The financial support of the Oak Foundation, which commissioned this research, is very gratefully acknowledged. The partnership provided by the Bryson Energy team was central to this work. Other research staff at Ulster University who worked on this project include Ryan Walker, Anna Czerwinska, and Richard McClelland. Harriet Thomson (University of York) worked on the project in her capacity as a Research Associate. We are grateful to all the private rental tenants and landlords, who generously gave of their time and wisdom when completing surveys, case studies, and attending focus groups. Environmental Health Officers from Councils throughout Northern Ireland are also acknowledged, for generously sharing their experiences of working with private landlords and tenants in their areas. The Department For Social Development Ni (DSDNI) has provided valuable data and evidence without which this report could not have been completed. The Housing Rights Service team in Belfast generously helped us with our telephone survey. Avril Hines, Joanne Cartland and Maryann Dempsey at DSDNI provided valuable comments on an earlier draft.

This report is a shortened version of the main research report. The longer version can be accessed by emailing c.liddell@ulster.ac.uk
Northern Ireland is in some ways fortunate in that we have a large private rented sector with enough supply to meet demand. Our current challenge is not how to increase the size of the sector through institutional investment, but how to use the sector more effectively to meet housing need. And to meet it in a way that works for tenants, especially those who need additional support to access, afford and sustain a private rented tenancy.\footnote{CIH, 2011.}
Triangulation

Triangulation is defined as the use of multiple methods – mainly qualitative and quantitative – in studying the same phenomenon. This combination is, ideally, used by multiple researchers at the same time, each scrutinising multiple sources of data and applying a range of theoretical interpretations. This process can often reveal complementarity, convergence, and dissonance among findings. It widens and deepens understanding\(^2\).

**Triangulation in action**

\(^2\) Hussein, 2009.
# Contents

**Executive Summary** ................................................................................................................................................................................................. 4

**Section 1**  
Introduction .................................................................................................................................................................................. 7

**Section 2**  
Case studies and mixed fortunes – private tenants and the Warm Homes Scheme .................................................................................................................................................... 8

**Section 3**  
Living in neighbourhoods of severe fuel poverty – an audit of 400 private renters ................................................................................................................................................... 10

**Section 4**  
The Warm Homes Scheme database 2002-2014. Impacts on private renters ....................................................................................................... 12

**Section 5**  
From mixed fortunes to good news stories – more case studies of the Warm Homes Scheme ....................................................................................................... 14

**Section 6**  
A year in phone calls – telephone enquiries received by the Housing Rights Service (HRS) .......................................................................................................... 16

**Section 7**  
Tenant satisfaction – a brief survey of 70 callers to the Housing Rights Service (HRS) .............................................................................................................................. 17

**Section 8**  
When tenancies go wrong – the views of Environmental Health Officers (EHOs) .................................................................................................................. 19

**Section 9**  
Landlord perspectives – a survey of 51 landlords ................................................................................................................................................ 20

**Section 10**  
Tenant perspectives – a mini-survey of tenants .................................................................................................................. 22

**Section 11**  
The new Affordable Warmth Scheme – modelling savings in the private rented sector ............................................................................................................... 24

**Section 12**  
Conclusions ................................................................................................................................................................................ 25

Sources ........................................................................................................................................................................................... 28
Executive Summary

Triangulation is a research technique by which a variety of different approaches, evidence sources, and people are brought to bear on a single issue. This report is, in every sense, triangulated. The single issue of concern is the fuel poverty and energy efficient status of the private rental sector in Northern Ireland. The evidence base brought to bear on the issue includes surveys (large and small), focus groups, case studies, retrofit databases, and recent scientific publications; the views of landlords, tenants, service providers and researchers are represented.

This shortened version of the main report contains 12 Sections. Section 1 gives a brief introduction to fuel poverty, with particular focus on how fuel poverty impacts on the private rental sector. It also gives an account of the transition from Northern Ireland’s first Fuel Poverty Strategy in 2003 to a newly launched Strategy in 2014, making plain how this transition further deepens the risk of fuel poverty in the privately rented sector.

Section 2 presents four case studies of private renters who applied for Warm Homes assistance and then agreed to share their experiences with the research team. These illustrate mixed fortunes, indicating that Warm Homes assistance is not always forthcoming; even when it is, the Scheme does not always transform homes that start out cold or damp, into homes that are fully habitable.

Section 3 compares two groups of householders living in neighbourhoods that experience the most severe forms of fuel poverty – 413 private renters and 1,650 owner occupiers. From this, it becomes evident that private renters live on lower incomes, in less energy efficient homes, and rely on the most expensive sources of heating. They are trebly at risk for severe fuel poverty as a result.

Section 4 explores the extent to which tenants and landlords have been assisted in the past during the 12 year reign of the Warm Homes Scheme. 80,000 installations are analysed. Early under-investment in the homes of private renters was reversed around 2010, after which private renters were targeted more often – pro rata – than owner occupiers, and with deeper retrofits. However, with the introduction of the new Affordable Warmth Scheme in September 2014, this reversal of fortune may be over already.

Section 5 presents a second set of case studies drawn from volunteers, these five being unanimously positive. Improvements to heating and insulation reduced the cost of heating these privately rented homes, although several simple and low cost features of the retrofit package were omitted during installation, limiting what savings could be achieved and leaving tenants somewhat short-changed.

Section 6 changes tack. It examines the telephone call log of Northern Ireland’s Housing Rights Service during 2012/3. The Service fielded almost 50 calls each working day. For such a small geographical region, with fewer than 126,000 privately rented homes, this highlights the extent to which stakeholders in the private sector feel uninformed, unsure, and in need of professional support.
Extending this newly formed relationship with HRS, the research team accepted an offer from HRS to ask tenants a few questions when they called. Four questions were selected, and Section 7 reports on the results. Whilst almost half of tenants reported feeling cold in their home, few resorted to moving on as a result of this. The energy efficiency of homes was not a priority in the larger scheme of housing choices and needs. However, resolving issues around repairs and maintenance often required immense fortitude on the part of tenants, and coupling energy efficiency improvements with a routine of maintenance and repairs emerged as a useful way forward.

