These notes refer to the Private Tenancies Act (Northern Ireland) 2022 (c.20) which received Royal Assent on 27 April 2022

# Private Tenancies Act (Northern Ireland) 2022

## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS** Section 7:

#### **Regulation of rent**

#### **Rent decreases**

This section inserts a new Article 5C into the 2006 Order. New Article 5C gives to the Department the power to make regulations to introduce a rent decrease of up to 10% or a rent freeze for a maximum period of 4 years. Under paragraph (6) the Department is under a duty to carry out a consultation as to whether it should exercise those powers. A report on the consultation must be prepared and laid before the Assembly within 6 months of the date this Act receives Royal Assent. If the Department does not make regulations under the Article within 12 months of laying the report, the Article (and therefore the power to make the regulations) ceases to have effect.

#### **Restriction on frequency of rent increases**

This section inserts new Articles 5D and 5E into the 2006 Order. New Article 5D applies to any private tenancy except a controlled tenancy and provides that the rent payable under a private tenancy may not be increased within the period of 12 months beginning with the date on which the tenancy is granted or within the period of 12 months beginning with the date on which the last increase began.

The Article also gives the Department the power to specify circumstances, such as where a house is renovated or extended, in which the restrictions on rent increases do not apply. The Department is also given the power to make regulations to amend the time periods during which rent increases are prohibited to periods above 12 months, up to a maximum of 2 years.

New Article 5E applies to any private tenancy except a controlled tenancy and provides that a rent increase only takes effect if a landlord gives the tenant a written notice that complies with the requirements of that Article. The notice must specify the date of the increase and the amount of rent payable after the increase; the date specified must not be less than 3 months after the date the notice is given; and the notice must also contain such other information and be in such form as may be prescribed by regulations made by the Department.

Subsection (3) of the section amends Article 72 of the 2006 Order. Article 72 contains provisions concerning the making of regulations under the Order. It is amended here to provide that regulations made under Article 5C or Article 5D are subject to the draft affirmative procedure.

It is also amended to provide that where the Department proposes to make regulations under Article 5D to change a time period during which rent may not be increased it must, before laying the draft of the regulations before the Assembly, consult representatives of landlords, representatives of tenants and such other persons as it considers appropriate.