

Dr Kevin Pelan
Clerk, Committee for Social Development
Room 144
Parliament Buildings
BELFAST
BT4 3XX

5th October 2015

Dear Dr Pelan

Houses in Multiple Occupation Bill

NILGA, the representative body for the 11 district councils in Northern Ireland, has prepared the following evidence in liaison with councils and local authority Environmental Health Officers. It builds on the response provided by NILGA to the Department for Social Development in 2012 in relation to the Fundamental Review of the Regulation of Houses in Multiple Occupation.

This paper will be considered by the NILGA Executive Committee at their meeting on 11th October, after which any amendments will be forwarded to the Social Development Committee. It will also be communicated later in the month as a formal item for SOLACE, the Society for Local Authority Chief Executives.

For further information or to discuss any of the issues highlighted, please contact Karen Smyth at the NILGA offices: Email: k.smyth@nilga.org Tel: 028 9079 8972

Derek McCallan
Chief Executive

5th October 2015

Introduction

The Northern Ireland Local Government Association (NILGA) welcomes the opportunity to provide a response to the consultation on the Houses in Multiple Occupation (HMO) Bill, which will make provision for standards of housing in, and the licensing of HMOs.

NILGA expects that the Committee will apply our comments when considering the draft Bill and thanks it in anticipation.

Overarching Comments

Consultation Timeframe

NILGA is deeply concerned by the limited nature of the consultation period for a piece of primary legislation of this stature which, when enacted, will have a significant impact on the evolving role of

councils' statutory housing function. It is the view of the local government sector that a four week consultation period was wholly inadequate.

We are aware that the usual procedures have been circumvented to a certain extent due to the Committee's wish to continue 'business as usual' under the current circumstances in relation to Ministers, and although we can support this to some extent, we would ask the Committee to consider that the usual decision-making time required by the council committee and ratification system can be up to eight weeks.

The Association would therefore welcome practical input beyond the 6th October deadline, for the benefit of all concerned.

Business Planning Requirements

NILGA also has concerns regarding the lack of information currently available to councils in order to permit sufficient time for planning and preparation in order to deliver the new powers contained within the draft Bill. Councils require as a minimum:

- transfer of HMO data relating to locations and actual number of HMOs
- the number actually registered

NILGA would be keen to see the early formation of a special working group between councils, the Department for Social Development, the Housing Executive and the Department for Finance and Personnel, to ensure that appropriate resourcing of the transfer of function takes place and to facilitate effective business planning ahead of transfer. This is particularly important, given that the transfer proposed to take place is that of an enhanced scheme.

Information Sharing

NILGA welcomes the provisions in the Bill that will allow for the opening of statutory information gateways with a number of government and non-government organisations and bodies. These gateways will provide a robust method for relevant information to be obtained to assist in the identification and regulation of HMOs.

They will also permit the sharing of information that will be required in relation to the assessment of the new fit and proper person requirement. These provisions within the HMO Bill again highlight the need for councils to be considered within the Committee's work on the Housing Amendment Bill.

Operational Comments

NILGA would be keen to ensure that when the owners of HMOs live outside the jurisdiction of NI there will be a mechanism to ensure these landlords are held accountable for any of their properties which are non-compliant. It is noted Management Orders have not been introduced within the draft bill. The role of Management Orders with respect to HMOs should sit with the Regional Housing Provider or its Housing Associations.

The planning definition of a 'flat' means that these will not be included in areas where there are HMO development limits. This inconsistency needs to be addressed to ensure that areas which already have a high level of HMOs are not saturated with flats/apartments. Within the current HMO definition, there is scope unfortunately for flats in a converted house to be grossly over-occupied by members of the same family. Converted houses need to be defined as a HMO or else adequate overcrowding legislation to cover the entire private rented sector needs to be introduced.

Further, within the draft Bill there is ambiguity in terms of fire safety within the provisions. NILGA would request that any regulations made under the draft Bill will be capable of covering all aspects of fire safety.

NILGA welcomes the ability to discharge various offences by means of fixed penalties. NILGA is concerned however that the Courts are imposing fines significantly less than the fixed penalty charge, therefore rendering the fixed penalty worthless. This matter needs to be urgently addressed to assist councils in their enforcement role.

As noted above, with the responsibility for the regulation of HMOs moving to councils, further consideration will need to be given to resource and capacity implications due to the enhanced licensing enforcement scheme proposed by the Department.

Commentary on Clauses

PART 1: MEANING OF "HOUSE IN MULTIPLE OCCUPATION"

Clause 1: Meaning of "house in multiple occupation"

A House in Multiple Occupation (HMO) is defined in Clause 1 as a building or part of a building (e.g. a flat) that is classed as living accommodation and is occupied by three or more people, who are members of more than two households. Additionally, accommodation is not an HMO unless rents are payable or other consideration is provided in respect of the accommodation. This clause also introduces Schedule 1 (exceptions) and confers a power to amend the definition of "house in multiple occupation".

NILGA welcomes the definition to include 'any' building. However concern is raised that common parts may not be covered in the case of a self-contained flat. In addition in the circumstances where commercial buildings have been converted may fall outside the scope of the Bill. This is not clear within the proposed definition. It is requested that clarity is provided within any regulations. In addition NILGA is concerned in relation to houses converted into multiple flats and how these flats will be treated if they are over-occupied by members of the one family. These need to be covered by the HMO definition or else a standard for overcrowding across the private rented sector should be introduced to prevent gross overcrowding in house conversions.