Section 8 explores the views of Environmental Health Officers (EHOs) through focus group work. In accordance with the statutory responsibilities, EHOs are frequently brought into disputes between landlords and tenants, often concerning the condition of a property and – again – its state of repair and maintenance. Problems related to affordable warmth mostly revolve around damp, mould and condensation rather than thermal comfort, and both tenants and landlords emerge as only sketchily informed of how temperature, moisture and mould are co-generated by everyday household practices. Section 8 goes on to explore some potential ways forward for landlords and tenants, as these were expressed by EHOs in their focus groups. Solutions revolve around five common themes: legislation, checks and standards; awareness raising and responsibility; access to information; financial assistance with heating costs; and landlord/tenant communication.

Sections 9 and 10 present the results of surveys carried out amongst landlords and tenants respectively. Both constituencies are largely happy with their tenancy relationships, landlords are perceived to provide a reasonably good service although – as with tenants in the HRS group - repairs and maintenance are perennial sources of dissatisfaction. Whilst tenants are seldom cold in their homes, this comes at a cost – they often forgo not only treats and luxuries, but also basic necessities in order to maintain a warm home in winter. Thermal comfort comes at a significant lifestyle price, but one which tenants seem willing to pay, and which landlords are largely unaware of. From their perspective, landlords believe that they maintain their properties to a high standard. They attribute high priority to energy efficiency in their own homes, and – they believe – translate this directly into the standards they provide in their rental properties. Each party perceives its own role in achieving energy efficiency as the dominant one, reflecting one of a variety of domains where landlords and tenants seem unaware of their respective and often divergent views.

Section 11 provides cost-benefit analyses of what retrofits in the private rental sector could achieve under the Affordable Warmth Scheme. Savings are substantial. However, given the depth of fuel poverty experienced by almost half this sector, even a whole house solution will only sometimes remove people from fuel poverty.

Section 12 concludes the report. The vast majority of tenants perceive their rented property as a home, they sense a feeling of belonging, and usually have no plans to move away. Most stay in a property for 3 years and longer. Despite the overwhelming predominance of 12 month leases, both tenants and landlords express a preference for longer leases, which could provide potential for improved partnerships and equity in who maintains and improves the property. Tackling fuel poverty together offers a
useful foundation on which such partnerships can be developed. There seems to be ample justification for revisiting how fuel poverty in the private rental sector can best be addressed, especially through innovative government initiatives, since the new Affordable Warmth Scheme may leave thousands of private tenants in poorer thermal health and safety than hitherto. In a field where fuel poverty is increasingly interpreted as an issue of social and environmental justice, that is a scenario which will become increasingly difficult to defend.
Section 1

Introduction

Northern Ireland (NI) has the highest prevalence of fuel poverty in the UK, and one of the highest in the EU, with the current estimate indicating that 42% of households in Northern Ireland are experiencing fuel poverty. “A primary aim of the Fuel Poverty Strategy is to target available resources on those vulnerable households who are most in need of help”. The owner occupied sector has reduced from 67% of the market in 2006 to 62% in 2011, and the private rented sector has gone from 12% in 2006 to 17% in 2011. The rise is greater among lower-income renters.

People unable to sell their homes are renting them out instead. These accidental, small-scale landlords may have had little or no professional training or commercial experience. It will remain, therefore, vital that all private landlords and tenants have widening access to current legislation, information and advice, some of which can be facilitated by the new Landlord Registration Scheme of February 2014, and by the Tenancy Deposit Scheme (April 2014).

Following an examination of 40,000 excess winter deaths recorded in England and Wales, researchers noted a significant link between poor housing and poverty, low indoor temperatures and cold related deaths. Researchers identified low-income private renters as having to deal with multiple stressors that arise from a lack of stable and affordable housing, concluding “A home should act as a place of sanctuary from the external stressors of life and should not add to the attendant stresses one faces”.

In 2001, NI’s Department for Social Development (DSDNI) commissioned researchers to develop a more targeted approach to tackling fuel poverty, which could identify those most in need of the government assistance. In conjunction with 19 councils across Northern Ireland, researchers evaluated a new area based targeting system which became known as the Affordable Warmth Pilot. The Affordable Warmth Pilot met great success in identifying households who were in severe fuel poverty. For example, more than 80% of all households visited were in fuel poverty and 50% were found to be eligible for assistance under the government’s fuel poverty intervention scheme. Three in five of these were in the private rental sector. It is, therefore, demonstrably feasible to locate those most in need of assistance with energy efficiency measures, particularly in the private rental sector.

---

4 NIHCS, 2011.
5 CIH, 2011.
6 Gray et al., 2014.
7 Johnson & Griffiths, 2003.
Section 2

Case studies and mixed fortunes – private tenants and the Warm Homes Scheme

The primary aim of this first set of case studies is to highlight the diversity of outcomes that can arise when a Warm Homes application is made. Outcomes are not always what people hoped for when they embarked on an application.

2.1. Landlord and tenant in partnership – Mr. B

- Single household, currently unemployed, living in a 1930s terrace house with no loft insulation or draught proofing. Mr. B worried that when his friends and family came to visit, they may be uncomfortable because of the house being cold. “The house does not hold the heat”.

- Measures installed: Solid wall insulation and loft insulation – Mr. B’s landlord completed the application form herself and communicated well with Mr. B, updating him on timescales for key worker visits.

To avoid the inevitable disruption of the installation work, Mr. B removed valuable possessions and stayed with his mother. This was a very common practice among all the case studies we worked with, since dust and noise were often difficult to tolerate. Mr. B says the home’s domestic heating costs seem to have lowered and higher levels of thermal comfort have certainly been achieved. The “whole home feels much warmer”.

2.2. “The extension is like a freezer” – Ms. G

- Single household, retired, living in a pre-1930’s end terrace house without cavity wall insulation. Ms. G noted that her home is always freezing and very hard to heat, “you can’t use the downstairs bathroom in the winter, it’s like a fridge, and the extension is like a freezer”. She also has severe problems with mould and damp in her living room, with furniture and curtains stained and decaying. This highlights the extent to which landlords can, in some cases, remain distanced from the reality of the conditions they provide for tenants.

- Measures installed: Cavity wall insulation in the extension of the house and a SMART electricity meter.

