

EXPLANATORY MEMORANDUM TO

The Registered Rents (Increase) Order (Northern Ireland) 2016

SR 2016 No. 255

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department for Communities to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under Article 55(5) and (6) of the Private Tenancies (Northern Ireland) Order 2006 and is subject to the negative resolution procedure.

2. Purpose

- 2.1. The purpose of the Order is to allow for increases in rents of statutory and protected tenancies in those properties that meet the housing fitness standard. Rents entered on the register during 2nd April 2007 and 3rd April 2016 will be entitled to be increased by 1.3 percent.

3. Background

- 3.1. It has been established practice that each year the Department for Communities in conjunction with the Rent Officer for Northern Ireland reviews the levels of rents entered on the rents register and makes an Order to allow an increase to take account of the cost of living. The amount of increase has traditionally been the same as that applied to Housing Executive rents. However the Minister on DFP's advice informed NIHE to freeze rents for 2016. Housing Association intend to increase their rents by approx 1.375 percent. Retail Price Index(RPI) is currently 1.3 and Consumer Price Index (CPI) 0.3 (as at January 2016). The rent officer has recommended that an increase of 1.3 percent in line with CPI of 0.3 percent plus an uplift of 1 percent (totalling 1.3 percent) be applied to those properties that meet the fitness standard.

4. Consultation

- 4.1. Consultation was not necessary as the power to review registered rents and to subsequently increase them is provided in the Private Tenancies (NI) Order 2006.

5. Equality Impact

- 5.1. Consideration was given to compliance with section 75 of the Northern Ireland Act 1998. The Order has no negative impact on any equality group and it is considered that an Equality Impact Assessment is not required.

6. Regulatory Impact

- 6.1. A regulatory impact assessment is not considered necessary because registered rents are being increased by in line with CPI of 0.3 percent plus uplift of 1percent (totalling 1.3 percent).

7. Financial Implications

7.1. There are no financial implications

8. Section 24 of the Northern Ireland Act 1998

8.1. The Department has considered section 24 of the Northern Ireland Act 1998 and is satisfied that the rule is not incompatible with any of the convention rights; is not incompatible with community law; does not discriminate against a person or class of person on the ground of religious belief or political opinion; and does not modify an enactment in breach of section 7 of the Northern Ireland Act 1998

9. EU Implications

9.1. Not applicable

10. Parity or Replicatory Measure

10.1. There is no equivalent legislation in Great Britain as private tenancies are governed differently. There are therefore no parity or replicatory issues.

11. Additional Information

11.1. Not applicable