



Northern Ireland
Assembly

Committee for Social Development

OFFICIAL REPORT (Hansard)

Houses in Multiple Occupation Bill:
Consideration of Departmental Amendments
and Committee Report

28 January 2016

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Fra McCann (Deputy Chairperson)
Mr Jim Allister
Mr Roy Beggs
Ms Paula Bradley
Mr Gregory Campbell
Mr Stewart Dickson
Mr Phil Flanagan
Mr Adrian McQuillan
Mrs Judith Cochrane

Witnesses:

Mr Stephen Martin Department for Social Development

The Deputy Chairperson (Mr F McCann): I refer members to the updated table of amendments at pages 12 and 27. I remind members that there are additional amendments for the Committee to consider subsequent to its conclusion of the clause-by-clause consideration last week. I ask Stephen to speak to the amendments.

Mr Stephen Martin (Department for Social Development): Thank you, Deputy Chair. We highlighted to the Committee our intention to put forward these amendments. There are essentially two and the consequential amendments related to them.

The first amendment is to clause 88 on the definition of a managing agent. We told the Committee that some concerns were raised with us by the letting industry that the definition is too broad and would inadvertently draw in a lot of letting agents who are not involved in the ongoing management of an HMO and should not therefore be named on the licence. What we propose is an amendment to clause 88 to narrow the definition of a managing agent. Essentially, if, as a letting agent does, someone shows a property to a prospective tenant, takes the first month's rent and then has nothing further to do with the property, they are not deemed a managing agent and do not therefore need to be named on the licence or deemed a fit and proper person. What we are trying to do is focus the managing agent function on those who are genuinely managing agents and take out those who are just involved in the letting. That is the purpose of the amendment.

Mr Dickson: I understand what the Department is trying to do, but I have some concerns. To be absolutely clear that a tenant knows who the managing agent is — the person they go to when there is a leak or an electrical fault or whatever the concern may be — is it possible to ensure, through regulations or guidelines, that the letting agent, who may not always be the managing agent, although

there are occasions when they are, which creates some potential for confusion, has a duty to inform the tenant who the managing agent is?

Mr Martin: That is already there. The licence has to be displayed in the property.

Mr Dickson: I understand that. However, if, as a letting agent, I am showing a room and telling you that it is on offer, I have a duty to pass on to you information on who the managing agent is. The very minimum would be to point out that there is a sign on the wall, but I think that once the contract is drawn up or the letting agent has actually said that the deal is done, it has to be stated in the information pack or document that the tenant signs that the letting agent is the managing agent or, if they are not the managing agent, whoever the managing agent is.

Mr McQuillan: Surely, that could be put into the rent agreement or something.

Mr Dickson: Well, it could be. I am just asking for it to be included in the documentation.

Mr Martin: That is something that we could include in guidance and would reinforce the point that you make about the licence having the name of the managing agent. We could reinforce that in guidance with the details, absolutely.

Mr Dickson: That is very helpful.

The Deputy Chairperson (Mr F McCann): Are there any other questions for Stephen?

Mr Martin: The other amendments are to schedule 2. Over the last couple of weeks, we mentioned that there was an issue with the detail of schedule 2, which is on the publication of applications and notices. Some concerns were raised by landlords and others about the potential safety implications for them and tenants. What we have at the minute in schedule 2 is out of step with what is in the register, etc, so what we are trying to do is standardise it. We want to get the detail right, so we want to spend a bit of time working with councils on the detail.

We had a couple of options with regard to the schedule. One was to table an amendment to remove the schedule and give us powers to put all the detail in regulations. The other, which is the one that we settled on, is to table an amendment to remove the elements that deal specifically with the publication of the application — paragraphs 2 to 6 — which is the bit that we need to change, and give the Department powers to make regulations to deal with those issues. That is what the amendment does. A number of consequential follow from it. Our plan is to amend; give the Department powers to make regulations; make those regulations subject to consultation with landlords and councils, as we have done via the amendment; work out the detail with councils; and make regulations at a later date to deal with how notices are published.