- The Smart meter data was ultimately used to explain the cause of Ms. G’s extremely high electricity bills. Being unable to use her oil tank (which had been leaking for 2 winters) she relied on electric heaters in winter. The tank had not been repaired by her landlord, nor had many other broken features of her home. Remedy was difficult because the Warm Homes programme did not fund new oil tanks, and there was little point in retrofitting the home with new heating and insulation if any new fills of oil were likely to leak away: “it’s all in puddles, in the garden”.

2.3. “Polar bears would love it” – Mr. M

- Single householder, unemployed, living in a top level flat in a house conversion. Mr. M himself described the house as “barely liveable”. Friends and family had ceased to visit. Mr. M worried about the effect of the living conditions on his health, having had one kidney removed recently.

- Measures installed: None.

- Referred to the Warm Homes scheme for Gas Central Heating with a GasSaver Unit. Installations were postponed due to difficulties obtaining the landlord’s consent, which was eventually granted several months later, after much correspondence between the Warm Homes scheme, NEA NI and the landlord. However by this time Mr. M had moved out of the flat and therefore the referral was cancelled. Mr. M’s experience exemplifies the experiences of many private renters who find their house conditions so intolerable that they would rather give up living there than persist in conditions of discomfort. Once a tenant moves on, a referral becomes invalid, and so the process must be started all over again.

2.4. Mrs. M and the perils of open plan living

- Widow in her 50s, carer, living in a detached house with open plan ground floor and little loft insulation. “The only way it can actually get to comfortable in the winter is if I’m actually cooking at the same time as the oil heating’s on.”

- Measures installed: Loft insulation.

- Unfortunately, the loft insulation has not made any difference to Mrs. M’s comfort or the amount of oil required. A recent study illustrated the extent to which open plan design in NI requires a minimum EPC rating of B, and preferably a passivhaus standard of design, in order for rooms to be kept affordably warm. Loft insulation top-ups, if carried out in isolation, are unlikely to make a significant difference to homes of this design.

---

9 Liddell & Lagdon, 2014.

10 Passivhaus design standards require the highest standards of build quality and energy efficient materials; through these, they consume very few kWh for space heating; many operate without any form of central heating.
Living in neighbourhoods of severe fuel poverty – an audit of 400 private renters

The Affordable Warmth Pilot survey was used by 19 Councils to road-test the targeted approach to tackling fuel poverty which the Warm Homes team wished to launch in NI. The survey was completed by more than 2,000 households, almost all of which were in severe fuel poverty i.e. needed to spend 15% or more of their income on domestic fuels. The survey allowed for the development of NI’s most comprehensive fuel poverty database to date, and among other uses it can be used to compare fuel poor households in the owner occupier and private rental sectors.

The primary aim of the section is to review data from the Affordable Warmth Pilot survey comparing the circumstances of private renters in areas of severe fuel poverty with the circumstances of owner occupiers living in the same areas. There were 413 private renters and 1,650 owner occupiers.

Private renters were most likely to be couples with dependent children and lone parents – together families containing children comprised the most frequent type of household; by contrast couples of pensionable age were the most frequent type of owner occupier households.

3.1. Survey responses

Survey responses indicate that private renters have access to far fewer energy efficiency and insulation measures in their homes:

- only 30% of private renters have cavity wall insulation, compared with 56% of owner occupiers
- owner occupiers are twice as likely to have insulation around their hot water tanks
- owner occupiers are twice as likely to live in homes where windows are double glazed
- owner occupiers are twice as likely to have full loft insulation

3.2. Barriers for private renters

- Fuel Poverty intervention schemes such as Warm Homes cannot process the application of a private tenant without the permission of their landlord
- High numbers of private renters who want to proceed, cannot persuade a landlord to work with them
- If coal-fired heating systems are replaced with oil-based systems tenants often cannot afford the high cost of a minimum order of oil, and so leave a newly retrofitted system unused; they may see little point in applying for a new system if they believe it will not be affordable

11 It should be noted that these were owner occupiers and private renters living in the same streets.
3.3. Summary

It is widely known that there are three main contributors to fuel poverty:

- low income
- poor quality housing
- price of heating fuels

With significantly lower incomes, significantly poorer quality of homes, and a stronger reliance on more expensive secondary heating sources (such as Ms. G’s electric heaters in Section 2), private renters are placed at greater risk of fuel poverty on all three counts. Half of all owner occupiers surveyed were eligible for the Warm Homes Scheme; half as many again (73%) were referred to Warm Homes from the private rental sector.
Northern Ireland’s Warm Homes Scheme (2002-2014) delivers free heating and insulation improvements to the homes of people who are assessed as being in fuel poverty, and who are either owner-occupiers or private renters. At the cusp of the scheme’s replacement with new legislation\textsuperscript{12} the primary aim of this section is to provide an evidence-based review of the impact and efficacy of its 12 year legacy, with particular focus on the private rental sector. Our primary concern is to establish whether best practice for private renters was established under Warm Homes, and, if not, what the implications of this are for the new scheme, the Affordable Warmth Scheme.

2002-2009: Within the Warm Homes retrofit database, information on tenure is coded for the time period between April 2002 and March 2009. This is the data analysed here, and includes 59,053 complete installations from records of the three Managing Agents for Warm Homes 2002-2009\textsuperscript{13}:

- EAGA Warm Homes 2000-2009
- Bryson Energy Warm Homes 2009-2012
- H & A Mechanical 2009-2012

11\% of all Warm Homes installations were carried out in privately rented properties. Around the mid-point of the Warm Homes Scheme (2006), the ratio of private renters: owner occupiers in NI was also 11: 89, suggesting (on the face of it) a very close match between investment and the distribution of properties across the two tenures\textsuperscript{14}. However, the ratio of households in fuel poverty in 2006 was 15: 85 for renters and owner occupiers respectively.

Assuming an equity-based allocation of Warm Homes funding was desired, 2,500 more privately rented properties should have been assisted between 2002 and 2008, with a commensurate cut in owner occupiers assisted. Such an increase would have increased the number of private rental properties assisted by more than one-third the actual number of private renters who benefitted from Warm Homes. In addition, the types of improvements made to homes of different tenure altered over time. In the earlier years, deeper retrofits (which always included heating) were more common for private renters; this shifted to the homes of owner occupiers around 2007. Inequities flowed from both fewer privately rented homes being retrofitted, and from lower grades of retrofit.