Exemptions within Schedule 1 currently pertain to buildings occupied by students, including those run by educational establishments; religious communities; registered housing associations would avail of an exemption. However these types of buildings, in which the most vulnerable may live, are not exempted under the current HMO registration scheme.

NILGA would be concerned that this sector could be regulated by a “light touch” form of accreditation which would not provide uniformity and consistency of standards across the sector.

In determining the appropriateness of any exemptions NILGA would ask how many enforcement notices or other types of enforcement actions have been served / taken in relation to these types of buildings.

An approach similar to Rates Relief Regulations 2007 would mean that the exemption will not apply to Purpose Built Managed Student Accommodation run by private providers that operate without nomination arrangements from any of the educational establishments. Given the current level of market interest this could create a two-tier system for regulation of Purpose Built Student Accommodation.

NILGA supports the introduction of accreditation schemes for this type of accommodation but not the exemption from any licensing fee. We would also request that any future proposals for accreditation schemes should include providers of student accommodation not linked to an educational establishment via a nominations agreement.

NILGA would also request that any future regulations consider an accreditation scheme and/or a code(s) of standards for student housing that supports all private sector landlords to adopt a proactive approach to managing tenant behavior and improving the quality of housing in this sector. Accreditation schemes should be administered by councils, rather than the Department. NILGA believes that there is potential for such a system to become ‘two-tier’ in operation and potentially confusing.

In relation to the exemption for ‘Buildings Occupied by Owners’, NILGA would be concerned that the inclusion of houses occupied by owners may be used by some landlords as a loophole to avoid designation. It would also be difficult to disprove whether an owner actually lives in the property. If an owner lives on the premises then they should be included in the 'head count' as they will assist in forming a different family relationship. We also do not believe it would substantially change the risks in many properties.

Guidance and a methodology provided for enforcement officers in the case of houses occupied by religious communities is requested, as it is often difficult to disprove that the community is living as one.

Clause 2: Definition of living accommodation

Clause 2 defines “living accommodation” for the purposes of clause 1. A building, or part of a building, is living accommodation (i) if it is capable of being occupied as a separate dwelling or (ii) if it forms part of any building or group of building in single ownership and its occupants share a toilet, personal washing facilities or facilities for the preparation or provision of cooked food. “Single ownership” is defined in subsections (2) and (3) in a way which prevents avoidance of the legislation by artificially dividing ownership of a property between members of a family or connected companies.

NILGA welcomes the definition within 2(5) pertaining to living accommodation however it is concerned about the application to common parts of self contained flats which are in mixed tenure. NILGA would welcome some clarity around this issue.

Clause 3: Cases where person is treated as occupying accommodation as only or main residence

Clause 3 outlines the fact that people count as occupants only if the accommodation is their only or main residence. However, accommodation occupied by a student during term time is regarded as that person's only or main residence. People staying in domestic violence refuges are to be treated as occupying them as their only or main residence.

NILGA would request that further guidance is provided in relation to seasonal workers or workers brought in for a contract in a factory, for example a 3 month period.

NILGA would welcome further clarity within the regulations, including any specification of duration of time.

Clause 4: Persons who are members of the same household

Clause 4 specifies the meaning of "household" for the purposes of HMO licensing. This includes members of the same "family": the definition of family includes married, unmarried and same-sex couples, and step children, as well as blood relatives. Additionally, a person who is a personal or domestic carer in a residential capacity is to be treated as a member of the household for the purposes of this Bill. There is a power for the Department to provide that other persons are treated as being in the same "household".

NILGA would not like to see those who require carers to be included under the HMO regime, therefore welcome this definition of 'same household'.

Clause 5: Notice regarding evidence of household

Clause 5 makes provision for a council to serve a notice on the occupants of a house where it is believed there are more than three people residing in the property and these people form more than two separate households. If insufficient evidence is provided that the house is not an HMO, the house is to be regarded as being one.

NILGA welcomes this provision, however it is imperative that guidance is issued by the Department to help clarify as to what they deem as 'acceptable proof'.

Clause 6: Notice regarding continuation of occupation

Clause 6 makes provision for a council to serve a notice on a property that has ceased to operate as an HMO, because its occupants have reduced below 3, but which NILGA believe is likely to become an HMO again within 4 months. For example a student house during the summer months can then be treated as an HMO for certain regulatory purposes, even though it may actually have fewer than 3 people residing in it during those months.

NILGA welcomes this provision, however it is imperative that guidance is issued by the Department to help clarify as to what they deem as acceptable proof.

PART 2: LICENSING OF HOUSES IN MULTIPLE OCCUPATION

Clause 7: Requirement for HMOs to be licensed

Clause 7 requires every house in multiple occupation that is not exempted to be licensed. A licence for an HMO authorises its holder and any agent named on the licence to allow the HMO to be occupied in accordance with the licence conditions. The clause also sets out that licences are to be issued by district councils for houses in their area, and the information which must be specified in a licence.

NILGA is aware of debate within the local government sector in relation to use of the word 'every'. Some note that this approach would be resource intensive for councils, and would put Northern Ireland out of sync with England and Wales where licensing only applies to the highest risk of HMOs.

The 'Licensing of Houses in Multiple Occupation (Prescribed Descriptions) (England) Order 2006', has identified highest risk as, those of 3 storeys or more and occupied by 5 or more persons (who together form 2 or more households). The threshold was set at this level because the risks of fire and escaping from fire are greatest in buildings of 3 or more storeys. In 1997 the Entec report 'Fire Risk in HMOs' concluded: 'the number of occupants influences the risk.

