Threshold's Rent Setting and Rent Register Proposal

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Introduction

House prices and rents have been on an upward trajectory for over a decade, while wages have not kept up with rental prices. In a 2016 legislative response, the Government introduced Rent Pressure Zones (RPZ), which capped rent increases in local authority and local electoral areas where rents were high and rising quickly. As of December 2024, nearly 83% of tenancies were located in RPZs.[1] RPZs have been extended to the end of 2025 and, if terminated, would require a comprehensive stepdown plan to avoid a cliff-edge scenario. A sudden end to RPZs could result in large rent increases for many tenants and potential homelessness.

The ESRI have concluded that there is merit to these rent stability measures,[2] though RPZs are arguably a blunt instrument to use. Rent stability is important for the sector long term. In Threshold's opinion, this can only be successfully achieved by transitioning to a unitary or an integrated housing system. Until such a transition has been made, rent regulations such as the RPZs will be required.

As RPZ regulations are set to expire at the end of 2025, with sufficient housing unlikely to come on stream, it is necessary to devise a new system of rent regulation to ensure long-term rent stability and affordability.

The Report of the Housing Commission recommends replacing the existing system with one that pegs rent increases to local 'reference' rents for dwellings of similar quality.[3] In this document, Threshold evaluates this policy recommendation, examines other forms of price controls that could support private rent regulation and assesses the need for a Rent Register. Quality data will be key in making any such systems effective. Specifically for a reference-based policy, this would mean the creation of a dwelling- and property-specific rent register and a database of local reference rents.

[1] Residential Tenancies Board; RTB Profile of the Register - Private Registration Statistics Q2 2023 - Q3 2024. RTB Total Percentages of Private Tenancies located in Rent Pressure Zones. Available at: https://www.rtb.ie/about-rtb/data-insights/data-hub/rtb-profile-of-the-register-private-registration-statistics-q2-2023-q3-2024 (Accessed on 21/02/25)

[2] Coffey, C., Hogan, P.J., Mc Quinn, K., O'Toole, C. & Slaymaker, R. (2022), Rental Inflation and Stabilisation Policies: International Evidence and the Irish Experience, ESRI Research Series No.136, Dublin: Economic and Social Research Institute. Available at: https://www.esri.ie/system/files/publications/RS136.pdf (Accessed on 13/03/24)

[3] Report of The Housing Commission; (2024); Section 6 – The Rental Sector. Available at: https://www.gov.ie/pdf/?file=https://assets.gov.ie/294018/e1aae1ed-07c4-473d-811e-3426756321ee.pdf

Legislative context

Sections 19-24 of the Residential Tenancies Act 2004 ('the 2004 Act')[4] sets out how a landlord can review the rent on their rental property, either inside or outside an RPZ.

Rent reviews inside an RPZ

Between December 2016 and July 2021, rent increases in RPZs were capped at 4% per year. From July 2021 to December 2021, new regulations saw increases capped at the rate of general inflation, as set out in the Harmonised Indices of Consumer Prices (HICP). However, due to rising inflation, these rules were changed to allow a maximum rent increase of 2% per year. This was introduced under the Residential Tenancies (Amendment) (No. 2) Act 2021.[5] In an RPZ, rent can only be 'reviewed' or increased once in a 12-month period.

There are certain exemptions which allow a landlord to increase the rent beyond the rate permitted by the RPZ legislation. These are if the property:

- Has not been rented for a period of two years prior to the immediate tenancy commencement date
- Has a protected or proposed protected structure and has not been rented for a period of 12 months prior to the immediate tenancy commencement date
- Has undergone a 'substantial change in the nature of the accommodation' as prescribed in the legislation.

Rent reviews outside an RPZ

Outside of RPZs, landlords can review rental prices 24 months after a tenancy's start date or 24 months after the date of the last review. The review must be based on current market rent, as noted under Section 24 of the Act of 2004. In addition, three comparable properties must be provided by the landlord to show evidence as to how the new rent amount was arrived at.

