

NOAC – National Oversight and Audit Commission

Rented Houses Inspections

A Review of Local Authority Performance of Private Rented Houses Regulations Functions

The National Oversight and Audit Commission (NOAC) has published a report on its review of the performance by local authorities of their functions under the Standards and Rent Books Regulations applicable to private rented accommodation. It is based primarily on the responses from authorities to a questionnaire dealing with their functions in this area, although data integrity issues relating to the information provided by authorities were encountered.

In commenting on the report, NOAC Chairman, Pat McLoughlin, said:

“This is the first thematic review carried out by NOAC on a particular aspect of local authority functions and it is appropriate that it deals with what is an increasingly important segment of the housing market. Local authorities have an important role in ensuring that rented accommodation meets the specified standard and that landlords comply with the Rent Books requirements. NOAC’s overall finding is that the inspection process as currently administered by the local authority sector as a whole is not having a sufficient impact on the standard of rental accommodation.”

Inspection is at a low level in a number of local authorities and at less than 2% of registered tenancies in 2014 in the case of Dún Laoghaire-Rathdown, Galway City and Galway County, Limerick, Louth, Meath and Offaly. Only four authorities (Roscommon, Monaghan, South Dublin and Cavan) inspected 20% or more of their registered units. That year, 8,336 or about 55% of inspected dwellings were not compliant with the standards requirements and 1,403 Improvement Notices were issued (mostly by Dublin City and Sligo County Councils) in respect of these dwellings. The most common reason for non-compliance is not meeting fire safety standards or ventilation issues. 19 of the 31 authorities indicated that they do not routinely check for compliance with the Rent Books Regulations when carrying out an inspection.

The Rental Accommodation and Housing Assistance Payment Schemes, while only constituting 6.6% of tenancies, accounted for 29% of the units inspected in 2014 and NOAC has concluded that the increasing use of these schemes is likely to constrain further the resources available for inspecting privately contracted tenancies. In total, just 65 whole-time equivalent local authority staff were working on private rented sector issues in 2014 and 10 of these were in Dublin City. The average cost of an inspection was €178 but the unit cost per local authority ranged from €47 in Mayo to €775 in Louth (which carried out the fewest inspections both absolutely and proportionately).

NOAC is concerned at the high level of non-compliance found and concluded that greater transparency is needed around how issues identified at the inspections are followed up and resolved. It considers that all inspection reports and any subsequent communications with landlords should be made available to the tenants to engage them in the improvement process. It recommends that the selection of dwellings for inspection should be put on a

more systematic basis and involve an annual experience-based risk assessment. Administratively, there is a need to set a standard for the documentation of the planning, execution, outcome reporting and follow-up of inspections across all authorities and for specific budgetary provisions that align resources to targets. Performance against target data should be included in the monthly reporting by Chief Executives to the elected members of local authorities.

Pat McLoughlin added: “As the Residential Tenancies Board’s registration numbers show that the number of households living in the rented sector continues to grow each year and NOAC has made a number of recommendations to improve performance of these local authority functions, the Commission will revisit performance in this area in the medium term to review progress.”

Notes for Editors

The report is available here:

<http://noac.ie/wp-content/uploads/2016/10/NOAC-Private-Rented-Sector-Review.pdf>

The National Oversight and Audit Commission (NOAC) was established under the Local Government Reform Act 2014 to provide independent scrutiny of local government performance in fulfilling national, regional and local mandates, including performance in respect of financial resources. Its mission is to independently oversee the local government sector by reviewing the financial and operational performance of bodies within its remit, overseeing implementation of national local government policy and identifying opportunities for best practice.

Since its establishment, NOAC has examined a range of areas of local authority activity, resulting in preparation and publication of 10 reports to date.

On 21 October 2016, Mr. Simon Coveney, T.D., Minister for Housing, Planning, Community and Local Government made 3 new appointments to NOAC following vacancies that arose earlier this year. They are Sharon O’Connor – Chair of the Northern Ireland Education Authority; David Holohan – Chief Investment Officer, Merrion Capital Group; and Michael McGreal – Company Deputy Chairman, Irish Public Bodies Mutual Insurances Ltd. and a former member of Roscommon County Council.

For further information on NOAC, including all reports published to date, see www.noac.ie.

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