2010-2013: This period saw a reversal of fortunes. Targeting towards privately rented homes surged to 26\% of all retrofitted properties, and the depth of retrofit was significantly greater for privately rented homes too. During this later period, 736 more privately rented homes were assisted than would have been the case under a perfect tenure by fuel poverty equation.

However, a 4-year surge in investment among the homes of private renters did not make up for the earlier 7-year period of inequity.

\footnotesize
\textsuperscript{12} http://www.nidirect.gov.uk/affordable-warmth-grant-scheme.
\textsuperscript{13} The original Oak Foundation proposal proposed to include data from a separate scheme viz. the NISEP/Levy Fund 2005-2012. This database is managed by PowerNI, who declined access.
\textsuperscript{14} In 2006, 464,000 dwellings were in owner occupation and 58,700 were privately rented. Hence the ratio of owners to renters was 89:11.
2014 onwards: Warm Homes is being replaced by a new scheme in 2014, namely the Affordable Warmth Scheme, which is targeted to households most in need. Owner occupiers and private renters are equally eligible under the new Affordable Warmth Scheme. However, whilst Warm Homes offered the same range of free services to owners and renters alike, the new scheme subsidises only 50% of the retrofit costs for private landlords; 100% subsidy remains in place for owner occupiers. Given that the new Affordable Warmth Scheme has halved the amount privately rented properties can receive from the new fuel poverty scheme, it is at least likely that the reversal of fortunes that unfolded 2010-2013 will be short-lived, and that long-standing inequities will worsen.

Owing to a variety of circumstances, it can be concluded that targeting was not taken up evenly across the private rental and owner occupier sectors during the Warm Homes era, and is even less likely to be so in the lifetime of the Affordable Warmth Scheme.
5.1. A warmer home for mother and son – Mrs. W

- Single parent caring full-time for adult son with Asperger’s Syndrome, living in a 200 year old solid wall house. There is “rising damp” and some mould on the walls, which Mrs. W “cleans with bleach”, and the house is extremely cold in winter.

- Measures installed: Loft insulation.

- Mrs. W is “very pleased indeed” with the work, which has “made such a difference”.

The warmth of her home could have been improved further with solid wall insulation, but Mrs. W did not want to remove the original features of cornices and fireplaces, so declined the offer of this measure, despite the fact that the Warm Homes Scheme makes allowances for restoration in Hard To Treat properties. Mrs. W is among many older householders who are reluctant to have major works undertaken around them, even when these could offer significant improvements to the health, wellbeing and quality of life of their families. Not everyone can simply move in with their mother temporarily, as Mr. B did in Section 2. Finding creative ways to support households during retrofitting, so that work can be undertaken without distress or upset, is a vital missing link.

5.2. The difference between day and night – Ms. S

- Single householder, currently unemployed, living in a 100 year old solid wall farmhouse with upper storey extension. Ms. S found it very cold indeed, both downstairs and in the upstairs bedrooms.

- Measures installed: Solid wall insulation and loft insulation.

“Halfway through the dry lining I thought, ‘What is all this about? You know, I can’t stand this,’ and I actually moved myself upstairs. I just couldn’t cope with it. But there’s nothing they can do about it. It has to be done.” The final result more than compensated for any disruption, “It made such a difference it was unbelievable”. However, Ms. S believed she had been left without heating and hot water controls which, at the end of a multi-thousand pound retrofit seems inconceivable. Nevertheless, if she did not know she had them, then installers had not taken sufficient time to ensure she understood her new system, and so these elements of the system were either going unused or uncontrolled.
5.3. Value-added for tenant and landlord – Mr. C

- Single household, retired, living in a bungalow. Mr. C found it very difficult to pay for all the heating required. “I had my coat on, a scarf on, a woolly hat on. It was just ridiculous.”

- Measures installed: Loft insulation.

Although relations with the landlord were strained, there was no objection on either side to availing of the Warm Homes Scheme. Because the insulation was installed during the winter, Mr. C was able to feel the difference immediately. “I couldn’t have afforded to stay here if the insulation hadn’t been done. The older you get, the cold’s not good for you.” Mr. C felt that two additional installations would have been worthwhile, namely TRV’s on radiators, and a draught-proofed back door 15.

5.4. Converting to gas – Mr. J

- Single household, currently unemployed, living in a 1970s top floor apartment (in block of 4). During the winter period, Mr. J said the heating system was “horrendous”, as the storage heaters could not be regulated. It was “either far too hot, in which case I was heating the place and had the windows open, or if you turned them off, obviously it was stone cold.”

- Measures installed: Conversion from electric storage heaters to gas, and loft insulation.

In time the landlord redecorated and Mr. J is more than happy with the work. “It was remarkably straightforward. I would very much recommend it to anyone.” There has also been a noticeable decrease in heating costs. “The gas is ridiculously cheap to run in comparison to the electric. I imagine the landlord would get it rented a lot easier now with it having gas.”

5.5. Feeling “75%-80% at home” – Mr. and Mrs. G

- Couple, husband currently employed, living in a 1940s cottage. They “sat with coats on a few times”.

- Measures installed: cavity wall insulation and loft insulation.

Their landlord told them about the Warm Homes Scheme and they found the application “very easy. Everything was very efficient.” The insulation has made a “great improvement to the house. It holds the heat more – even saving money. There’s no doubt the oil lasts longer.” However, they still need a new boiler and to have some windows replaced. This case study, along with several others in this Section, highlights the importance of whole house solutions.

15 Many participants in housing renewal schemes where external doors are replaced have commented on how much they appreciated that particular element of the installation (Bond et al., 2012). It does not feature as a retrofit measure in any energy efficiency schemes in the UK.
Section 6

A year in phone calls – telephone enquiries received by the Housing Rights Service (HRS)

With a growing private rented sector in Northern Ireland it is important that:

- households renting in this sector have access to as much information and guidance as possible, both before and during their tenancy.
- landlords are aware of their rights, responsibilities and legal obligations.

The Housing Rights Service (HRS) has been operating in Northern Ireland for almost 50 years. It provides a comprehensive advice and information service for tenants and landlords.