Rent Pressure Zone designation

Rent Pressure Zones are in parts of the country where rents are highest and rising, and where households have the greatest difficulty finding affordable accommodation. They are intended to moderate the rise in rents in these areas and create a stable and sustainable rental market.

[4] Residential Tenancies Act 2004. Available at: https://www.irishstatutebook.ie/eli/2004/act/27/enacted/en/html (Accessed on 21/02/25)
[5] Residential Tenancies (Amendment) Act 2021. Available at: https://data.oireachtas.ie/ie/oireachtas/act/2021/39/eng/enacted/a3921.pdf (Accessed on 21/02/25)

Rent Pressure Zones were legislated for in the Planning and Development (Housing) and Residential Tenancies Act 2016.[6]

There are strict criteria for an area to be designated an RPZ. The annual rate of rent inflation in the area must be more than 7% in at least four of the last six quarters, and the rent in the area in the previous quarter must have been above the appropriate standardised average rent for that area.

There are three different standardised average rents, depending on the location being assessed. These are the Dublin Area, the Greater Dublin Area – which includes Kildare, Wicklow and Meath – and the rest of the country.

Reference rents

Price controls for the private rental sector are particularly important for lower-income households. Amid an unprecedented housing and affordability crisis, there is merit to rent stability measures, though RPZs are considered a blunt instrument. Rent stability is important for the sector long term. However, rent regulations, such as RPZs, should only ever be temporary holding measures until a sufficient level of affordable housing is provided.

With RPZs set to be in place until the end of 2025, it is necessary to devise a new system of rent regulation, aimed at ensuring rent stability and affordability. Further changes to the RPZs are unlikely to improve the situation, as RPZs inadvertently promote a system of upward-only rent reviews.

The provision of localised reference rents, based on the quality and amenities of the accommodation, would help landlords to set an evidence-based 'market rent' and ensure tenants are being charged a fair and proportional rent for the property. Local reference rents are based on comparable quality characteristics for buildings and dwellings and their locations. An example of this would clearly demonstrate that the property is compliant with the requisite standards and has additional quality-based characteristics. Local reference rents could allow landlords to increase their rents if they are demonstrably below the local rent levels for comparable dwelling units.

If adopted in Ireland, such a system would provide protection for all private renters. As it stands, those living outside of RPZs can face unaffordable rent increases when only a few landlords in the local area decide to increase their rents, regardless of the quality of the housing.

[6] Planning and Development (Housing) and Residential Tenancies Act 2016. Available at: https://www.irishstatutebook.ie/eli/2016/act/17/section/36/enacted/en/html#sec36 (Accessed on 21/02/25)

Rent Register

It is vital for tenants to know the history of the rent charged on their home so that they can be confident that they are being charged the lawfully permitted rent. A rent register is one way of achieving this. Threshold was happy to see that the new Government is committed to establishing a Rent Price register, as set out in the Programme for Government.[7]

While rent regulations are in place to moderate rents, and the RTB now has greater power to enforce these, renters do not have the necessary information to check that these rules are being adhered to. This means that new tenants are likely to be paying more than the permitted rent, as rents are *de facto* decontrolled between tenancies. As such, in practice, these rent certainty measures only fully protect sitting tenants.

Evidence of this trend is borne out in data provided by the RTB's Assessment of property level rental price growth in Ireland.[8] The study points out that landlords were more likely to raise rents after one tenancy ended and the next began, rather than during a tenancy. Nearly two-thirds (65%) of properties with ongoing tenancies saw no change in rent over this period, whereas landlords increased the rent in 75% of instances of a tenancy turning over.

For the new tenants involved, nearly a third faced increases of 4% or more, while one-fifth had rent increases of 8% or more. These increases were much more pronounced in recently designated RPZs, pointing to a potentially higher rate of non-compliance in these areas. Rents were less likely to be increased outside of RPZs but were substantial when applied.

