

**Renters' Voice!**



**Cost of living crisis report  
February 2023**



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## 1.0 About Renters' Voice

Renters' Voice is a project for people renting from a private landlord or letting agent and who want to improve things for private tenants in Northern Ireland. We are supported by Housing Rights and funded by the Nationwide Foundation, but our voice is our own.

We aim to build:

- a strong voice for private tenants in Northern Ireland, and
- a culture of tenant participation in the development of the private rented sector.

## 2.0 Cost-of-living crisis survey

Last summer, Renters' Voice designed a survey to see how private renters in Northern Ireland have been impacted by the cost-of-living crisis so far. The initial survey was conducted throughout the month of August 2022 and published in October, and we received 128 responses from private renters.

We decided to run the survey again in February this year to capture the impact of the cost-of-living crisis over the winter months. Once again, we asked people about their current renting situation, how this has been affected so far by the cost-of-living crisis, and their concerns for the coming months. The findings provided us with powerful, personal testimony. We gathered a total of 107 respondents.

### 2.1 People still cannot afford their homes

*"Rent goes up, heat goes up, electricity goes up, Diesel goes up, wages stay same".*

We asked respondents what percentage of their monthly income goes towards their rent. **47% reported spending 40% or more of their total income on rental payments.** This points to significant widespread affordability issues given the general affordability recommendation that a person is advised not to spend more than 30% of their income on housing costs.<sup>1</sup>

This is having clear implications for the spending of private tenants in Northern Ireland according to our survey. Indeed **54% of respondents answered that they currently cannot afford to cover the costs of all their household expenses.**

As there is less money to spend on other essentials such as food, transport, gas, etc., renters are having to prioritise rental payments over other necessities. This is likely because the threat of homelessness will make housing costs such as rent inelastic in comparison with other expenses.

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<sup>1</sup> <https://www.thebalancemoney.com/what-percentage-of-your-income-should-go-to-rent-4688840>

As our October survey also found, most renters are still cutting back on food, electricity, and heating to afford their rent and stay in their homes. Indeed, when asked to rank their bills, **74% of those unable to afford all of their household expenses said that they prioritised paying rent. This was followed by electricity at 41% and heating at 36%. 68% of our respondents also went on to say that the level of efficiency of their heating system has made it more difficult to afford to heat their homes during the cost of living crisis.**

These affordability issues are particularly concerning given that almost half of private renters in NI rely on housing benefits to help pay their rent. Renters simply do not have the opportunity to live within their modest means in modest accommodation in the current rental landscape and are struggling just to keep a roof over their heads. **44% of respondents in February believed that if the current cost of living crisis continues, then their current rental situation will become unsustainable.**

## 2.2 Rents are rising

*“As our contract is ending, our landlord is looking to up rent from £1320 per month to £1700 - it has completely torn our living situation apart, and I don't know what we are going to do going forward.”*

**In the February survey, 36% of respondents stated that their landlords had increased their rent in the past 13 months since January 2022. Of these, 24% reported this happening more than once since January 2022, up from 10% in our October survey.** As discussed earlier, this is very concerning given that many private renters are spending a disproportionate amount of their disposable income on rent as the cost-of-living crisis continues.

One respondent branded landlords as “cowboys” and one tenant reported their frustration by highlighting that they have personally made several improvements to the property at their expense and felt therefore that it was inappropriate that the landlord increased their rent. Without many legislative restrictions, landlords are stretching tenants further and further by increasing rents. These responses reflect the general frustration and sense of exploitation, which was reported by some of the respondents, which was also the case with our October survey.