Others note that the type of housing available in Northern Ireland, and particularly in the urban areas, is often less than two storeys, often the most problematic housing stock, and that it may be inappropriate to introduce a 'tiering' of approach to licensing of HMOs in this region.

There is some evidence that some local authorities in England have had to implement additional or selective licensing schemes to deal with HMO's that were not included in the original mandatory scheme. The Licensing scheme proposed in the Bill would prevent Councils from having to do this.

NILGA asserts that should the Committee decide to legislate for what is an enhanced system in Northern Ireland, it must ensure that the Department transfers the appropriate resources to implement such a system.

Clause 8: Applications for HMO licence

Clause 8 outlines that applications must be made by the owner of the HMO. It also sets out the matters that are to be taken into account when a council is considering an application for an HMO licence. The details of the procedural requirements, in relation to an application for an HMO licence, are contained within Schedule 2.

NILGA welcomes the provisions within this clause, however the set licence fee should be on a cost recovery basis.

In addition to planning approval, Building Control approval should also be achieved prior to an application being made.

Within clause 8(e) the term "Fit for Human Habitation" is used. This is a general term unless it is referenced to the Housing Order 1981, as amended by The Housing Order 1992. As a general term it

will be open to various interpretations. This should be changed to “the living accommodation should meet the statutory minimum standard for housing”.

The “Fitness Standard” as set out in the Housing Order 1981, as amended by The Housing Order 1992 as the statutory minimum standard of housing is currently being reviewed by the DSD so it would not be appropriate to use the term “fit for human habitation”. Using the term meets the “statutory minimum standard for housing” will make the Bill ‘future proof’ and would not necessitate change should the review result in changing the standard.

NILGA advocates the adoption of the Housing Health and Safety rating system (HHSRS) as a tool to regulate the entire privately rented sector. This system assesses the property using a risk based approach and looks at 29 separate risks to health and safety of the occupant. (Appendix 1 contains the Chief Environmental Health Officers Group’s ‘Position paper on A New Statutory Housing Standard for the Private Rented Sector’).

All tenures of housing should be required to meet the same statutory minimum standard for housing with additional protection for HMO due to their higher risks.

Clause 9: Breach of planning control

Clause 8(2)(a), as read with the definition in clause 9, provides that an application will be refused if the council feels there has been a breach of planning control. Carrying out development without the planning permission required or failing to comply with any condition or limitation subject to which planning permission has been granted, constitutes a breach of planning control. Refusals on this ground are treated slightly differently from refusals on other grounds. In particular, the refusal must be made with 28 days of the application and there is no appeal to the county court. However, if the applicant can show that there is no breach of planning control, they can make a renewed application for no additional fee.

NILGA welcomes this link to planning control.

Clause 10: Fit and proper persons

Clause 10 specifies matters to which the council shall have regard (in addition to other things it may consider) when deciding whether an applicant or an applicant’s agent is a fit and proper person. The material specified is: whether the person has committed certain types of offence, practiced unlawful discrimination or contravened housing law or landlord and tenant law; actions or failures to act in relation to antisocial behaviour affecting a house let by the applicant or for which the applicant was an agent; and other material considered by the local authority to be relevant.

NILGA welcomes the provisions within this clause. However there is concern regarding the language used where someone has ‘committed’ an offence rather than ‘having been convicted’ of committing an offence. Further clarity should be provided around jurisdictions, spent convictions, putting the onus on the applicant to provide any necessary information specified.

Additional guidance is required on the provision under 10(5) relating to ‘any associate or former associate’ has engaged in any of the conduct mentioned.

Clause 11: Satisfactory management arrangements

Clause 11 outlines the considerations that a council may take into account when deciding whether suitable management arrangements are in place at application stage.

NILGA is of the view that guidance must be provided as to the assessment of a 'sufficient level of competence'

Clause 12: Overprovision

Clause 12 states that, in deciding whether the granting of a licence will result in overprovision, councils must have regard to the number and capacity of licensed HMOs in an area, the need for this type of accommodation in that locality and such other matters as the Department may specify through regulations. Although a first-time application for a licence can be refused on the ground that it would result in overprovision of HMOs, an application to renew a licence cannot (see clause 20).

NILGA welcomes this provision, however would be concerned that this may become a charter for inconsistency. As such there should be guidance on promoting a consistent approach within councils. NILGA recognises the need to control the number of HMOs in any given area, and the issues associated with overprovision. NILGA acknowledges the parallel with Council's new planning and community planning roles.

Clause 13: Suitability of living accommodation for multiple occupation:

Clause 8(2)(e), as read with clause 13, states that councils may only grant a licence if they are satisfied that the accommodation is suitable for use as an HMO for the specified maximum number of persons or could be made so by including conditions in the licence. The criteria that councils must consider are given. It includes a power for the Department to set out minimum standards in regulations.

NILGA welcomes this provision, however further guidance should be provided in order to both define and provide clarity around certain terms used throughout this clause, such as 'undue public nuisance', for example would this cover issues around car parking; also terms such as 'type of persons'; 'interior and exterior decoration'

NILGA would welcome the addition of other risk areas to the minimum standards such as falls, risk of fumes etc in line with the HHSRS. Within clause 13(5) there is a notable absence of fire safety and means of escape. NILGA believes that with the introduction of HMO licensing there is an ideal opportunity to develop a formal regional memorandum of understanding between councils and the Northern Ireland Fire and Rescue Service.