The prices of all residential units sold are currently available on the Residential Property Price Register. This step was taken to inform the market and ensure that it functions effectively. A similar register aimed at providing the same visibility and transparency for the private rental sector is required. With annual registration now in place, the data required is available. The next step is making this data publicly accessible.

The Residential Property Price Register provides a template from which the Rent Register can be developed, and it may be possible to replicate this platform and use it to create a Rent Register. The legislation needed for a rent register was recognised in 2019 and was considered in the Residential Tenancies (Amendment) (No. 2) Bill 2018.[9]

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[7] Government of Ireland. (2025). Programme for Government 2025: Securing Ireland's Future. Available at: https://www.gov.ie/pdf/?file=https://assets.gov.ie/318303/2cc6ac77-8487-45dd-9ffe-c08df9f54269.pdf#page=null (Accessed on 31/01/2025)

[8] Slaymaker, R., Kren, J., and Devane, K. (2024). An assessment of property level rental price growth in Ireland, Jointly-published Reports 10, Dublin: ESRI and RTB. Available at: https://doi.org/10.26504/jr10

[9] Houses of Oireachtas (2019). Residential Tenancies (Amendment) Bill 2018 – Committee Amendments. Available at: https://data.oireachtas.ie/ie/oireachtas/bill/2018/140/dail/3/amendment/numberedList/eng/nl-b14018d-dc.pdf (Accessed on 05/02/2025)

Another option is for the RTB to provide the tenant with the rental amount that was provided as part of the tenancy registration process. This would allow the tenant to notify the RTB if the rent they are being charged differs, thus prompting the RTB to engage with the landlord to ensure they only charge the lawfully permitted rent.

Year	Rent Review Disputes
2019	685
2020	483
2021	627
2022	611
2023	905

Percentage of dispute resolution service applications received by the RTB involving rent increases

The above table shows the number of RTB disputes that tenants have lodged regarding rent increases; there is no data on the number of tenants who received an invalid rent review but did not lodge disputes with the RTB. It is important to stress that many tenants are not aware of the rules surrounding rent setting, do not know how to access RTB services, or do not want to contact the RTB for a variety of reasons.[10]

How many RPZ exemptions are received by the RTB?

In their analysis, the ESRI suggest that approximately one third of tenants may have had their rents increased beyond RPZ limits. It is likely that a number of these increases were permitted under the exemptions; however, the number of exemption notifications received by the RTB does not equate to one third of tenancies. This is another factor illustrating the need to reform the way rents are set and for the introduction of a rent register.

Year	**Total**	No tenancy in preceding two years	New tenancy and protected structure	Substantial change in nature	Not specified
2020	**833**	490	12	89	242
2021	**589**	446	65	75	3
2022	**774**	581	20	154	19
2023	**869**	578	129	154	8

[10] RTB Rental Sector Survey - The Tenant Profile. Available at: https://www.rtb.ie/about-rtb/data-insights/data-hub/private-rented-tenants-profile-rtb-rental-sector-survey

Total RPZ exemptions (including those not specified)

Percentage of tenants that have received rent increases

The aim of RPZs was to protect tenants from significant rent increases by capping annual rent increases. However, the system has faced criticism for a lack of enforcement and the presence of loopholes that allow landlords to potentially sidestep the regulations.[11] Some critiques of the RPZs have described them as 'relatively ineffective' in addressing rising rents and unaffordability.[12]

As a result, tenants in RPZs may experience continuous rent increases over time, which can be challenging in fluctuating economic conditions.[13] This has sparked debate about the need for more balanced rent control measures once the current RPZ system reaches its sunset clause.[14]

According to the RTB's 2023 Tenants Research Report,[15] a majority of tenants had their most recent rent increase within the last 12 months of being surveyed (60% up from 54% in 2019/2020). One in four had their rent increased between 12-24 months ago (24% vs 26% in 2019/2020).