The Deputy Chairperson (Mr F McCann): Do members have any questions?

Does the Committee recommend to the Assembly that clause 88 be further amended as per the amendment presented by the Department on 28 January 2016; that schedule 2 be amended as per the amendment presented to it by the Department on 28 January 2016; and that clauses 86 and 87 be amended as per the paper presented by the Department on the 28 January 2016?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Stephen, thanks for your assistance; I have no doubt that you will back a number of times before this is all over.

I advise members that I will now take the Committee through the report in manageable sections, finishing with an executive summary and recommendations. A second, final, draft of the report will be presented to members for consideration next week. I refer members to the introductory section beginning on page 39 of the tabled items. If members are happy, I ask whether they have any suggested amendments to the following subsections of the introduction. The background can be found on page 39 and an overview on page 40. Do members have any suggested amendments to the following subsections of the "Consideration of the Bill" section? Are they happy with that?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): I ask the Committee whether it is content with the sections "Committee's approach", on pages 40 and 41, and "Key Issues", on pages 41 and 43.

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Have members any suggested amendments to Part 1, "Meaning of 'House in Multiple Occupation'"?

Are members content with clause 1, "Meaning of 'house in multiple occupation'"?

Members indicated assent.

Mr F McCann: Are members content with clause 2, "Definition of living accommodation"?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with clause 3, "Cases where person is treated as occupying accommodation as only or main residence"?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with clause 4, "Persons who are members of the same household"?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with clause 5, "Notice regarding evidence of household"?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with clause 6, "Notice regarding continuation of occupation"?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): We come to Part 2, "Licensing of Houses in Multiple Occupation"? I ask whether members have any suggested amendments.

Have members any suggested amendments to clauses 7 to 14, or are members content with the clauses?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with clauses 15 to 18?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with clauses 19 to 29?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Have members any suggested amendments to Part 3, "Enforcement of Licensing Requirements"? Are members content with clauses 30 to 40?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Have members any suggested amendments to Part 4, Standards of Housing"? Are members content with Chapter 1 "Overcrowding"?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with clauses 41 to 49?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with Chapter 2, "Suitability for Numbers in Occupation"?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with clauses 50 to 53?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with Chapter 3, "Hazards", which deals with clauses 54 to 59?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with Chapter 4, "Further provision about notices under this part", which deals with clauses 60 to 61?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with Part 5, "Supplementary" which covers clauses 62 to 91?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Have members any suggested amendments to schedule 1, "Buildings or parts of buildings which are not houses in multiple occupation"; or schedule 2, "Applications for HMO licences: requirements and procedure", or are members content with those schedules?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Are members content with schedules 3 to 8?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): I refer members to the clause-by-clause section, beginning at page 70 of the tabled items. Officials may need to make updates to this section. Have members any suggested amendments to make to the following subsections: "Part 1 Meaning of "houses in multiple occupation"; "Part 2 Licensing of Houses in Multiple Occupation"; "Part 3 Enforcement of Licensing Arrangements"; Part 4 Standards of Housing"; "Part 5 Supplementary"; and "Schedules" and the long title? Are members content with those sections?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): Have members any suggested amendments to the "Links to Appendices", page 79? Are members content with it?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): I refer members to the "Executive Summary" and recommendations, starting at page 33 of the tabled items. I advise members that the Committee staff will make any consequential amendments to the "Executive Summary and Recommendations" required as a result of the Committee's consideration of the main body of this report this morning. Do members wish to propose any additional amendments to the "Executive Summary and Recommendations", noting that there are tracked changes to paragraphs 4, 9 and 13? Are members content with it?

Members indicated assent.

The Deputy Chairperson (Mr F McCann): I advise members that the second, final, draft of the report will be presented on 4 February. I also remind members that the Committee Stage is due to finish on 12 February 2016.