



PAPER 4

Private Rented Sector

**NORTHERN IRELAND HOUSING
MARKET REVIEW** 2024/25

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Foreword

I am delighted to introduce this first edition of our refreshed Northern Ireland Housing Market Review, which we are pleased to re-establish as an annual publication and a resource for the collation and dissemination of housing-related data.

In developing the new format, the Housing Executive's Research Team consulted with colleagues and stakeholders in the housing sector; we are grateful for their input, and that of the editorial team, which provided both feedback and content.

Alongside this report, a series of data tables will be made available, which will allow for all data contained in the publication to be downloaded and used by the reader. These data tables will be updated throughout the year, as and when new figures are released.

This report is published against a backdrop of acute housing supply challenges, however we welcome the specific priority attached to housing supply in the new Programme for Government, coupled with the Housing Supply Strategy. It places important emphasis on the development of the right kind of housing in the right places. As well as providing much-needed homes for those in housing need, this focus on delivery will also make a significant contribution to the local economy and the stability of the construction sector for years to come. Reducing homelessness and housing stress are a key NI Executive priority with a welcome focus on prevention and collaboration across departments.

Our mission – as set out in our Corporate Strategy for 2025/26 – 2027/28 is to ensure that housing helps resolve some of our greatest challenges. Through good housing, we aim to help end health inequalities, prioritise early intervention and prevention, protect our communities from climate change, and drive sustainable economic growth.

We are ambitious about what can be achieved over the next ten years. As we plan future activities, the data, research and information brought together in this comprehensive document provides a critical evidence base for us as an organisation. We trust that it will also be a useful reference point for our partners and stakeholders across and beyond the housing sector.

Grainia Long
Chief Executive

Introduction

The Northern Ireland Housing Market Review consists of a series of papers covering a range of housing topics, market data, analysis and commentary which is designed to provide important background and contextual information for the development of housing strategies and housing policy as well as direct intervention in the housing market.

It draws together key statistics compiled by the Housing Executive, Government departments, universities, and the private sector. The intention is that this document will become an annual publication and will contribute to the formation of the Housing Executive's Corporate and Business Plans, thereby helping to guide the organisation's intervention in the housing market and providing an important means of monitoring the strategic impact of this intervention.

Papers 1 & 2 (Economic Overview and Review of NI households) provide a summary of trends in the economy and key demographic indicators from the most recent Census (2021).

Papers 3, 4 and 5 (House Sales and Affordability, Private Rented Sector and Affordable Housing) examine trends and developments in each of the three main housing tenures: social housing, the private rented sector and owner occupation. Each paper highlights the key issues emerging from the analysis, research gaps and the strategic perspective.

Paper 6 provides an overview of the assessment of housing need.

Paper 7 focuses on the development process for the new Housing Supply Strategy.

Additional papers will be released over the coming months via the Housing Executive website.

I would like to take this opportunity to extend my thanks to the editorial team members and our team of Housing Executive researchers who have dedicated considerable time to the production of this report and associated data tables. I hope you find the papers of this report useful and informative.

Ursula McAnulty
Head of Research

Acknowledgements

We would like to thank the members of the editorial team and all those who contributed to the compilation of the data and commentary contained in the Northern Ireland Housing Market Review 2024/25.

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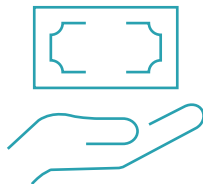
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Key Data



6.4%

6.4% annual increase in average rent in Northern Ireland
(December 2024)



£903

average rent is **£903**
(December 2024)



downwards trend in rental transactions over recent years



£1,011

Belfast has the **highest average rent of £1,011**
(H2, 2024)



£687

Fermanagh & Omagh has the **lowest average rent of £687**
(H2, 2024)



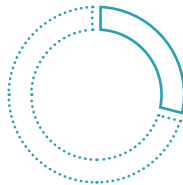
rental price growth ahead of **house price** growth during 2024



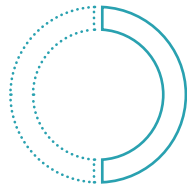
increasing affordability issues in PRS



43%
43% of lower quartile income spent on **lower quartile rents**
(H2, 2024)



29%
29% of median income spent on **lower quartile rents**
(H2, 2024)



50%
Belfast has **50% of lower quartile income** spent on **lower quartile rents**
(H2, 2024)