Clause 14: Licence conditions

Clause 14 deals with the conditions that may be contained in licences. A council may include any conditions it considers appropriate for regulating the management, use and occupation of an HMO. The Department may also specify in regulations conditions which must be included. Conditions can include dates by which they come into effect.

NILGA welcomes the provisions within this clause, in particular 14(3) which states the provision of regulations pertaining to the specification of HMO licence conditions. Standardised conditions upon issuing the licence will greatly aid consistency across councils

NILGA would seek clarification in relation to 14(4) and (5) particularly in relation to the 'class of persons' occupying or visiting HMOs, but would be generally supportive of conditions introduced to take practical steps to reduce anti-social behaviour.

Clause 15: Temporary exemption notice

Clause 15 allows a council to issue a temporary exemption notice if the owner of an unlicensed HMO applies for one. The owner must explain the steps to be taken to stop the premises from being an HMO (such as ensuring that the number of occupants reduces below 3, or that sufficient basic amenities for exclusive use are installed so that occupants do not have to share them), and the council must be satisfied that these steps will be successful. The HMO does not need a licence during the term of the notice, which is three months unless extended in exceptional circumstances.

NILGA envisages there may in certain circumstances be a need to issue a temporary exemption notice in line with any existing tenancy agreement, i.e. where the HMO was in an area of high housing need and where remaining in the property there was no risk to health. Council officers should be allowed to exercise discretion in such exceptional circumstances. However NILGA would not envisage any such notice should be valid for a period longer than 12 months in totality, i.e. inclusive of any extension as per clause 16.

NILGA notes the need for protection to ensure that the required works will be carried out in full.

Clause 16: Extension of temporary exemption notice

Clause 16 allows for the extension of temporary exemption notice if the council is satisfied that special circumstances exist. A notice may be extended only once, and only for up to 3 months.

NILGA view: As per Clause 15

Clause 17: Safety and security requirements

Clause 17 specifies that the temporary exemption notice may require the owner to carry out work to improve the safety or security of the occupants for the duration of the notice. This could include minor works or the provision of removable equipment where licence conditions would normally require permanent, fixed items.

NILGA notes the provisions within this clause.

Clause 18: Revocation of temporary exemption notice

Clause 18 specifies that if a council is satisfied that an HMO owner has failed to comply with any requirement included in a temporary exemption notice, NILGA may revoke that notice.

NILGA notes the provisions within this clause.

Clause 19: Duration of HMO licence

Clause 19 states that an HMO licence lasts for five years, or a shorter period specified in the licence which cannot be less than six months. It starts on the date when notice of the decision to grant the licence is served on the owner, or another date specified in the licence. In the case of a licence granted because the council did not come to a decision within the period required, the licence will last for one year from the end of that period.

NILGA would suggest that a standardised duration period is specified. Clarity on the rationale for a non-specified period would be welcomed.

Guidance pertaining to specifics in dealing with the commencement of the 3 months period within which the council must make a determination on an application is required. NILGA is of the opinion that this 3 month period should only commence once council have received a full application, all required supporting documents and appropriate fee. Formalisation of a process where an application is deemed as being duly made would also be welcomed.

Pertaining to this clause, within Schedule 2, 15(6) clarity is required on the deemed licence, i.e. is another application fee required after the specified one year period

Clause 20: Renewal of licence

Clause 20 provides for the renewal of an existing licence which must be made before the current licence ceases to have effect. As noted above, overprovision (Clause 12) is not a ground for refusing an application to renew.

NILGA notes the provisions within this clause.

Clause 21: Application to renew: effect on existing licence

Clause 21 specifies that where an application to renew a licence is made the existing licence has effect until: the date of the new licence is granted or (if the renewal application is refused) the date the current licence ceases to have effect. Slightly different rules apply if the refusal is on the ground of breach of planning control.

NILGA notes the provisions within this clause.

Clause 22: Variation of licences

Clause 22 sets out the procedure for varying a licence, which a council may do for its own reasons or at the request of the licence holder. If a council proposes the variation, it must give its reasons.

NILGA welcomes the provision that a licence can be varied on either an application or on the council's own initiative. NILGA believes that there should be a fee payable on the application to cover costs incurred by councils; further, that a 'fit and proper person' test should apply in terms of any proposed changes to management agent.

Clause 23: Revocation of licences

Clause 23 allows a council to revoke a licence at any time. There are a number of possible grounds that may lead to the revocation of a licence. The licence holder or agent is no longer a fit and proper person under Clause 10; the accommodation is not fit for human habitation; the HMO management

arrangements are not satisfactory; the accommodation is no longer suitable for use as an HMO and cannot be made suitable; there has been a serious breach of a condition of the licence; there has been more than one breach of a condition (not necessarily a serious one). This clause also specifies that it does not matter if council has taken any other action or criminal proceedings have been commenced, the licence can still be revoked.

NILGA welcomes the power of councils to revoke a licence however there is a need for guidance in this matter. There should also be a mechanism for bringing to council any matters, including anti-social behaviour, change in conditions etc that may necessitate any revocation.

Clause 24: Variation and revocation: procedure

Clause 24 introduces Schedule 4, which makes provision about the procedure for varying or revoking a licence.

