

EXPLANATORY MEMORANDUM TO

The Landlord Registration Scheme Regulations (Northern Ireland) 2014

1. Introduction

- 1.1 This Explanatory Memorandum has been prepared by the Department for Social Development to accompany the above Regulations which are laid under the draft affirmative resolution process before the Northern Ireland Assembly.
- 1.2 These Regulations are made under Article 65A of the Private Tenancies (Northern Ireland) Order 2006.

2. Purpose

- 2.1 The purpose of the Regulations is to give effect to the landlord registration scheme including the functions and responsibilities of the scheme registrar. They detail the information which a landlord must provide to the registrar in order to register and continue to be registered. A landlord as well as any person acting on behalf of the landlord in relation to a tenancy must register.

3. Background

- 3.1 In March 2010, the Department published its strategy for the private rented sector 'Building Sound Foundations' which included a number of recommendations for the sector. The introduction of a mandatory 'light touch' landlord registration scheme will establish better regulation of the sector.
- 3.2 A register of all private landlords will give councils the means to work and communicate with landlords, allow them to ensure that landlords comply with the law, raise standards and where necessary take enforcement action.

4. Consultation

4.1 Building on the provisions in the Housing (Amendment) Act (Northern Ireland) 2011, which was consulted on at the beginning of 2010 a landlord registration stakeholder forum representing all relevant parties with an interest in the private rented sector was established. This group used the learning and experience from Scotland where landlord registration has been in existence since 2006, to develop a specification and subsequently a set of draft regulations.

5. Equality Impact

5.1 The Department considers that this legislation is in compliance with Section 75 of the Northern Ireland Act 1998. A full equality impact assessment did not have to be carried out as the policy has been screened out. No adverse equality differentials are foreseen on Section 75 groups and it will have a positive impact on all equality groups.

6. Regulatory Impact

6.1 A Regulatory Impact Assessment (RIA) has been prepared for the Landlord Registration Scheme Regulations (Northern Ireland) 2012 and is attached to this memorandum at Annex A.

6.2 DSD has considered how the Regulations meet with the requirement for Better Regulation and it is considered that a registration scheme will have a positive impact on business.

7. Financial Implications

7.1 Initial start up costs will be incurred by the Department. However, the running and maintenance costs for the scheme will be met through a fee payable by the landlord (amount of which remains under consideration) for a three year period.

8. Section 24 of the Northern Ireland Act 1998

8.1 The Department has considered its obligations under section 24 of the Northern Ireland Act 1998. It is the Department's judgement that the Landlord Registration Scheme Regulations (Northern Ireland) 2012:-

- are not incompatible with the Convention rights;

- are not incompatible with Community law;
- do not discriminate against any person or class of person on the ground of religious belief or political opinion; and
- do 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 This is stand alone legislation for Northern Ireland and there is no impact on GB devolved administrations.
- 10.2 In Scotland provisions for landlord registration are contained in the Anti-social Behaviour etc. (Scotland) Act 2004.
- 10.3 In the Republic of Ireland provision for tenancy registration are contained in the Residential Tenancies Act 2004.
- 10.4 In early 2012, both **Wales** and the **Isle of Man** announced proposals to bring forward landlord registration schemes. In the **Isle of Man**, it is hoped to have legislation in place by 2013, although a voluntary code is being implemented earlier.
- 10.5 In August 2009, it was announced that a landlord registration scheme would be introduced in **England**. However, following a change in administration, these plans were shelved in June 2010, much to the disappointment of Shelter and the Association of Residential Letting Agents. More recently, in November 2011, the Coalition Government launched its Housing Strategy for England which avoids regulatory burdens on landlords and relies on local authorities to make full use of their robust powers to tackle rogue landlords.

11. Additional Information

11.1 Not applicable