4. Private Rented Sector

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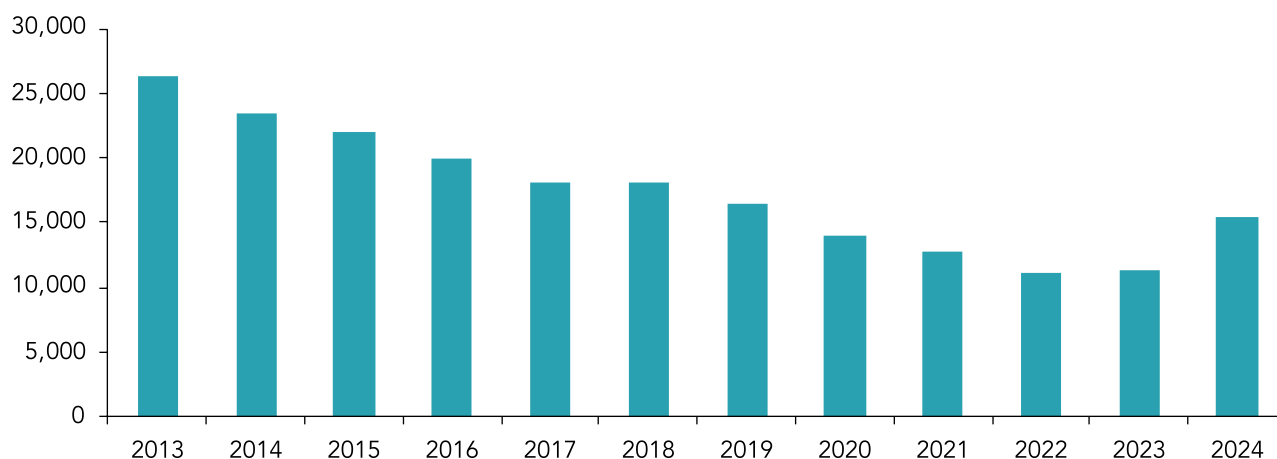
The Private Rented Sector (PRS) has grown significantly over the last 30 years and now forms a substantial and vital part of the local housing market (17%, NI Census 2021). The PRS provides a housing option for a diverse range of households. The sector is characterised by a large number of landlords who own one or two properties. One of the attractions of the PRS is that it provides a flexible housing option, which enables individuals and families to adapt their accommodations to changing family circumstances quickly. A well-developed private rented sector with affordable and secure tenancies offers choice in the housing market and helps to ease supply pressures. Countries such as Germany and Switzerland with established private rental sectors have been less exposed during 'housing booms' than those with less mature rental sectors like Spain and Northern Ireland.

Rental Index

Since 2013, the Housing Executive and University of Ulster have collaborated to track and analyse the rental market in Northern Ireland, producing biannual and annual reports. The year 2024¹ saw continuing challenges for the private rental sector, relating to the impact of a decline in market supply and considerable economic challenges linked to discretionary household income and high mortgage rates, which have driven rental price inflation. Rental prices continue to increase just as the rising cost of living continues to impact on the affordability of housing for many households.

The rental index analysis recorded a 6.4% annual increase in average rent in Northern Ireland, with average rent reaching £903 by December 2024. This is despite a general downward trend in the number of rental transactions over previous years. While an uptick in annual transactions was recorded for 2024, this is considered to be due to an increase in the volume of the dataset used and therefore should be considered with caution.

[1. PrivateRentalReport_H2-2024](#)

Figure 4.1: Annual Rental Transactions (NI) 2013 - 2024

Source NIHE/UU

During the second half of 2024, average rental prices across council areas varied significantly with Belfast commanding the highest average rents at £1,011 followed by Lisburn & Castlereagh (£980) and Ards & North Down (£900). In contrast the more rural council area of Fermanagh & Omagh commanded an average rent of £687, followed by Armagh, Banbridge & Craigavon council (£737). All council areas recorded an annual increase in average rental prices with Causeway Coast & Glens (+12.4%) and Fermanagh & Omagh (+12.2%) recording the biggest percentage increases, double the average increase recorded for Northern Ireland as a whole (+6.4%). Notably Armagh, Banbridge & Craigavon council area recorded the smallest increase in annual average rental prices (+0.4%), followed by Mid & East Antrim (+3.9%). Overall, the annual average rent across council areas outside Belfast increased by +9.2%, compared to +6.6% within Belfast. The analysis highlights the ongoing rental pressures in commuter and urban council areas, particularly the Greater Belfast areas, with demand greatly outstripping supply.

Table 4.1: Average Rents by LGD, H2 2024

Council area	Average rent H2 2024 (£)	Annual Variance
Antrim & Newtownabbey	£828	8.5%
Ards & North Down	£994	7.9%
Armagh Banbridge & Craigavon	£737	0.4%
Belfast	£1,011	6.6%
Causeway Coast & Glens	£810	12.4%
Derry & Strabane	£786	9.9%
Fermanagh & Omagh	£687	12.2%
Lisburn & Castlereagh	£980	6.9%
Mid & East Antrim	£774	3.9%
Mid-Ulster	£739	9.3%
Newry Mourne & Down	£849	8.0%
Northern Ireland	£903	6.4%