NILGA welcomes the provision, however guidance should be provided in order to provide clarity, thus inform any documented procedure to deal with the variation and revocation of a licence in line with Schedule 4.

Clause 25: Restriction on applications

Clause 25 prevents councils from considering certain applications. If an application was refused on the ground that a person was not a fit and proper person, the council may not consider an application from that person (for any accommodation) within a year of the refusal. If an application was refused on a ground relating to the accommodation (where the granting of the licence would create a situation of overprovision or where the accommodation is not habitable or suitable for use as an HMO), the council may not consider an application (from anyone) in relation to that accommodation, with the same period. This restriction does not apply if the local authority is satisfied that there has been a material change of circumstances, for example if a physical feature which made the property unsuitable for licensing has been altered.

NILGA notes the provisions within this clause.

Clause 26: Joint licence holders

Clause 26 deals with the situation where an HMO is owned jointly by more than one person. The application for a licence may be made by one owner or jointly by more than one. Any joint licence holders can request to be removed from the licence at any time provided one owner continues to hold the licence.

NILGA notes the provisions within this clause.

Clause 27: Surrender of HMO licence

Clause 27 specifies that the holder of an HMO licence may surrender the licence by giving notice to council, in the specified form, to that effect.

NILGA notes the provisions within this clause, however is of the opinion there must be a mechanism to prohibit a management company walking away from their obligations.

Clause 28: Change of ownership: effect on licence

Clause 28 states that an HMO licence may not be transferred to a new owner. So when a property changes hands, any HMO licence for the property ceases to have effect.

NILGA notes the provisions within this clause, in particular that a new application must be made which would be subjected to the appropriate application fee.

Clause 29: Death of sole licence holder: effect on licence

Clause 29 transfers the licence of a deceased sole licence-holder to that person's executor. The licence expires three months after the date of death, unless the council is satisfied that it is reasonable to extend it in order to wind up the holder's estate.

NILGA notes the provisions within this clause, in particular the flexibility to extend the licence as council deem reasonable.

PART 3: ENFORCEMENT OF LICENSING REQUIREMENTS

Clause 30: Unlicensed HMO

This clause creates a number of criminal offences relating to HMO licensing. An owner of a licensable HMO without a licence is committing an offence (unless the owner has a reasonable excuse). A person who acts as an agent for an HMO which is not licensed also commits an offence. And where the owner of an unlicensed HMO instructs an agent to act in relation to that house, the owner commits an offence.

NILGA notes the provisions within this clause and welcomes the inclusion of agent responsibility. NILGA would be keen to see the provision of guidance on terms within the clause to include 'reasonable excuse', subject to clause 34 and the information required as proof.

Clause 31: Exceeding licensed occupancy or breach of licence conditions

This clause creates the offence of allowing an HMO to be occupied in excess of the number of persons authorised on the licence. It also creates offences related to breaching conditions in a licence. An owner, agent or other person named in the licence commits an offence if they breach a condition included in a licence. And an owner or agent commits an offence if any other licence condition is breached and they do not take reasonable measures to prevent it.

NILGA notes the provisions within this clause and would be keen to see the provision of guidance on terms within the clause to include 'reasonable excuse' subject to clause 34 and the information required as proof.

Clause 32: Untrue claim that HMO is licensed

This clause makes it an offence to claim that a HMO is licensed when it is not.

NILGA notes the provisions within this clause.

Clause 33: Agents not named in licence

This clause makes it an offence for an owner to authorise an agent to act in relation to house if the agent is not named in the licence. It also makes it an offence for a person to act as an agent in those circumstances.

NILGA notes the provisions within this clause.

Clause 34: Reasonable excuse

This clause sets out some circumstances in which the owner of an HMO has a reasonable excuse for the purposes of clauses 30(1) and 31(2) and (3).

NILGA notes the provisions within this clause. There is a need for guidance on terms within the clause to include level of information required to satisfy reasonable excuse.

Clause 35: Power to require rectification of breach

Clause 35 specifies that a council can serve a notice on a licence holder requiring action to be taken to rectify or prevent a breach of a condition in an HMO licence. A notice can be served irrespective of whether a council has taken any other action or whether criminal proceedings have been commenced. The action required may include the carrying out of work in or to the HMO.

NILGA notes the provisions within this clause.

Clause 36: Revocation of rectification notice

This clause outlines the circumstances in, and process by which, a council may revoke a rectification notice under clause 35. In particular, a notice must be revoked if all the requirements set out in it have been complied with.

NILGA notes the provisions within this clause.

Clause 37: Failure to comply with rectification notice

If the owner of an HMO fails to take any action specified in the rectification notice, by the date given in the notice, they will have committed an offence under clause 37. In determining the seriousness of that offence (for example, for the purposes of setting a fine), regard is to be had to the original breach which led to the issuing of the rectification notice.

NILGA notes the provisions within this clause.

Clause 38: Revocation orders and disqualification orders

This clause gives a court powers to revoke an HMO licence and disqualify an owner from holding a licence, or an agent from being named on a licence, for a period not exceeding five years. These powers can be used on conviction of an offence under various provisions of the Bill.

NILGA notes the provisions within this clause. Further consideration is required for specified template for disqualification orders and revocation orders and whether there is a need to prescribe these. If not, then there need to be a mechanism for liaise with the courts service upon the detail required within such orders.

Clause 39: Revocations and disqualifications: appeals

This clause specifies that a person may appeal against a revocation order or disqualification order.