Threshold also conducts an annual tenant sentiment survey.[16] As part of this survey, Threshold asks respondents if they have received a rent increase and, if so, how much the rent increased. Over two-fifths (42%) of those surveyed stated that their rent had increased in the previous 12 months and only 1% had their rent decreased. Among those who stated that they live in an RPZ, almost half had received a rent increase above 2%. Nearly half (46%) of respondents received a monthly rent increase that was more than €100. These included increases of up to €300 in some cases.

[11] Waldron, R., (2022). Experiencing housing precarity in the private rental sector during the covid-19 pandemic: the case of Ireland. *Housing Studies*, *38*(1), pp.84-106.

[12] Lima, V., Hearne, R. and Murphy, M.P., (2023). Housing financialisation and the creation of homelessness in Ireland. *Housing studies*, *38*(9), pp.1695-1718.

[13] Ahrens, A., Martinez-Cillero, M., and O'Toole, C. (2019). Trends in rental price inflation and the introduction of rent pressure zones in Ireland, Dublin: RTB. Available at: https://www.esri.ie/publications/trends-in-rental-price-inflation-and-the-introduction-of-rent-pressure-zones-in

[14] Kapila, L. (2025). 'As current system for restraining rent increases heads towards sunset, debate hots up on replacement,' Dublin Inquirer, 15/01/2025. Available at: https://dublininquirer.com/2025/01/15/as-current-system-for-restraining-rent-increases-heads-towards-sunset-debate-hots-up-on-replacement/ (Accessed on 07/02/2025).

[15] RTB Rental Sector Survey - The Tenant Profile. Available at: https://www.rtb.ie/about-rtb/data-insights/data-hub/private-rented-tenants-profile-rtb-rental-sector-survey

[16] Threshold, We Are Generation Rent (Dublin: Threshold, 2024). Available at: https://threshold.ie/wp-content/uploads/2024/06/We-Are-Generation-Rent-2024.pdf (Accessed on 21/02/25)

What can the future of rent setting look like in Ireland?

What is a reference rent system?

Local reference rents are based on comparable quality characteristics for dwellings and their locations. For example, a property which meets the basic minimum standards with no additional amenities will likely be at the lower end of the rental market while those of higher quality with additional facilities, utilities and services will be at the higher end. Local reference rents would allow landlords to increase a rent if they can demonstrate it falls below the local rent level for comparable dwelling units. The provision of localised reference rents, based on the quality and amenities of the accommodation, would assist landlords in setting rental prices and would ensure that tenants are being charged a fair rent for the property.

Is there a need for a definition of 'rent'?

To introduce a new rent-setting system, it is important to address a crucial gap in rent-setting policy in Ireland. There is currently no definition of rent in residential tenancies law. Section 24 of the Residential Tenancies Act gives a definition to 'market rent' which differs from a definition of rent itself.

A definition is needed to ensure tenants are not charged extras, or 'non-core price payments', on top of their rent, for example administration fees, car parking fees or Local Property Taxes. Charging tenants such fees undermines the RPZ regulations at present, and it would also undermine a reference rent system if introduced. The extent to which tenants in the rental sector are charged such non-core price payments is currently unknown.

What factors define good-quality housing and local amenities?

It is extremely important that a reference rent system is defined by comparing amenities and building quality rather than using blanket measures. The Building Energy Rating (BER) of a property is an example of a prescribed quality measure. In contrast, a blanket measure would be counting the number of bedrooms to determine the size of a home; in this instance, square metres is the better measure. Another such blanket measure is the reference to 'comparable areas', as per Section 22 of the Act for rent setting, when Local Electoral Area would be more appropriate.

In Threshold's view, the Dutch *Huurprijscheck Zelfstandige Woonruimte* or Rent Assessment Committee has the most comprehensive and easily assessable online rent price check.[17] Each part of the dwelling is awarded points for the size of rooms, number of heated rooms, kitchen amenities, bathroom amenities, energy performance, outdoor space and property value, as

[17] Huurprijscheck Zelfstandige Woonruimte. Available at: https://huurprijscheck.huurcommissie.nl/zelfstandige-woonruimte/woning (Accessed on 07/10/24)

determined by the municipality's local property tax. Each 'point' corresponds with a rental amount in euros. Notably, other shared facilities are also factored in, such as a communal bicycle shed, laundry room or cellar.