Source NIHE/UU

The market structure of the transacting rental stock has remained broadly consistent annually with the longer- term trends. In H2 2024², the terrace/ townhouse sector accounts for the largest proportion of market share in Northern Ireland (39%), followed by apartments (32%). The market share of the semi-detached sector has slightly decreased since H2 2023 (17% vs 19% in H2 2023), and the detached sector (12%) is relatively unchanged. In the Belfast rental market, the market proportion of terrace/townhouses increased marginally (45% vs 42% in H2 2023), while the market share of apartments decreased marginally (44% vs 46% in H2 2023). Comparison of Council areas/LGD's outside Belfast City Council Area (BCCA) highlights the much higher proportion of private rental apartments in use in Belfast while semi-detached properties make up a greater proportion of rental properties across council areas excluding BCCA. The Belfast housing rental market appears to provide more limited options for families and larger households. Council areas outside BCCA appear to provide more choice for families and those seeking longer term housing solutions via the private rented sector with semi-detached and detached options more readily available.

² H2 refers to the second half of 2024.

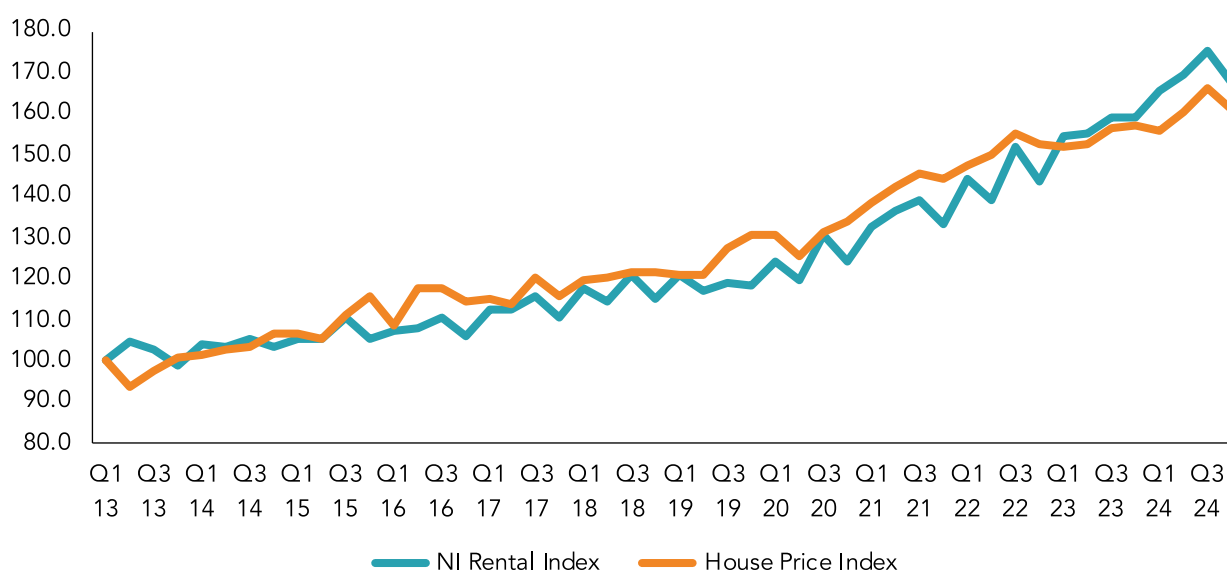
Table 4.2: Properties Let by Type, H2 2024

Property Type	NI H2 2024	BCCA H2 2024	LGDs H2 2024
Apartment	2,909 (32%)	1,623 (44%)	1,286 (24%)
Terrace/townhouse	3,553 (39%)	1,693 (45%)	1,860 (35%)
Semi-detached	1,524 (17%)	325 (9%)	1,199 (23%)
Detached	1,073 (12%)	88 (2%)	985 (19%)
All	9,059	3,729	5,330

Source NIHE/UU

LGDs = Council areas excluding Belfast/BCCA.

The Northern Ireland Private Rental Index is produced by Ulster University as part of a suite of analysis on the local rental sector. The university also provides a suite of analysis on house prices locally including a house price index. Tracking and measuring the change in average rents since Q1 2013 (Base quarter) the index stands at 167.4 as of December 2024, representing an increase of almost 9% compared to December 2023. There is a clear upward trend reflected in the rental index, although this trend is volatile compared to the House Price Index which displays a generally smoother ascent over the last 11 years. While a rental index downturn was recorded in December 2024, this could simply be seasonal slowdown or reflective of the general volatility in the rental index trend. Overall, the rental index shows continuing strong growth in rental prices, surging ahead of house price growth during 2024. This could be concerning considering the increasing affordability challenges in the PRS, limited supply and intense demand. Low-income households have very limited housing options and innovative rental products are needed to improve affordability of the PRS for such households.