The primary aim of this section is to examine the volume and types of telephone calls made to HRS over a one year period; this may shed some light on the difficulties and concerns of stakeholders in the private rental sector, and give some indication of the extent to which unresolved issues are prevalent.

Between August 2012 and July 2013 a total of 11,521 telephone enquiries were received from private rental stakeholders. This means that approximately 50 calls per day were being answered from this sector, or 6 per hour. Given that there are fewer than 126,000 privately renting households in NI, this is a substantial level of activity. Furthermore, in a similar survey, tenants reported that CAB and NIHE were more often their port of call rather than HRS. If all ports of call were to be combined, the volume of calls to advisory agents who are concerned with issues related to private rental in NI becomes very considerable.

Most contact was made in January. 23% of enquiries related to rent/deposits and 15% to Tenancy Agreements; this provides strong evidence that making tenancy agreements a legal obligation, and introducing a secure deposit scheme, regulated by an independent body, have strong foundations in need\(^\text{16}\).

\(^{16}\) Both of these have been introduced into NI legislation in the past few months.
Tenant satisfaction – a brief survey of 70 callers to the Housing Rights Service (HRS)

Given the large number of telephone enquiries received from private tenants, HRS staff surveyed a random sample of tenants during the course of their conversation with Housing Rights Service officers. The survey consisted of 4 questions, and was completed by 70 private tenants:

- **How long have you been living in the property?** It was possible that callers to HRS were less seasoned tenants, encountering problems for the first time.

- **Do you feel comfortably warm in the property when the weather is cold?** Thermal comfort has a strong bearing on fuel poverty and human well-being\(^\text{17}\).

- **How quickly does your landlord respond about repairs or maintenance?** New legislation in NI will require landlords to carry out repairs “within a reasonable amount of time”; this question allows us to scope the status quo.

- **Is the repair or maintenance work generally of a good standard?**

### 7.1. Survey findings

**Question 1: How long have you been living in the property?**

Findings on length of residence indicate rather more stability in the private rental sector than had hitherto been assumed, and certainly more than in GB. It indicates that longer leasing arrangements (of 2-3 years perhaps) would be feasible in many cases. They also suggest that callers to HRS are not simply those new to private rental who need some early guidance, but are most often seasoned renters who may have been experiencing difficulties over some time.

**Question 2: Do you feel comfortably warm in the property when the weather is cold?**

The responses were almost equally divided between ‘Yes/most of the time’ (48.5%) and ‘No’ (50%). Statistical testing indicated a lack of association between thermal discomfort and length of tenure, which suggests that a cold home does not routinely prompt a move to a different property.

---

\(^{17}\) Liddell & Guiney, 2014.
Where a cold home is deemed either a minor discomfort and/or a consequence of the tenant’s own low income rather than the house quality, it becomes more understandable why free offers that require considerable effort and risk are not taken up by landlords and their tenants. Demonstrating the impacts of cold on health and wellbeing, and outlining in credible ways how a home can be made more energy efficient at limited expense to landlords, seems vital for altering both tenant and landlord attitudes.

**Question 3: How quickly does your landlord respond about repairs or maintenance?**

Only 14% of respondents said repairs and maintenance work was carried out “quickly” or “quickly enough”.

There may be scope for legislation to be made more specific about what time intervals are reasonable depending on the type of request being made, with due consideration being given to the health and safety of tenants and the time landlords will need to arrange for work to be carried out.

**Question 4: Is the repair or maintenance work generally of a good standard?**

Almost two-thirds of the tenants where a landlord has been contacted with a request for repair/maintenance rate the standard of work as being below their expectations.
Section 8

When tenancies go wrong – the views of Environmental Health Officers

Environmental Health Officers (EHOs) are often the party of last resort when landlords and tenants cannot resolve a dispute that relates to health and safety in a property. They perceive themselves as impartial brokers, ruling (often in an enforceable context) on how issues should be resolved and by whom. Two focus groups were held with EHOs who represented 8 of 26 local Councils in NI. This section is the first known published account of EHO views and experiences of the private rental sector.

- The most frequently raised issue was the problem of condensation in properties. It was generally agreed that the main cause of condensation problems was lack of awareness on the part of the tenant, and that there was a need for a change in tenant lifestyle to prevent the problem recurring.

- The newly introduced Tenancy Deposit Scheme was welcomed, and a novel perspective on these introduced: namely that this Scheme could protect landlords from disputes with tenants who departed from a property without restoring it to the state they found it in.

- The lack of oil in heating systems when tenants could not afford to replenish was frequently observed in their visits to homes that were privately rented.

- Current legislation did not go far enough towards ensuring sufficiently high energy efficiency standards.

- EHOs most frequently construed the poor standards of energy efficiency in some private rental homes as having consequences for mental health and wellbeing, rather than for physical health.

In terms of attribution of responsibility for the many problems EHOs frequently deal with, it was impossible to conclude that they viewed one party as any more at fault than the other. Both parties were thought to have a greater role to play in communication and in awareness of their rights and responsibilities. Landlord/Tenant communication was lacking, and should be established at the start of a tenancy.

The EHOs welcomed changes in legislation, although they will continue to use legislation as a last resort.
Landlord perspectives – a survey of 51 landlords

A major energy advice centre provided (with consent) details of 230 landlords, who were contacted and asked if they would complete a survey, with ‘Love2Shop’ vouchers to the value of £20 being offered in return. Completed surveys were received from 51 respondents (a response rate of 22%).

There was a good gender balance in respondents; however, in the “real world” more landlords are male than female in Northern Ireland. Preliminary exploration of the results indicated that there were almost no gender differences in the responses provided to the survey questions, and hence we assume that the possible over-representation of female landlords in the survey did not skew the results.

In terms of income, the majority of landlords perceived themselves to be reasonably well off, and largely content with their standard of living. The vast majority of respondents had small portfolios and owned fewer than 6 properties. Most had other jobs too. Given the limited investment returns being experienced at present from the rental market, it is perhaps understandable that the majority (54%) were hoping to sell their properties in the foreseeable future. However, most were satisfied or very satisfied with their experiences of being a landlord, and there was no significant correlation between hoping to sell up and level of satisfaction with being a landlord. Most managed the properties themselves, and even where letting agents were used, this did not seem to affect the landlords’ level of contact with tenants, or their attitudes towards their tenants. Management agents appear, therefore, to have been used rather sparingly (perhaps most often during the course of one tenant moving out and another moving in).