What other factors need to be considered?

When introducing new rent controls, it's important to consider several other factors. These will help ensure the system addresses housing affordability and minimises negative impacts. Here are some other important considerations:

- What data will be used to devise the reference rent?
- How often will the data be reviewed to devise the reference rents?
- Who will be responsible for collecting, reviewing and updating the data?
- How will the system allow for rent reductions and avoid an upward-only rental system?
- How will the baseline rent be established?
- Will there be a sunset clause or will these rent controls be a permanent feature of the Irish rental landscape?

To reiterate, a robust comprehensive data system is essential and should be based on the rents being paid and not on advertised rents.

By carefully considering all of these factors, policymakers will be able to design a rent control system that balances tenants' needs for affordable housing with the economic realities of the rental market.

What are the notable pitfalls to look out for?

When establishing a reference rent system for the Irish private rental market, it is crucial to address the differences between furnished and unfurnished properties.

Furnished properties typically command higher rents due to the inclusion of furniture and appliances, which provide added convenience and reduce the initial setup costs for tenants. On the other hand, unfurnished properties offer tenants the flexibility to personalise their living space with their own furniture, often resulting in lower rental prices. However, as per the Housing (Standards for Rented Houses) Regulations 2019,[18] a landlord is only permitted to

[18] Government of Ireland (2019). Housing (Standards for Rented Houses) Regulations 2019. Available at: https://www.irishstatutebook.ie/eli/2019/si/137/made/en/print (Accessed on 31/01/2025)

let a property without white goods and other amenities when they are providing a minimum lease of 10 years.

The Housing Commission recommends normalising unfurnished rental properties in the private sector. To ensure fairness in the reference rent system, it should consider how baseline rent is established. If the baseline is based on unfurnished properties, while most rentals in Ireland are furnished,[19] it could artificially inflate the baseline rent. This would undermine the value of furnished properties and ignore the cost-savings of unfurnished ones, leading to a system that does not reflect true market values or promote transparency and fairness for landlords and tenants.

The issue here is that this could create a two-tiered rental market where existing properties that are furnished would likely justify a premium price compared to the unfurnished properties.

Alternatively, if the baseline average is based on furnished rental properties – which are common in the Irish context – the baseline rent would be more accurate and would recognise the cost-savings of an unfurnished property. In this instance, the reference rent system would reflect the true market value.

Ultimately, Threshold asserts that the new baseline rent should be linked to furnished properties but recognise that this topic needs to be further investigated and researched.

What must be done to safeguard vulnerable renters?

Another key concern is that tenants experiencing material deprivation could be disproportionately negatively affected at the initial introduction of the system. This could occur in instances where the rent is below the reference rent, and the landlord, on the introduction of a reference rent system, increases it to the new permissible level. This could result in some households being priced out of their homes.

To mitigate this, the Government would need to reform the subsidies available under HAP to ensure they reflect market-rent prices. The Report of the Housing Commission emphasised that Local Authority payments should be sufficient for HAP tenants to rent a property in their local area.[20]

Following the establishment of a system of reference rents, HAP rates will need to be set in line with reference rents and consistently adjusted to match the real-time market rent. In

[19] RTB Rental Sector Research Summary Report. Available at: https://www.rtb.ie/images/uploads/forms/RTB_Summary_Report_2023_13.12.23.V1_.pdf (Accessed on 21/02/25)

[20] Report of The Housing Commission; (2024); Section 6 – The Rental Sector. Available at: https://www.gov.ie/pdf/?file=https://assets.gov.ie/294018/e1aae1ed-07c4-473d-811e-3426756321ee.pdf (Accessed on 21/02/25)

addition, the rent register will ensure staff in local HAP departments have the information necessary to determine the rent amount to approve under HAP.