Figure 4.2: Northern Ireland Private Rental Index and House Price Index Q1, 2013 - Q4 2024

Affordability in the PRS

Loss of rented accommodation continues to be one of the main reasons for homeless presentations, and welfare reforms such as the introduction of Universal Credit and the freeze on benefits have highlighted the role of benefit support to low-income households as a form of subsidy to support housing costs. Research carried out by Housing Rights in 2018³, found that renting privately in Northern Ireland was becoming increasingly unaffordable for people who rely on housing benefit to pay their rent. Almost nine out of ten rental properties were out of reach for people receiving housing benefit, with the research showing that as little as 12% of properties in the sector would have their rent fully covered by the amount of benefit available.

Ulster University provides analysis of affordability utilising rental index data and data on median gross earnings from the Annual Survey of Hours and Earnings (ASHE) which does not include welfare benefits. During H2 2024 lower quartile rent required 43% of a lower quartile income, in comparison lower quartile rent required 29% of a median income. The standard threshold for affordability is generally considered to be 30% of income or below.

Table 4.3: Affordability H2 2024

Region	Median rent as % of median income	Average rent as % of average income	Lower quartile rent as a % of median income	Lower quartile rent as a % of lower quartile income
NI	37.6%	33.0%	29.1%	43.1%
Belfast	37.7%	35.6%	33.3%	49.8%

Source NIHE/UU

3. McAuley, M. (2019) 'Falling behind: Exploring the gap between Local Housing Allowance and the availability of affordable private rented accommodation in Northern Ireland', Housing Rights.

Lower-income households are facing affordability challenges in the PRS with over two fifths of their income required to pay even the lowest rents, and the increase in homelessness due to loss of rented accommodation is most likely due to the unsustainable position many low-income households are living in as PRS tenants. A median income household could find lower quartile rents a challenge as the percentage of median income required is very close to the affordability threshold of 30%. Indeed, the analysis shows that median rent as a percentage of median income is already well beyond the affordability threshold at 38%. If rents continue to increase the implication is that both low and median income households will experience increasing affordability challenges in the PRS and increasing loss of rental accommodation.

Lower income households in Belfast are particularly impacted by unaffordable rents in the lower quartile which consume almost half (49.8%) of lower quartile income.

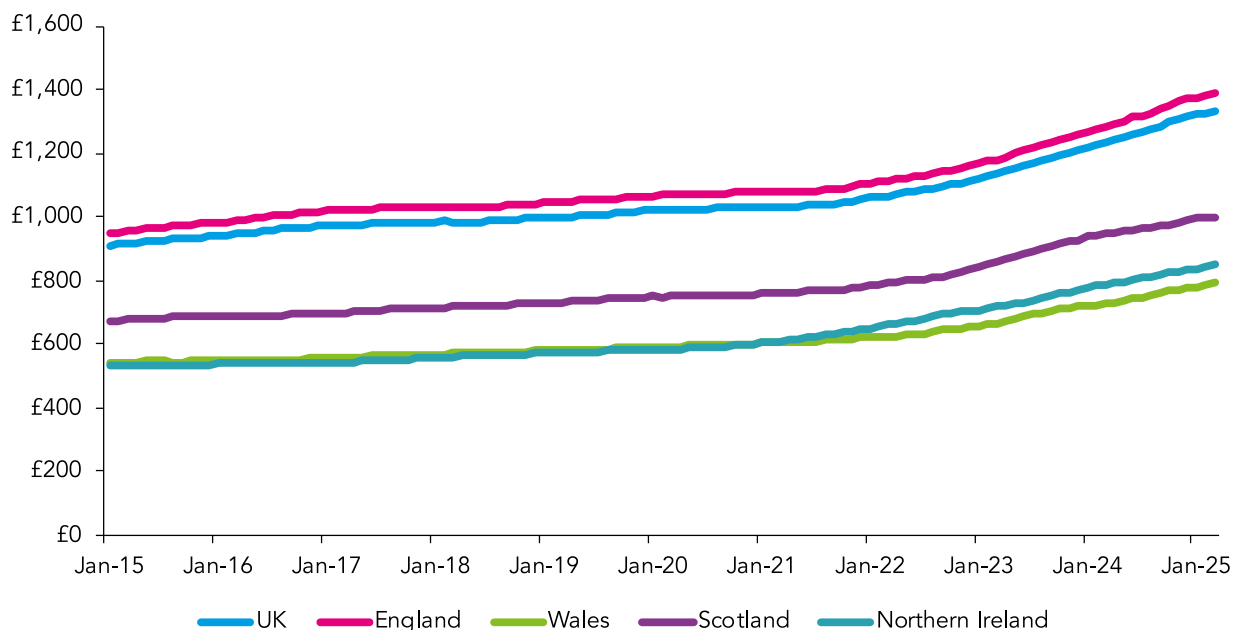
It is worth considering the people who are not represented by this data – the households with a primary income based on benefits who cannot access social housing due to lack of supply and live in financial precarity in the PRS. The affordability challenges such households face are likely to be well beyond those explored in the data above. Affordable alternatives within the PRS are needed to offer choice and to ensure a sustainable supply of homes as part of the wider housing supply system.

