much more permanent solutions, such as social housing at scale, where, alongside having a home in social housing, you have a lifetime of services and housing management services. That is the critical piece that I want to make sure that all tenants and everybody on the waiting list can access. We know that we are a long way from that, but a lot of work has been undertaken to get us there.

**Ms McCauley:** They also professionalise the private-sector independent panels.

**The Chairperson (Ms P Bradley):** That is grand. Will you send that information on? We are very pushed for time. We will certainly have you back. We are planning a stakeholder event. Lots of people have contacted us about the homelessness strategy and any housing strategy that goes forward. We intend to hold some events around that, so we will need you back in to discuss those things at length. If you could forward on anything to do with the Bill and the questions that have been asked, that would be really appreciated. Thank you very much for your time today.

**Ms Long:** Thank you very much.