The ESRI has called for HAP rates to be linked to the rents of new tenancies in the relevant Local Authority.[21] This should ensure increased access to rental properties for those reliant on this payment. As highlighted in the ESRI's report, only a small proportion of homes advertised for rent fall within HAP limits. With HAP providing important, short-term housing support, it is essential that this payment is realistic and can allow renters to secure a home in their local area.

How important is data for reference rents to succeed?

Good-quality data will ensure the success of an effective reference rent system as will the transparency of the data, hence the need for a rent register.

Without accurate information, the system of reference rents will fail. Without a rent register, tenants will be unable to determine the lawfully permitted rent and therefore will be unable to enter a contract with the landlord in an informed manner. Tenants who do not have this knowledge are unable to assert their rights to challenge potential illegal increases. Without a properly functioning rent register, rents are *de facto* decontrolled between tenancies, meaning rent regulation of any kind can, in practice, only fully protect sitting tenants.

The prices of all residential units sold are currently available on the Property Price Register. This register was established to inform the market and ensure that it functions effectively. A similar register would ensure the same visibility and transparency for the private rental sector. The Property Price Register provides a good model for the proposed rent register.

A proposed solution devised in Scotland with the intent to ensure accuracy and transparency of rents is one to note. Despite not being put in place, its concept to create a database showing all rental prices in the private residential market was an important proposal that could cut through many of the reported problems with Scottish RPZs. However, it was noted there was a 'misleading reliance on advertised rather than contractual rents.'[22] If such comparable, independently collated rent information were made available in Ireland, the market should function more efficiently. But, to do so, the data needs to be consistently collected, easily accessible and fully intelligible.

For Ireland to do this, Section 128(4) of the Residential Tenancies Act would need to be amended. Currently, the legislation states that the RTB's published register of tenancies must

[21] Doolan, Michael, Barra Roantree, and Rachel Slaymaker. *Low-income renters and housing supports*. No. 141. Research Series, 2022.
[22] Boyle, J. (2020). Webinar video for Scottish Housing Policy Conference. UK Collaborative Centre for Housing Evidence (CaCHE). (Accessed on 14/08/2024)

not contain any information that discloses or could reasonably lead to a disclosure of the amount of the rent payable for a specific tenancy of a dwelling.

An argument against the establishment of a rent register is that it may contravene Article 6(3) of the GDPR on the grounds that it is disproportionate to the goal of achieving rent transparency, and this would require consultation with the Office of the Data Protection Commissioner.[23] We recommend that the Data Protection Commissioner is consulted.

What other countries have a reference rent system?

Rent increases during a tenancy in Germany are limited to the local reference rent, which is the average rent paid under newly agreed and existing contracts for comparable dwellings (by type of dwelling, location, size, condition and equipment including energy consumption) over a number of years.

An important note to make is that local reference rents in Germany are not based on current market rent but on the long-term trend of local rents with an emphasis on historic rental costs. This is known as *Miet Spiegel* ('rent mirror'). Most municipalities have their own database of reference rents in place.[24]

The reference rents are listed in an official list of rents and have been established according to recognised scientific principles. This work is carried out by specialised institutions through ad hoc surveys of landlords and tenants, as there is no RTB equivalent in Germany which can collect data on rents being charged. The reference rents must then be adhered to and recognised by the municipalities, landlord and tenant representative bodies.

Structurally, this system has resulted in ongoing increases in rents, as the reference rent is regularly higher than the average rent recorded locally.