Comparative Private Rental Prices - UK Regions

The Office for National Statistics has developed a new national Price Index of Private Rents (PIPR⁴) which from March 2025 includes all regions of the UK, to provide comprehensive analysis of average regional rent levels. As the PIPR is an official statistic in development, there are currently differences in measurement across regions at this point and findings should be considered with some caution.

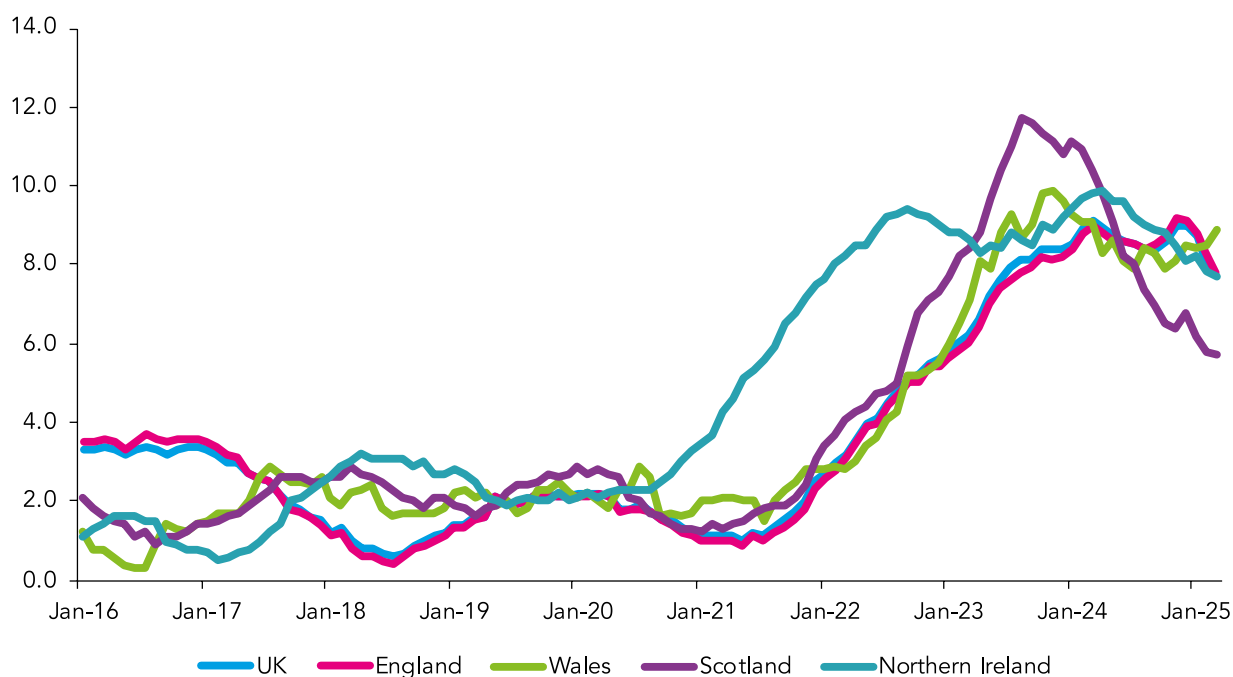
Based on PIRP analysis average monthly private rent for the UK in March 2025 was £1,332, a 7.8% increase over the previous 12 months. In comparison, the average monthly private rent in Northern Ireland was £848 in March 2025, also a 7.8% increase over the previous 12 months. Wales recorded the lowest average monthly private rent at £792 while England recorded the highest average rents at £1,386 in March 2025. Scotland recorded the lowest annual increase of 5.7% with an average rent of £1,001 in March 2025. It is worth noting the clear uptick in average monthly rents across all regions of the UK since the summer of 2021.

4. <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/privaterentandhousepricesuk/march2025>

Figure 4.3: Average Monthly Private Rent (£), UK and its countries, January 2015 - March 2025

Source: ONS

A similar increase is recorded in private rent inflation although based on the PIRP analysis Northern Ireland private rent prices recorded significant inflationary increases since summer 2020, a year before a similar trend was noted across the other UK regions.

Figure 4.4: Private Rents Annual Inflation January 2016 - March 2025

Source: ONS

Local Housing Allowance rates

Local Housing Allowance (LHA) is set by UK Government and determines the amount of Universal Credit housing costs or Housing Benefit to which private renters are entitled. LHA rent levels are based on the number of bedrooms in the home and on which of the eight Broad Rental Market Areas (BRMAs) the home is located. Northern Ireland is split into eight BRMA areas for the purpose of calculating the LHA rate. There are five property types within all of the BRMA areas for which the LHA rate is set: shared accommodation; one bedroom; two bedroom; three bedroom and four- bedroom. The LHA rate for the five property types within each of the eight BRMA areas (40 rates in total) are set by NIHE in April each year, based on the information gathered on advertised rents throughout Northern Ireland in the preceding year.