NILGA notes the provisions within this clause but would ask that clarity be provided on whether temporary exemption matters apply while any appeal is on-going.

Clause 40: Discharge of disqualification orders

This clause specifies that the court which made the disqualification order may discharge the order with effect from such date as the court may specify, if the court is satisfied that there has been a change in circumstances which justifies doing so.

NILGA notes the provisions within this clause.

PART 4: STANDARDS OF HOUSING

CHAPTER 1: OVERCROWDING

Clause 41: Definition of overcrowding

This clause defines an HMO as being overcrowded when the number of persons sleeping in it contravenes either the room standard or the space standard.

NILGA notes the provisions within this clause.

Clause 42: The room standard

This clause outlines the circumstances which are designated as a contravention of the room standard. These are circumstances in which persons aged 13 or over must share with another person of that age or with a couple.

NILGA would question the rationale behind the increase in age from 12 (as per the Housing Act Room Standard) to 13 years of age

There are differences in various standards for overcrowding

The original statutory definition of overcrowding in England referring to room and space standards can be found in Part X of the Housing Act 1985 but has an age threshold for children over 10 both room and space standards.

The Bedroom Standard has been used from the 1960's to measure overcrowding in the UK also uses 10 as a threshold.

The NIHE Housing Selection Scheme Rules use age 7 as a threshold age.

The European Commission Eurostat Housing Statistics for overcrowding uses 12 as the threshold age.

These differences are not helpful. With HMO tenants at a higher risk than most other tenants in the private rented sector, NILGA believes that they may require better protection from overcrowding.

Clause 43: The space standard

This clause outlines the circumstances which may be designated as a contravention of the space standard. These relate to the amount of floor space there is in the property for each person resident of it.

NILGA welcomes the formalisation of the current space standards used for HMOs.

Clauses 44 and 45: Overcrowding notices

Clauses 44 and 45 give councils the power to issue a notice where they believe an HMO is, or likely to become overcrowded. An overcrowding notice must, for each room, either stipulate the maximum number of persons who may occupy the room or specify that the room is unsuitable for occupation. This makes clear the maximum possible sleeping arrangement in the house.

NILGA notes the provisions within these clauses.

Clause 46: Requirement as to overcrowding generally

The requirement under clause 46 requires that the terms of the notice must not be breached by allowing an unsuitable room to be occupied as sleeping accommodation and that the room standard must not be contravened. A notice including this requirement can have the effect of requiring the owner to reduce the occupancy of the house immediately – for example, by terminating a tenancy.

NILGA notes the provisions within this clause.

Clause 47: Requirement not to permit new residents

Clause 47 is very similar in its effect to Clause 46, except that it covers occupation by new residents i.e. anyone not resident when the notice was served. This allows the existing situation to continue, even if the house is “overcrowded”.

NILGA notes the provisions within this clause.

Clause 48: Notice requiring further information

Clause 48 allows the council to serve a notice requiring further information in relation to overcrowding. The information requested may be, among other things, the number of people sleeping within the HMO, the names of those individuals, the number of households to which they belong and the rooms used by the individuals and households respectively. This information may be used to determine whether an overcrowding notice has been breached, but may not be used in criminal proceedings against the person providing the information.

NILGA notes the provisions within this clause.

Clause 49: Information notice: supplementary provisions

Clause 49 provides that a person commits an offence if they fail to provide information requested by an information notice or if they provide 'false or misleading' information.

NILGA would welcome guidance on the term 'misleading'.

CHAPTER 2: SUITABILITY FOR NUMBERS IN OCCUPATION

Clause 50: Suitability notice

This clause makes arrangements about HMO suitability notices. Such a notice can be served in relation to any HMO which the local authority considers is not reasonably fit for occupation by the number of persons occupying it.

NILGA would ask for guidance required for 50 (3) (b) where this falls short of Building Regulations. Guidance regarding under what circumstances one would evoke such a notice - for example under circumstances where there have been changes to a property after the licence was issued - would be welcome.

Clause 51: Contents of suitability notice

Clause 51 directs that a suitability notice must specify what NILGA considers to be the maximum number of persons by whom the HMO is suitable to be occupied. A suitability notice must contain either the general occupancy requirement or the new residents' occupancy requirement. It may also contain a statement of remedial work.

NILGA would be keen to ensure guidance is produced in relation to this clause.

Clause 52: Occupancy requirements

Clause 52 sets out that the general occupancy requirement is that the person on whom the notice is served must refrain from permitting more than the maximum number of persons to occupy the HMO. As with the similar requirement in an overcrowding notice, this can have the effect of requiring the owner to reduce the occupancy of the house immediately – for example, by terminating a tenancy. The new residents' occupancy requirement is that the person on whom the notice is served must refrain from permitting any new resident to occupy the HMO if that person's occupation results in the HMO being occupied by more than the maximum number of persons. This can be used where NILGA considers that, although the accommodation is unsuitable for its current number of occupants, the balance lies in favour of letting the current situation remain (rather than requiring the immediate departure of one or more residents).

NILGA notes the provisions within this clause.

Clause 53: Statement of remedial work

Clause 53 sets out that a statement of remedial work is a statement of work which the owner of the HMO may undertake and which, if done, will lead to the lifting of the suitability notice. Although the owner is not required to carry out the work, they can choose to do so as an alternative to having the restriction on occupancy imposed by the suitability notice.