## 2.3 Money is a constant worry

*“Everything is unsustainable. The price of food is through the roof. Simple items like bread, eggs, milk and bacon have doubled in price. Gas is still extortionate whilst Shell and Centrica have record profits. Rent is also far too expensive”.*

As we highlighted in our October report, Renters' Voice knows that money worries are not a new issue for private renters. Indeed, in October 2020 we surveyed private renters about the impact of Covid-19 and around half of our respondents reported that they were worried about

their ability to pay their bills and other living expenses. These concerns have continued to grow, with **42% of our survey respondents stating that they had money worries during the Covid-19 pandemic and the cost of living crisis has made this worse. 49% who had no money worries during the Covid-19 pandemic do now due to the cost of living crisis.**

**Almost 90% of February respondents reported that they were worried about paying their bills because of the cost-of-living crisis, with over a quarter of respondents reporting that they were “extremely worried”.** This is a slight reduction from the October survey with **97% who reported that they were worried about their bills in October 2022.**

The reduction may be explained by the recent Energy Bill Support payment where households in Northern Ireland were entitled to a one-off payment of £600 payment to help with their energy bills. Additionally, people may be finding ways to cope with the high rates of inflation, fuel, and food costs, rent, etc. as the cost-of-living crisis has continued. It is certainly not because the rate of inflation is going down or that rent is becoming cheaper. What is still clear is that the vast majority of respondents are worried about their finances.

## 2.4 Health is being affected

*“It has severely affected my mental health in that it is difficult to cope with the stress of being able to live in Belfast as well as keeping up with uni work and stress associated with that.”*

**Just over half of our respondents in February reported that the cost-of-living crisis has had a negative impact on their physical and mental health.** Tenants are choosing between covering rent to avoid the threat of homelessness over paying for food, electricity, and heating.

The stress of managing a limited budget over the cold winter months has impacted private renters emotionally and physically. This is particularly concerning for those with pre-existing medical conditions that are exacerbated in colder temperatures, such as respiratory and cardiovascular illnesses. As one respondent commented:

*“I have a chronic condition that is negatively affected by cold temperatures. I've not been able to keep the house as well heated as in prior years due to the high gas prices.”*

Numerous respondents highlighted the impact on their mental health, one noted that:

*“I was already depressed, but the concerns surrounding my living situation now mean that I need antidepressants”*

While the cost-of-living crisis has undoubtedly had health impacts across society, it's clear to see that those who are privately renting may be at an even greater risk of poor mental or physical health than homeowners, for example. The effects of high and frequent rent increases, insecurity of tenure, and poor-quality housing are taking their toll.

## 2.5 Government action is needed

**Just over 83% of our respondents in February stated that the government is not doing enough to resolve the current crisis.** This may be down to the fact that there is no current sitting Executive and dissatisfaction with our political system more broadly. Indeed, one tenant stressed that the Executive must get back up as soon as possible to deal with the challenges of the cost-of-living crisis.

**44% of our respondents said that their current rental situation is not sustainable if the cost-of-living crisis continues, with a further 34% stating that they did not know if their current situation would be sustainable.** This demonstrates the urgency for a functioning Executive in Northern Ireland.

Before the 1st of April 2023, unless the tenant had a fixed-term contract in place, there were no restrictions on the number of times a landlord can increase rent, and there are still no controls on how much the landlord can increase rent.

Given the above, it's easy to see **why it is the opinion of nearly 70% of respondents that there should be some form of government-enforced rent control** (i.e. rent freeze, rent reduction, rent cap, etc.). This is **up from 62% reporting the same in our October survey**. Rent caps would allow the Executive to restrict rents from rising above a certain percentage. A rent freeze, like the one recently introduced by the Scottish government, could restrict landlords from increasing rents from their current level each year. Our respondents would appreciate a functioning Stormont to implement these measures.

Finally, **most respondents expressed support for additional payments, vouchers, allowances, etc.** While there was a preference from our respondents for this kind of market control, it's clear that our respondents believe that short-term measures such as these would go a long way to mitigate the effects of the cost-of-living crisis. However, these would need to be implemented alongside long-term, more systemic changes such as rent control.

Renters' Voice are a group of private renters who campaign for reform in the private rented sector. If you would like to get involved in group activities or simply find out more about the group then please get in touch with us: [RentersVoice@housingrights.org.uk](mailto:RentersVoice@housingrights.org.uk)

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