In April 2020, the LHA was frozen at a level that covered the cheapest 30% of rents and rates were not increased with inflation or rising rents. If a claimant's rent was higher than the relevant LHA rate in their area, support was capped. Since then, rent prices have continued to rise, while LHA has stayed the same meaning that the rate covers less than the original 30% of properties it was aligned to⁵. In 2020 the average monthly rent in Northern Ireland was £657, by 2023 it had increased to £833. In March 2023, 59,340 households in Northern Ireland were in receipt of LHA through their housing support and 82% (48,890) had a shortfall between their benefit and their rent. The average shortfall was £103 per month⁶.

In the 2023 Autumn Statement, the Government announced an end to the four-year cash freeze in LHA rates⁷. Since April 2024 rates have been determined by:

- The size of property a household is entitled to, with bedroom entitlement based on family size and characteristics.
- The 30th percentile rent for properties of different sizes within each local BRMA, based on rents surveyed in the year to September 2023, up to national maximum amounts.

However, in October 2024 the UK Government announced a new freeze on LHA rates at the April 2024 level. Since the introduction of LHA there has been a lack of consistency in the frequency of uprating or indeed what the uprating is based on (e.g. CPI/inflation, 30th percentile of rents or other percentages). As rents continue to increase in the PRS, affordability issues will also increase, leaving an increasing proportion of low-income households struggling to afford private rented accommodation⁸.

5. Morrison, S. (21 November 2023) 'The human cost of the Local Housing Allowance freeze', Housing Rights, NI.

6. Morrison, S. (21 November 2023) 'The human cost of the Local Housing Allowance freeze', Housing Rights, NI.

7. [Local Housing Allowance \(LHA\): Help with rent for private tenants - House of Commons Library \(parliament.uk\)](#)

8. <https://researchbriefings.files.parliament.uk/documents/SN04957/SN04957.pdf>

Private Tenants Survey (2020)

As part of its role as the Strategic Housing Authority for Northern Ireland, the Housing Executive commissioned an online survey of tenants and private landlords in Northern Ireland. The sample was drawn from tenants who had their deposits registered with the Tenancy Deposit Scheme (Northern Ireland) or TDS (NI). A total of 2,527 private tenants took part in the online survey between November 2020 and January 2021.

Focusing on affordability within the sector, the vast majority of tenants surveyed paid rent monthly with the average amount being £551.08⁹. More than one third of tenants who took part in the survey were in receipt of benefits to assist with housing costs (36%) including: 22% in receipt of Housing Benefit (HB) and 12% in receipt of Universal Credit (UC) housing costs.

For most tenants who received help with their housing costs, the HB or UC they received did not cover their rent/shortfall (83%). Shortfalls varied, however the average minimum shortfall reported was approximately £140 per month with many respondents experiencing shortfalls higher than this amount. Half (49%) of respondents who had a shortfall in their rent payments stated they found it difficult to afford the shortfall. One in ten used a Discretionary Housing Payment (DHP) to manage the shortfall and more than half (51%) agreed that the DHP prevented them from becoming homeless. More than one third (36%) of respondents in receipt of HB or UC also reported difficulty securing a tenancy while in receipt of housing related benefits. Overall, more than half (52%) of all respondents had difficulty finding suitable PRS accommodation, the main reason for this was difficulty in finding affordable accommodation in the sector (64%).

Clearly there is an ongoing issue of affordability for lower income households living in the PRS who are left with few affordable housing options. More than one third of respondents (or their partners) have been on the social housing waiting list for more than 5 years with little prospect of being allocated a social home. For the two fifths (43%) of respondents currently planning on remaining in the PRS the issue of affordability may well become more pressing, especially in the current economic climate. Regarding access to the sector, approximately two-fifths of all respondents found deposits and rent in advance difficult to pay. More than one quarter of tenants (27%) also stated that the reason they were living in the PRS was the difficulty in raising a deposit to purchase their own home. One third (30%) of all respondents planned on moving to the owner-occupied sector in the future.

9. NIHE Research (2024), Private Tenants Survey 2020 – publication pending

Strategic Review

In 2010, recognising the importance of the Private Rented Sector, The Department for Social Development published a Private Rented Sector Strategy, Building Sound Foundations⁹, which had a primary objective to create the conditions in which the Private Rented Sector could contribute to meeting changing housing needs. Changes implemented as a result of this Strategy, included the introduction of a longer notice to quit period and tenancy deposit and landlord registration schemes for Northern Ireland. More recently the Action Plan for the Department for Communities Housing Strategy for Northern Ireland (2012 - 2017) included a commitment to make the Private Rented Sector a more attractive housing option.