A landlord who disagrees with the reference rent applicable to their property can challenge it at the District Court within three months of the reference rent being determined. The Court may approve the landlord charging a rent higher than the reference rent and the tenant will be obliged to pay it. If the increase is not approved, the rent remains unchanged.[25]

This system is not perfect. The *Miet Spiegel* has been criticised for its lack of reliability and timeliness.[26] The *Miet Spiegel* comes from stakeholder knowledge rather than robust data,

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[23] Parliamentary Question - For Written Answer on: 09/04/2024. Question Number(s): 669 Question Reference(s): 14778/24. Department: Housing, Local Government and Heritage. Asked by: Noel Francis Duffy T.D - https://www.oireachtas.ie/en/debates/question/2024-04-09/669/?highlight%5B0%5D=register&highlight%5B1%5D=register (Accessed on 12/02/2025)

[24] Kofner, Stefan. "The private rental sector in Germany." *Nl: Stefan Kofner* (2014).

[25] Althoff, M. (2019). Discharge and rent control in Germany. In editor(s) Derdek, Noria & Kenna, Padraic, The European and International Contribution to the Right to Housing: Standards, Litigation and Advocacy (p 81-86)

[26] Hofmann, Ulrike. "Regulierung des Mietmarktes-eine Analyse der Wirksamkeit der Mietpreisbremse und mögliche Alternativen." Bachelor's thesis, 2018.

which may not reflect actual rents paid and is not consistently updated. This has resulted in issues with accuracy of data and transparency.[27]

The existence to the RTB data and the work of the ESRI can ensure the availability of up-to-date and accurate reference rents, countering some of the challenges faced in Germany.

Germany also has a *Mietpreisbremse* ('rent break'), and the functionality of the rent brake is tied to the local reference rents. In areas where the housing market is tight, the state government may decide that the rent may not exceed the local reference rent by more than 10%. However, there are many exceptions and restrictions. For example, the rent control does not apply to new dwellings or to first-time tenants after a complete renovation. But, even if landlords have not comprehensively renovated the property, they can pass on the cost of the renovation via the rent. Finally, landlords who were charging excessive rents before the regulation came into force were able to maintain those previous higher rents.

How do other countries regulate rent setting?

Spain
In 2023, the Spanish government introduced rent control measures (Act 12/2023 of 24 May on the right to housing) (the Housing Law).[28] The new legislation caps annual increases at 3% for 2024, and Spain's national statistics institute will create an index limiting them for 2025. Rent increases will always have to be below the consumer price index. In addition, new rental contracts in areas that have been designated 'tense housing market zones' will also have price limits. This will be similar to RPZs in Ireland.

France
In France, the Évolution du Logement, de l'Aménagement et du Numérique (ELAN) Act no. 2018-1021,[29] legislates that local authorities in densely populated areas may decide to enforce even stricter rent control measures in the form of rent caps, whereby the rent (including the initial rent) may be capped at an amount ranging between 30% below and 20% above a predetermined 'reference median rent'. Deviations may only apply for properties that offer exceptional features (for example, a garden in the heart of the city).

Denmark
In Denmark, the primary type of regulation is cost-based rent. In other regulation systems, the rent is determined either through comparison with other tenancies or based on the value

[27] Martin, C., Hulse, K. and Pawson, H. with Hayden, A., Kofner, S., Schwartz, A. and Stephens, M. (2017) The changing institutions of private rental housing: an international review, AHURI Final Report No. 292, Australian Housing and Urban Research Institute Limited, Melbourne. Available at: http://www.ahuri.edu.au/research/final-reports/292
[28] Ley 12/2023, de 24 de mayo, por el derecho a la vivienda. Available at: https://www.boe.es/boe/dias/2023/05/25/pdfs/BOE-A-2023-12203.pdf (Accessed on 21/02/25)
[29] LAW No. 2018-1021 of November 23, 2018, relating to the development of housing, planning, and digital technology. Available at: https://www.legifrance.gouv.fr/loda/id/JORFTEXT000037639478 (Accessed on 21/02/25)

of the premises (i.e. determined through comparison with other similar tenancies in the same area).[30] However, in new dwellings built after 1991, there can be deviations from rent regulation. Rent increases can be made when the running costs of the apartment incurred by the landlord exceed the existing rent, when improvements have been made or when the value of the premises significantly exceeds the existing rent. Landlords and tenants can also agree on a predetermined rent increase.