NILGA would welcome clarity as to the rationale as to why a notice may not state any fire safety measures.

CHAPTER 3: HAZARDS

Clause 54: Definition of a hazard

Clause 54 defines that a hazard in an HMO is something that constitutes a risk of harm to the health or safety of an actual or potential occupier. The risk may arise from a deficiency in the accommodation forming the HMO, any building or land the accommodation forms part of, or any building or land in the vicinity of that accommodation.

NILGA welcomes the inclusion of common parts within this definition.

Clause 55: Hazard notice

This clause makes arrangements about hazard notices. Such a notice can be served where a council is satisfied that a hazard exists in relation to an HMO. There is also provision for this notice to be treated as an “emergency hazard notice” that can come into operation immediately where there is an imminent risk to any of the occupiers of the HMO.

NILGA welcomes the inclusion of ‘common parts’ within this definition.

Clause 56: Contents of hazard notice: prohibitions

A hazard notice may impose prohibitions on the use of any premises as the council considers appropriate in view of the hazard(s) to which the notice relates. Where the hazard affects a flat, the prohibition may cover the use of any part of the building containing the flat or any external common parts. A prohibition may include a requirement to obtain the approval of the council for the use of the property in particular ways.

NILGA would welcome guidance on use and content.

Clause 57: Contents of hazard notice: other matters

A hazard notice must specify in relation to each hazard: the nature of the hazard; the HMO in which it exists; the deficiency giving rise to the hazard; and the date on which the notice is made.

NILGA would think that there is a need for the same level of detail in clause 57 as per 56. It is the view of NILGA that it is most likely that repairs are required in the common parts rather than

prohibitions, thus covering owner occupiers also, however the same level of detail is absent from clause 57.

Clause 58: Works requirement

A hazard notice may also contain a works requirement. Clause 58 sets out that a works requirement is that an owner carries out work in order to remove the hazard. The work must be specified in the notice and can be anything which the council regards as appropriate for removing the hazard. If the work is done, the hazard notice must be lifted.

NILGA would welcome clarity as to the absence of fire safety measures again,

NILGA welcomes the option of carrying out works in default as stated in Schedule 3 but Management Orders would be a better solution to situations where the landlord is not in a position to carry out urgent works to a HMO. These orders could be delivered by the NIHE or Housing Associations.

Clause 59: Approvals as to the use of premises

This clause states that any approval of council with regards to a prohibition placed on a property must not be unreasonably withheld and that the owner may appeal to a magistrates' court against a refusal to give approval.

NILGA notes the provisions within this clause.

CHAPTER 4: FURTHER PROVISIONS ABOUT NOTICES UNDER THIS PART

Clause 60: Offences

This clause sets out the key criminal offences regarding notices under Part 4 of the Bill. These relate to failure to comply with requirements set out in a notice.

NILGA welcomes the use of fixed penalty notices in respect of these offences however there is concern that fines are currently being issued at levels significantly lower than the fixed penalty level. This matter must be addressed in order to assist council in discharging their enforcement duties.

Clause 61: Further provisions

Clause 61 introduces Schedule 5, which makes further provisions about notices under this Part.

NILGA notes the provisions within this clause.

PART 5: SUPPLEMENTARY

Clause 62: HMO register

Clause 62 requires each council to keep an HMO register containing details of each application for an HMO licence, the decision made on the application and subsequent progress of the licence. The

register is to be publicly available, but council must exclude any information that it considers could put any person or premises at risk.

NILGA is of the view that having 2 registers in the private rented sector is confusing for both the public and landlords. One single register should cover both sectors and would reduce bureaucracy and administrative costs. NILGA would also prefer that this clause stipulates the register to be kept at a 'nominated office' instead of 'head office'.

Clause 63: Code of practice

This clause creates a power for the Department to make regulations approving a code of practice laying down standards of conduct and practice to be followed with regard to the management of houses in multiple occupation.

NILGA welcomes the provision of a code of practice, and would assert that councils should be involved in the development of this and other documents associated with this Bill.

Clause 64: Fixed penalty: service of notice

Clauses 64 to 66 provide for fixed penalty notices to be issued, instead of criminal proceedings. Clause 64 allows an authorised officer of the council, who has reason to believe that an offence has been committed, to serve a fixed penalty notice. The notice must set out the offence which is alleged to have been committed, and state the amount of the fixed penalty.

NILGA welcomes the provision to issue a FPN, however it is highlighted to the Committee that there can be instances where there is non-payment of FPN and the courts then issue a lower fine than the FPN penalty, thus rendering the FPN system worthless.

Additionally NILGA notes that there is an ability to provide discounted period and clarification should be provided. Council experience would indicate that discount can increase the likelihood of payment.

Clause 65: Fixed penalty: effect of notice

Where a fixed penalty notice is served on a person in respect of an offence, no criminal proceedings may be commenced against the person for the offence before the time specified in the notice has elapsed. The person may not be convicted of the offence if the person pays the fixed penalty notice.

NILGA welcomes the ring fencing of FPN income.

Clause 66: Fixed penalty: power to alter amounts

Clause 66 allows for the Department for Social Development to alter the amounts of fixed penalty notices.

NILGA notes the provision in this clause.

Clause 67: Appeals

Clause 67 lists the decisions against which an appeal may be made. Any person on whom council is required to serve notice of a decision has the right to appeal against the decision to the county court. They must do so within 28 days (or within 7 days of receiving notice of the decision, if later), although the county court may decide to hear a late appeal if there are special circumstances.

