

Appendix 1: Rent Index Data Composition and Migration

The rent index is calculated using all registered private tenancies in Ireland from the RTB dataset. In the third quarter of every year, a rise in the number of agreements likely reflecting seasonal patterns in student lettings is observed in the Index.

This naturally can give rise to potential large movements in prices and growth rates between the third and adjacent quarters and many of these are observed in the data. The data included in the analysis are those tenancies registered within two weeks of the end of the previous quarter.

Recent changes to the law brought student specific accommodation (housing built or designated for students) under the remit of the RTB. The new legislation means:

- ▶ Higher Educational Institutions who provide SSA to students during the academic year are now under the remit of the Residential Tenancies Board (RTB)
- ▶ The legislation also clarifies that student specific accommodation provided by the private sector is clearly within the jurisdiction of the RTB, regardless of whether there is a lease or license agreement in place.

These changes apply to student tenancies which commenced on or after the 15 August 2019. Providers of this accommodation had until 15th November 2019 to register their tenancies with the RTB.

These registrations are processed in a separate system and reporting framework. Some providers with previous registered tenancies will be captured within the new reporting framework resulting in a fall in observations in areas where such providers would register. For the current Q3 2019, it was not known how many providers would move from the current to the new reporting framework. However, a reduction in the reporting population in specific areas where these units are operating was expected.

Since the completion of the data extract for the current quarter, Q3 2019, there are noticeable falls in observations in particular areas and a number of specific LEAs have been identified where providers moved from the old system to the new bespoke student registration. However, as these providers were previously private rental, they have been included historically as so in the Q3 2019 index. This has led to high growth rates, changes in levels and volatility in the number of agreements in particular LEAs. The LEAs where data has migrated, as well as the number of tenancies associated with this, are as follows (see Appendix Table 1):

Appendix Table 1 - Local Electoral Areas where Student Accommodation Data has Migrated

Local Electoral Area	Number of tenancies
ATHLONE LEA-5	65
CORK CITY SOUTH CENTRAL	12
CORK CITY SOUTH WEST LEA-7	156
LIMERICK CITY NORTH LEA-7	129
NORTH INNER CITY LEA-7	TBC
SLIGO-DRUMCLIFF LEA-5	29
SLIGO-STRANDHILL LEA-6	109
TRALEE LEA-6	135
WATERFORD CITY SOUTH LEA-6	64
Total	699

As these registrations make up a large portion of the local market, in particular in Tralee and Sligo-Strandhill, the rental data in the Index in these areas (and in some cases the associated county figures⁹) displays large changes between Q2 2019 and Q3 2019 as well as on a year-on-year basis between Q2 2018 and Q3 2019. Going forward, adjustments will be made to the Rent Index to remove from the historical data those properties which have migrated fully to the new system. This may lead to large revisions. A separate rental report will be developed for student accommodation in 2020.

⁹ The growth rates for Kerry county on a year-on-year basis are affected considerably by this compositional change in registrations in the Tralee area.