During the Covid-19 pandemic, temporary arrangements were brought in to protect tenants under the Private Tenancies (Coronavirus Modifications) Act (Northern Ireland) 2020. This included the modification of the notice periods that landlords had to give tenants to quit the premises and the suspension of court proceedings that allowed landlords to evict tenants.¹⁰

Regulation

There have been several recent legislative and policy changes in the PRS and not all have been fully implemented. The Private Tenancies Act (NI) 2022 (the Act) received Royal Assent on 27 April 2022 and amends the Private Tenancies (NI) Order 2006. The first phase of implementation commenced on 1 April 2023 and covered Sections 1-6 of the Act. These sections specified the need to provide certain information to tenants, the requirement for receipts for cash payments, the limit on the amount of deposit to no more than one month's rent and an increase in the time to protect these deposits.

Section 7 of the Act contains two separate parts. Part 1 deals with rent decreases and placed a duty on DfC to research and consult on the implications of a rent freeze of up to 4 years or rent decrease of up to 10% and to lay a report before the Assembly by the deadline laid out in the Act. The Act contained a sunset clause which detailed that power to make regulations on this matter (to freeze or cut rents) would expire 12 months after the date the report was laid. This deadline passed on 28th October 2023.

Part 2 which contains the power to restrict the frequency of rent increases to once in any 12-month period remains. There is no sunset clause in relation to this provision. At time of writing (August 2025) the Department is currently considering whether to commence the power to restrict the frequency of rent increases to once in a 12-month period with 3 months' notice, as part of this next phase of PRS reform.

10. <https://www.northernireland.gov.uk/news/legislation-protecting-private-renters-extended>

Section 8 of the Act Smoke, Heat and Carbon Monoxide alarms Regulations came into force on the 30 May 2024. This means it is a mandatory requirement for private landlords to provide smoke, heat, and carbon monoxide detectors within their property. Non-compliance will be an offence, and Councils can issue a fixed penalty notice or proceed to take court action. Section 10 of the Act - The Electrical Safety Standards for Private Tenancies Regulations (Northern Ireland) 2024 requires all private rental landlords to undertake 5 yearly certified electrical safety inspections of the hard-wired electrical wiring installation by an electrician within their rental properties and have any arising remedial action undertaken within the specified timeframe. The Regulations are operational for all new private tenancies granted on or after 1st April 2025, while existing tenancies granted before this date must comply with the regulations by the 1st of December 2025.

Section 9 of the Act relates to Minimum Energy Efficiency. At the time of writing, DfC is scoping out what needs to happen to underpin the setting of minimum energy efficiency standards for the private rented sector. Work may take up to three or four years to complete, as it involves complex considerations which cut across the remits of a number of Departments. Considerations include what financial assistance that may be required to help bring properties up to set standards. The work will also have to be taken forward in the context of wider work around fitness standards.

Section 11 of the Act amends the notice to quit period for both tenants and landlords, dependent on how long the tenancy has existed.

Currently, the landlord must give their tenant a minimum notice to quit period:

Length of tenancy	Notice to quit
Tenancy not been in existence for more than 12 months	No less than 4 weeks' written notice
Tenancy has been in existence for more than 12 months but not more than 10 years	No less than 8 weeks' written notice
Tenancy has been in existence for more than 10 years	No less than 12 weeks' written notice

Currently, the tenant must give their landlord a minimum notice to quit period:

Length of tenancy	Notice to quit
Tenancy not been in existence for more than 10 years	No less than 4 weeks' written notice
Tenancy has been in existence for more than 10 years	No less than 12 weeks' written notice

Source: <https://www.communities-ni.gov.uk/articles/private-tenancies-act-northern-ireland-2022>

Section 11 of the Act also allows for much longer notice to quit periods as follows:

- 8 weeks, if the tenancy has not been in existence for more than 12 months;
- 4 months, if the tenancy has been in existence for more than 12 months but not for more than 3 years;
- 6 months, if the tenancy has been in existence for more than 3 years but not for more than 8 years; and
- 7 months, if the tenancy has been in existence for more than 8 years.

However, before these longer notice periods can apply, regulations on exceptions to the longer notice periods must be in place. Work on a robust EQIA is under way to inform the drafting of these regulations to ensure compliance with the Human Rights Act.

Northern Ireland has fallen behind other jurisdictions in relation to regulation of letting agents and stakeholders recognise the need for some form of regulation which would serve to protect both tenants and landlords. DfC recently carried out research on letting agent regulation in regard to fees and practices for Northern Ireland. The research recommended a wide-ranging approach to letting agent regulation and banning of fees, including introducing new legislation for customer protection, letting agent registration and the setting of minimum education. However, given the pressing issues currently facing the private rented sector and the limited time remaining in the current mandate, it is understood that the Department is not resourced to progress letting agent regulation at this time.