22% of tenants are parents with children, and a further 12% are over 60 years old, meaning that one-third of all tenants are likely to be planning a longer stay, and perhaps hopeful of living in a property which they can make into their own home. These two groups may offer greater opportunity for longer-term lets, combined with joint management and investment arrangements when it comes to repairs and maintenance. Whether these could be successfully brokered would depend on the relationship landlords commonly experience with tenants.

Communication between landlords and tenants is frequent in most cases and works smoothly from the landlord’s point of view. In almost half of cases, tenants already help with the maintenance of a landlord’s property, although landlords do not generally view this participation by tenants as a priority – survey responses indicated that involving tenants in the management of their housing has the lowest priority of all for landlords. In most cases, landlords perceive their tenants as respectful of the landlord’s needs and interests; they almost all feel listened to. They see their main responsibility as ensuring the home is kept in good repair and they perceive themselves as letting out a home or homes which are in good condition. They are, however, inclined to consider the needs of tenants, and the views of tenants, as rather subsidiary.

Given the evidence in some of the preceding sections, landlords may feel rather more satisfied with what they are providing to tenants than are tenants. Scope exists for encouraging landlords and tenants to jointly explore their points of view, perhaps in the context of improving the quality of the home for both parties.

---

18 Gray et al., 2014.
19 Ibid.
Despite themselves living in comfortable incomes, half of the landlords surveyed worried about the cost of heating and lighting for their own homes, which could account for the fact that landlords also declared themselves to be highly energy-conscious. This translated into a concern about the energy costs of their rental properties which they also rated as a high priority. Clearly, concerns about efficient energy management translates readily across from the landlords’ concerns with their own home, to their rental properties; an interest in containing energy costs is, therefore, an area where tenants and landlords are likely to share very common interests, worries, and goals.

There is clearly scope for including landlords more actively in the retrofitting process, and in helping tenants communicate any positive impacts which they experience as a consequence of the works. The purpose of an EPC, which landlords are required to have before letting, was also little understood, and landlords could benefit from assistance in interpreting the results, and in weighing up the benefits and drawbacks of investing in improving the rating of a property. As noted in a recent DECC report\textsuperscript{20}, landlords are almost never asked about the EPC by tenants, and few tenants are aware of its purpose, and the survey fully confirmed this. Similarly, few tenants ask to inspect a loft for insulation, or ask about the boiler’s age, or whether walls are cavity-filled. These are issues which pale into insignificance when pitted against issues of location, house size, condition of kitchen and bathroom, and affordability of rent. Yet cold, damp, mould and condensation can become issues of contention later on, though here too (as the Housing Rights survey has highlighted), they are seldom severe enough to merit a tenant relocating.

\textsuperscript{20} DECC, 2011.
Section 10

Tenant perspectives – a mini-survey of tenants

Recruiting tenants from the private sector into research, especially survey research, is known to be difficult\(^{21}\) and our attempt at a Tenant Survey was no exception. We hoped to canvas the opinions of 100 tenants, and posted out more than 600 invitations to take part, each with the offer of ‘Love2shop’ vouchers to the value of £15. We received completed surveys from only 23 tenants, a response rate of less than 4%.

Fortunately, the timing of this project meant that another survey of private renters in NI (n = 264) was being undertaken at the same time\(^{22}\), and we have been able to draw on its findings to supplement our own. As illustrated below, many of our findings are in line with theirs, adding some degree of confidence to what we found. For example, rentals were mainly between £80 and £100 per week (43%), corroborating the larger regional survey (36%).

The tenants we surveyed here differed from the group who contacted HRS, in that they were not drawn from a sample seeking advice on an issue related to their home. They are an important supplement in that regard, and come across as being a more benign sample of tenants who are reasonably satisfied with the services provided by their landlord. For example, they seldom find communication a problem, repairs are frequently needed, and about three quarters of these have been completed. Tenants feel broadly included in decisions being made about the property. The findings here corroborate once again those of the larger survey, in which 89% of respondents stated that they were on good terms with their landlord and two thirds were very satisfied or satisfied with repair and maintenance work.

Broadly speaking the homes of tenants who responded to the survey were very similar indeed to those that landlords reported on in their survey. Tenants and landlords alike agree that secondary heating systems are often essential elements of a tenant’s heating requirement, and most often secondary heating comes in the form of a coal fire. Affordability of warmth is an issue for a large proportion of tenants.

The tenants appear to be energy conscious in their own lifestyles and practices, but believe that they live in homes which make the benefits of being energy efficient difficult to realise. Whilst they view themselves as able to save energy, they do not feel able to reap the full benefits of this in homes which do not hold heat.

Many tenants keep warm in winter primarily as a result of cost-cutting and budgeting. Damp, mould, and condensation are more often noted as problems than cold is, perhaps because tenants perceive themselves to be powerless in remediating these. Whilst going without luxuries, and worrying about energy bills all or most of the time, are widely tolerated ways of life, these stressors can be dealt with by forgoing items which would otherwise be a routine expenditure. By contrast, tenants do not perceive themselves to have resources to tackle damp and mould growth in their homes.

\(^{21}\) Gray et al., 2014.
\(^{22}\) Ibid.
Only 8 of 23 tenants have experienced substantive energy efficiency upgrades (e.g. solid wall insulation or heating system replacement), but the majority found the process of applying, and the installation itself relatively trouble-free; most felt that their home was warmer afterwards. The overall picture – whether drawn from landlord or tenant accounts – is one where energy efficiency upgrades are easy to apply for, relatively easy to live through, and leave a home warmer and drier afterwards.

People were renting for a variety of reasons, and moved from one property to another for a similarly wide variety of reasons. Most of the reasons for any relocation were personal, rather than to do with the quality of the home itself. Whilst most of the respondents had themselves grown up in an owner occupied home, they did not strongly favour a change of tenure for themselves at this time; on the contrary, most would have preferred a longer lease in their present home. Again this corroborates the larger survey, in which 54% of tenants wanted to remain in their current home for another 5 years. In both England and Northern Ireland, the majority of tenants have been in their current home for 3 years or more, indicating a national picture of stable rental arrangements.