Sweden

In Sweden, when setting rent for an apartment, other apartments with a similar utility value must be found. The rent is set based on the highest rents of comparable apartments. If there is no comparative material, a rent tribunal will assess the rent.[31] All rent increases are negotiated between landlord and individual tenants or between landlords and the Swedish Union of Tenants (if the landlord has a principal bargaining agreement with the Union and the tenants have a bargaining clause in their tenancy agreements). If there is no agreement between the landlord and the union or tenants, an application to the rent tribunal must be made.[32]

Netherlands

In the Netherlands, rent setting is applied using the *Woningwaarderingsstelsel* (Residential Assessment System), also known as the point system to assess housing quality and determine the maximum price for renting a dwelling.[33] The Dutch *Huurcommissie*, or rent tribunal, has a tool which can determine how many points a property has. Different rules apply in shared accommodation or if a tenant does not have their own front door.[34]

Each part of the house is awarded points for the size of rooms, number of heated rooms, kitchen amenities, bathroom amenities, energy performance, outdoor space and property value. Every point corresponds with a rental amount in euros.[35]

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[30] TENLAW National report for Denmark. (2017) Available at https://www.uni-bremen.de/fileadmin/user_upload/fachbereiche/fb6/fb6/Forschung/ZERP/TENLAW/Reports/DenmarkReport_09052014.pdf(Accessed on 15/08/24).

[31] TENLAW national report for Sweden. (2017) Available at: https://www.uni-bremen.de/fileadmin/user_upload/fachbereiche/fb6/fb6/Forschung/ZERP/TENLAW/Reports/SwedenReport_18052015.pdf(Accessed on 15/08/24).

[32] Ibid

[33] Haffner, Marietta, Marja Elsinga, and Joris Hoekstra. "Rent regulation: The balance between private landlords and tenants in six European countries." European Journal of Housing Policy 8, no. 2 (2008): 217-233.

[34] Jonkman, Arend, Leonie Janssen-Jansen, and Frans Schilder. "Rent increase strategies and distributive justice: the socio-spatial effects of rent control policy in Amsterdam." Journal of Housing and the Built Environment 33 (2018): 653-673.

[35] Jones Day (2020) Mapping out Rent Controls across Europe - White Paper. Jones Day: London

As of July 2024, if a property is worth 143 points or less, a tenant should be paying no more than €886.07 in rent, excluding service costs. If a property is worth 144 to 186 points, it is a middle market rental, where a maximum rent of €1,157.95 is applied. Properties worth more than 186 points are classed as the 'free sector', for which there is no rent ceiling.[36]

Until May 2029, the annual rent increase is limited by law. The maximum rent increase is inflation +1% or, as off 2023, wage development +1% when wage development is lower than inflation.

Conclusion

Threshold proposes that a system of reference rents could be the next step in rent regulation in Ireland. However, robust data is essential to ensuring its effective implementation.

The UK Collaborative Centre for Housing Evidence has identified that enforcement, through effective data, is key for the success of any such regulation. However, this it is not always given prominence or is treated as a secondary matter in legislation.[37]

Ultimately, Threshold advocates for a system that not only regulates rent between and during tenancies, but ensures the rents being charged are fair, reflective of the quality of the accommodation, transparent and informed by good-quality data.

[36] The Affordable Rent Act (*Wet betaalbare huur*). Available at: https://www.volkshuisvestingnederland.nl/onderwerpen/wet-betaalbare-huur/documenten/publicaties/2024/06/28/stukken-wet-betaalbare-huur (Accessed on 21/02/25)

[37] Gibb, Kenneth, Soaita, Adriana Mihaela, Marsh, Alex, 2022. Rent Control: A Review of the Evidence Base. UK Collaborative Centre for Housing Evidence. Glasgow.