Student Accommodation

Alongside the rapid expansion of student numbers over the last three decades, a further planned expansion in student numbers in Ulster University's Magee campus, and the move by Ulster University from Jordanstown to Belfast City Centre, has resulted in increased provision/planned provision of Purpose Built Managed Student Accommodation (PBMSA). This accommodation type is specifically for full-time students in higher or further education. The key difference between this type of accommodation and the traditional Houses in Multiple Occupation (HMO) type of student accommodation is that it is specifically designed and constructed for students and it is professionally managed by a specialist student housing operator or university partner. For students, this offers convenience safety and a community environment. For universities, this reduces pressure on campus accommodation and for investors it provides a stable rental income with relatively predictable demand cycles. To date, much of this type of development has taken place in Belfast, due to Belfast having one of UK's largest student population outside London.

Since 2016, there has been approximately 5,000 PBMSA across 12 schemes with a further 6000 units expected or in planning. In Belfast, due to concerns about the scale and magnitude of proposed PBMSA development and the likely impacts it could have on the character of small geographic areas within the city, Belfast City Council developed guidance. This guidance addresses how the need and demand for the student accommodation can be accommodated within the City Centre, while protecting the amenity of areas where PBMSA developments are likely to be concentrated and avoiding concerns that excessive student accommodation may undermine the character and function of the area. While there are different price points across the different PBMSA schemes, cost can often exceed what is deemed to be affordable for students. The existence of PBMSA does offer quality bespoke accommodation for students which helps to ease pressure on wider private rented sector.

At present, Northern Ireland's private rental sector is experiencing change characterised by rising rents limited supply, and ongoing policy reforms. The PRS has a higher proportion of poorer standard housing compared to the social or owner-occupied sectors in Northern Ireland. A focus on raising housing standards in the PRS is much needed. Less than half (43%) of private tenants' surveyed in 2020¹¹ by the Housing Executive aspired to remain in the sector. For a significant proportion of tenants' private rental accommodation was the only housing option accessible to them (32%) while more than one fifth (23%) rented private accommodation due to the length of the social housing waiting list. More than one third of the tenants surveyed (36%) were in receipt of help with their housing costs and for the majority (83%) the HB or UC they received did not cover their rent/ shortfall. Overall, more than half (52%) of all respondents had difficulty finding suitable PRS accommodation, the main reason for this was difficulty in finding affordable accommodation in the sector (64%). The survey findings suggest that private rental accommodation is a forced choice for many lower income households who cannot access social or affordable housing options and therefore struggle financially within the private rented sector as it's the only housing option available to them. The PRS also provides a vital source of housing for people coming to work or study, or for those median to higher income households aspiring to home ownership and saving for a deposit. The majority of landlords in Northern Ireland are small scale, owning one or two properties, so there is a lack of large-scale landlords and investors to develop the PRS.

11. NIHE Research (2024), Private Tenants Survey 2020 – publication pending

This may change in future as the private rented market matures and more products emerge. Build to rent schemes provide new build accommodation exclusively to the private rental market. Good quality schemes often include social and communal spaces and services such as gyms, concierge, high speed broadband etc. Such schemes are gaining momentum in other parts of the UK and Ireland. Build to rent schemes are at an embryonic stage in Northern Ireland. Loftlines is a significant built to rent project currently under construction in Belfast's Titanic Quarter. It will deliver 778 new homes of which 627 will be private rental, and the remaining 151 homes will be affordable. Build to rent could provide quality PRS housing if the development partnerships can be secured for such developments. Land costs and developer contributions in Northern Ireland are also factors that influence investment and development decisions. It is essential that such developments provide affordable homes as well as market rental accommodation.

List of abbreviations

BRMA	Broad Rental Market Areas
DFC	Department for Communities
DPG	Development Programme Group
EQIA	Equality Impact Assessment
EU	European Union
FDA	Full Duty Applicant
FRA	Fundamental Review of Allocations
FRS	Family Resource Survey
FTB	First Time Buyer
FTC	Financial Transactions Capital
HAG	Housing Association Grant
HCS	House Condition Survey
HMA	Housing Market Area
LA	Local Authority
LDP	Local Development Plan
LPP	Local Policies Plan
LPS	Land and Property Services
MMC	Modern Methods of Construction
NHBC	National Housing Building Council
NI	Northern Ireland
NICEI	Northern Ireland Composite Economic Index
NIHE	Northern Ireland Housing Executive
NISRA	Northern Ireland Statistics and Research Agency
ONS	Office for National Statistics
PBMSA	Purpose Built Managed Student Accommodation
PRS	Private Rented Sector
SES	Socioeconomic Status
SHDP	Social Housing Development Programme
SHMA	Strategic Housing Market Area
T:BUC	Together: Building a United Community
UK	United Kingdom
UU	Ulster University