However, there is virtually no evidence that the recent changes in legislation – concerning deposit protection – have affected this group. But since they have all been tenants of their current landlord for a year or more, this is not especially notable. The results from the larger regional survey, which showed that three-quarters did not have a rent book, and a third had no tenancy agreement, support the idea that very recent changes in legislation will need several years to bed in, given a slow churn in private rentals.

Although many of the tenants surveyed found upkeep difficult, most felt comfortable in their home and in their neighbourhood. Their responses indicated that their rental home is a place in which they perceive a sense of belonging, combined with a sense of responsibility – both positive qualities for building better landlord-tenant relationships.

The emerging picture is not one of a volatile and rapidly changing market, but rather one in which landlords and renters operate within a stable and usually non-adversarial landscape where the demands of being a landlord are relatively few (especially when compared with other forms of small business management) and the levers by which standards can be driven upwards through tenants’ engagement, remain to be fully invoked.
Section 11
The new Affordable Warmth Scheme – modelling savings in the private rented sector

preceding case studies highlight the ease with which applications to the Warm Homes Scheme are made, and the satisfaction tenants feel with the quality of work and outcomes. Ensuring that landlords participate in achieving such outcomes, rather than remaining on the periphery as is often their custom, could greatly reduce the number of refusals, and spur increased interest and commitment in the energy efficiency of their properties.

This section illustrates how the energy bills of three privately renting survey participants in the recent Affordable Warmth Evaluation programme could be reduced following retrofits\textsuperscript{23}.

<table>
<thead>
<tr>
<th>Household D092</th>
<th>Current</th>
<th>After potential improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total annual energy cost</td>
<td>£3126</td>
<td>£1597</td>
</tr>
<tr>
<td>Income</td>
<td>£25,000</td>
<td>£25,000</td>
</tr>
<tr>
<td>Fuel poverty ratio</td>
<td>12.51%</td>
<td>6.39%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Household O052</th>
<th>Current</th>
<th>After potential improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total annual energy cost</td>
<td>£1925</td>
<td>£1135</td>
</tr>
<tr>
<td>Income</td>
<td>£11,000</td>
<td>£11,000</td>
</tr>
<tr>
<td>Fuel poverty ratio</td>
<td>17.51%</td>
<td>10.32%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Household R005</th>
<th>Current</th>
<th>After potential improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total annual energy cost</td>
<td>£1926</td>
<td>£1587</td>
</tr>
<tr>
<td>Income</td>
<td>£11,000</td>
<td>£11,000</td>
</tr>
<tr>
<td>Fuel poverty ratio</td>
<td>17.51%</td>
<td>12.05%</td>
</tr>
</tbody>
</table>

Providing both landlords and tenants with sound business models that justify investment in retrofit – whether free or at heavily discounted prices – could ensure that both parties feel equally informed and consulted from the start, and are aware of the savings that can be made.

\textsuperscript{23} Modelling assumptions and full data are published in Walker et al., 2014.
Evidence from the studies undertaken here are consistent in finding that the private rental market in Northern Ireland is still informal and immature. It has expanded very rapidly in the region, with relatively little enforcement of statutory powers. Whilst it remains the case that the majority of private rental properties are owned by vast commercial enterprises in NI, the vast majority of landlords operate on a very small scale\textsuperscript{24}. Most fell into property management through having to manage a “spare” property that could not be sold without loss in a declining property market; many (44%) manage only 1 property and 78% manage 5 or less. Their clients tend to be younger than average, and few of these are seasoned tenants familiar with their rights and responsibilities; for most tenants this is only their first or second rental property, and those who have relocated in the past usually did so through force of circumstance (such as a change of job). Most hope to stay in place for several years.

When relocating, a third of people moving from one rental property to another in Northern Ireland rent the first property they view. Only 1 in 4 looked at 3 or more properties\textsuperscript{25}. Is this because they are not fussy? This seems highly unlikely, since most will be planning to stay in the property for 2-3 years at least. Instead, it is likely to be because the location and size of a property are overwhelming determinants of “choice”\textsuperscript{26}.

For example, if a privately renting household needs a two-bedroomed terraced home with a garden for a young child, which is also close to a new job, crèche, family relative, or bus route (and all of these, ideally), then there will be few choices open to them in a region as small and sparsely populated as Northern Ireland. They may identify 4 or 5 areas that are suitable, but how many homes will happen to be coming up for rental at the precise time they need it? By contrast, homes for sale may be on the market for months while owners stay in place. Rental properties are either earning rent or losing money, so there will be few of them in the 4 or 5 areas of choice which are also lying empty at the right time. When compared to buyers, choice for private renters is very limited, and this makes them particularly vulnerable.

Preserving a status quo emerges as a priority for landlords and tenants. Landlords perceive stasis as justified on the basis of their belief that they are already providing a good quality rental and a responsive style of management. Tenants have more reason to provoke change, since they more often experience the negative consequences of management “at a distance”, but their alternatives may be few, and they operate in a market where relocating is usually a decision of last resort (much as it is for people who own their own property).

Neither landlords nor tenants seem to construe their arrangement as being between two professional stakeholders: a service provider and a client. This is surprising given that the arrangement between them comprises a significant investment for both – the property itself is one of the landlord’s biggest assets, at the same time as it is the tenant’s greatest monthly expense. The gains that could accrue from a professional partnership are considerable, but largely unrealised.

While intractable problems emerge as relatively rare, they revolve around very specific themes. The sheer volume of calls to HRS (50 a day on average), and the extent to which EHOs express frustration with problems that never seem to change, suggests that there is room for improvement. Viewed objectively, many of the recurring issues are soluble, and at little extra cost to either party –

\textsuperscript{24} Gray et al., 2014.
\textsuperscript{25} CRESR, 2014.
\textsuperscript{26} Gray et al., 2014.
responding promptly to requests for repairs and maintenance (which most tenants make at least once a year) costs much the same as responding 6 weeks later; ensuring that repairs are completed to the highest standard may cost a little more but may also last a lot longer. Tenant concerns about speed and quality of work are not unreasonable. From our tenant survey, it appears that a quarter of requests for repairs are never dealt with at all; several of the case studies also give voice to tenant experiences of invisible landlords who fail to engage. EHOs remarked on the extent to which a structural problem is more likely to receive a prompt response from landlords, whilst it is the broken washing machine, or the leaking oil tank, for which most clients would appreciate a prompt response. Greater communication between landlords and tenants could facilitate tenants having a greater sense of agency and control – qualities which landlords in our survey frequently do not always perceive as a tenant’s due.

There are clearly areas of common ground which have gone unremarked in the past, not least of all the fact that almost all (86%) tenants would prefer longer leases, as would the majority of landlords. Within the general remit of Northern Ireland’s newly enforceable tenancy agreements, there is ample scope for developing equitable agreements based on longer leases. These could serve tenant interests by giving them greater scope for feeling attached to (and perhaps more responsible for) properties, whilst providing landlords with sufficient long-term stability to consider making more capital investment in the building itself.

In this context, energy efficiency upgrades are an excellent example of investment that can save tenants money and enhance the value of a landlord’s asset at the same time. If a business model supports the likelihood that energy efficiency measures will cost a landlord £8,000 but would save the tenant £500 per annum, an advance agreement about a modest rental increase spread over a three year tenancy cannot be construed as unreasonable27.

It is obvious from the findings that such energy efficiency measures are more urgently required among private renters than any other tenure in Northern Ireland, since 1 in 2 are likely to be in fuel poverty. As highlighted in this report, this is because all 3 contributors to fuel poverty are at an elevated level of risk for this sector in NI: the building fabric of privately rented homes is poorer, the incomes of tenants is lower, and the cost of heating is greater because of the need for secondary heating systems and poor landlord uptake of conversion to gas. Our case studies repeatedly illustrate the extent to which landlords absent themselves from the retrofit application process (except, quite often, to refuse permission for works later on); they are also seldom present during the installation, and do not enquire about the impacts of retrofit on tenants later on. Even though survey responses indicate an apparent high level of interest in energy efficiency matters, at least in their own homes, landlords show very little real engagement with energy efficiency in the homes of their tenants. By not participating in energy efficiency upgrades to their rental properties, landlords are kept distant from the surveyors, installers, and energy efficiency experts, who could conceivably convince them of the benefits being put in place for both parties.

The new Affordable Warmth Scheme carries an inherent risk that landlords will disengage even further from energy efficiency, since they now have to pay for 50% of retrofits. At a time when they were only just beginning to avail of the decade-long free schemes in Northern Ireland, the timing of this change to legislation around tackling fuel poverty could hardly be worse. On the brighter side, though, it seems

27 Under the new Affordable Warmth Scheme, landlords need to contribute 50% of retrofitting costs, so £8,000 would represent a £16,000 retrofit; such a sum would conceivably include conversion from oil to gas, a new boiler, new energy efficient radiators and pipework, replacement windows, new external doors, cavity wall insulation, and top-up loft insulation. A saving of £500 per annum on energy bills is a highly conservative estimate (see Walker et al., 2014).
much more likely that landlords will engage in the retrofit process, if only because they themselves will bear 50% of the cost. Awareness raising about the health and wellbeing impacts of cold and damp homes among tenants and landlords, perhaps in a campaign led by local Environmental Health Officers, might assist in bringing both partners together around planning improvement to the energy efficiency of their joint investment.

As well as health and wellbeing impacts, EPCs may be unharnessed vehicles for spurring change. Almost no tenant in our surveys or case studies knew the EPC rating of their property, and very few had scrutinised the EPC before relocating. There may be value in awareness raising about EPCs, especially now that these are mandatory. It may not always make sense, but in some cases tenants may have options, perhaps to choose a property based on its potential to cost £500 a year less in energy bills than another one very similar. Where EPC ratings are low, and tenants meet the low-income standard that determines eligibility for 50% subsidy, tenants could avail of viewing opportunities to ask landlords whether they would consider partnering them on upgrades. As the case studies illustrate, until tenants broach this subject, landlords will often be slow to respond.

Furthermore, there is little in this new legislation that encourages tenants to participate more fully in safeguarding the standards of the sector; our own response rate of 4% for the tenant survey reflects a reluctance to engage which cannot be ignored. This should not be construed as apathy whilst an equally likely explanation exists: tenants are made vulnerable by the lack of choice which is open to them during the short critical periods when they have to find a new home. Risking disagreement with a landlord could shorten their options for staying in a property, so remaining a silent customer makes considerable sense. The onus is most probably on landlords to seek ways of forging partnerships; if vulnerability is at the heart of tenant passivity, then initiatives from landlords are likely to be welcomed by most tenants.

In this context, it is noteworthy that almost a quarter of tenants surveyed would buy their current residence if they could. At the same time, our research has indicated that 54% of landlords would like to sell their property portfolios in the foreseeable future. Whether these two views could be harmonised through a “right-to-buy” or “first option” scheme is uncertain, but worth exploring (provided all parties are of the same mind). It has worked well in NI’s social housing sector, and could begin to reframe the partnership between landlord and tenant into one which is more stable, and more equitable in terms of shared rights and responsibilities.

It is encouraging that our survey suggested that many privately renting tenants in Northern Ireland feel attached to the home they rent; this is attributable, probably, to how long they tend to stay in one property. There are manifest opportunities to transform this sense of attachment into more active models of partnership and engagement between the owner of a major asset and their tenant for whom it is home.

28 More than one months’ rent for most private tenants.
29 In 2014 this is a gross household income of £20,000 or less.
30 This is the lowest response rate we have ever experienced in survey research, and was an unusual survey in that it offered a cash incentive.
Sources

Bond, L. et al., (2012). Exploring the relationships between housing, neighbourhoods and mental wellbeing for residents of deprived areas. Available at: http://www.biomedcentral.com/1471-2458/12/48

CIH et al.,(2011). Making the Most of Northern Ireland’s Private Rented Sector to Meet Housing Need. Available at: http://www.cih.org/resources/PDF/NI%20policy%20docs/Making%20the%20most%20of%20NI%20private%20rented%20sector%20to%20meet%20need.pdf

CRESR (2014). Hitting the poorest places the hardest: The local and regional impact of welfare reform. Available at: http://www.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/hitting-poorest-places-hardest_0.pdf