NILGA notes the provision in this clause.

Clause 68: Council's statement of reasons for decisions which may be appealed

This Clause specifies that when any decision to which Clause 67 applies is made, then the council must include a statement informing the person (a) that they may request an explanation of the council's reason for the decision and (b) of the right to the appeal of this decision under Clause 67. Where a statement of reasons is requested, the council must supply that statement within time for the person to be able to appeal the decision. This right to a separate statement of reasons does not apply where the reasons for the decision are included in the original notice of the decision.

NILGA would welcome guidance particularly in relation to template responses.

Clause 69: Powers of court on appeal

An appeal under Clause 67 is to be by way of re-hearing, but may be determined taking into account matters of which the council was not originally aware. The county court may confirm, vary or quash the decision of the council, or may remit it back to the council for reconsideration.

NILGA notes the provisions in this clause.

Clause 70: Powers to require information and documentation: introductory

The powers conferred on the council by Clause 71, 72 and 73 are for the purpose of enabling the council to exercise any function on it conferred by this Bill and/or investigating whether any offence has been committed under this Bill.

NILGA notes the provisions in this clause.

Clause 71: Power to obtain information from persons connected to the premises

This clause allows a council to serve notice on certain persons (defined as "relevant persons") to provide them in writing with details such as: the nature of the person's estate in the premises, the name and address of any other person known to them to have an estate in the premises, any other information which the council may reasonably require and may be known to the person. The notice may also require the person to disclose the relationship between themselves and any other occupiers for the purpose of establishing households and whether the premises are, or contain, an HMO. "Relevant persons" include licence holders, owners, occupiers and agents in relation to premises.

NILGA welcomes this provision, however in certain circumstances information may be required before the specified 21 days and we would welcome an additional provision to this effect.

Clause 72: Power to require persons connected with the premises to produce documents

This clause allows a council to serve a notice on a “relevant person” (which has the same meaning as in clause 71) requiring the person to produce documents which the council requires and believes are in the person’s custody or control.

NILGA notes the provisions in this clause.

Clause 73: Power to obtain information from other persons

This clause outlines that a council may require a “relevant person” to provide, in writing, any “relevant information” under that person’s custody or control. The clause then goes on to list those considered as “relevant persons” for this purpose (which are different from those for purposes of clauses 71 and 72) e.g. NIHE, educational institutions, estate agents, etc. The clause also sets out what is considered “relevant information” e.g. information which indicates a building or part of a building may be an HMO.

NILGA would request the inclusion of PSNI, NIFRS and Health and Social Care Trusts as a relevant person.

Clause 74: Failure to comply with notice under Clause 71, 72 or 73

A person commits an offence if they refuse or fail to provide information or a document requested under Clauses 71, 72 or 73 and does not have a reasonable excuse for that failure, or if they supply false information or falsify a document.

NILGA notes the provisions in this clause.

Clause 75: Unauthorised disclosure of information obtained under Clause 73

An employee of a council commits an offence if they disclose, without lawful authority, any information which the council has obtained under clause 73 and the employee has acquired through their employment and which relates to accommodation that is, or is believed to be, an HMO. This helps to protect the confidentiality of information obtained from other public authorities under that clause, which may have originally been obtained under statutory powers and for other purposes.

NILGA notes the provisions in this clause.

Clause 76: Court to inform council of convictions

This clause applies where a court convicts a person of any offence under this Bill, with the exception of an offence under Clause 75. It requires the clerk of the court to send to a council details of the conviction and sentence and a note of any revocation or disqualification order made by the court in consequence of the conviction.

NILGA notes the provisions in this clause.

Clause 77: Powers of entry: without warrant

This clause applies where a council considers that an examination of any living accommodation is required to allow them to establish: whether it is an HMO; whether to grant, vary or revoke a licence or whether any other function under this Bill should be exercised. A person, authorised in writing by the council, may carry out the examination at a reasonable time and must give at least 24 hours notice to the owner and occupiers of the accommodation if practicable. The person may not use force in the exercise of the power conferred by this Clause.

NILGA would highlight that under 77(3) specified 24 hours' notice at the initial application, it is not practical to give 24 hours notice where there is reasonable grounds to suspect non-compliance; there should be power of entry at reasonable times.

Clause 78: Powers of entry: with warrant

A lay magistrate may issue a warrant under this clause authorising a person named in the warrant to enter and search the premises specified in the warrant. The warrant may only be issued if two conditions are satisfied:

- 1) A person acting on behalf of the council reasonably requires to enter or search the premises to establish whether an offence has been committed, a requirement imposed by a notice has been or is being complied with or any of the matters mention in Clause 77(1) (a), (b) & (c) (that is, whether living accommodation is an HMO, whether to grant, vary or revoke a licence, or whether to exercise any function under the Bill).
- 2) The premises are unoccupied or temporarily vacant, or applying to the owners or occupiers for entry would defeat the purpose of the entry or the search, or entry has already been sought under Clause 77 but has been refused.

The clause sets out a number of safeguards governing the issue and execution of warrants.

NILGA would highlight that in: 78 (1) lay magistrate and 78 (2) magistrate are mentioned. Is this an intentional difference and if so clarity would be required?

Also NILGA would like to highlight that a warrant under these provisions has only 1 month validation, whereas it is 3 months for other council functions.

Clause 79: Powers of entry: supplementary provisions

This clause outlines the additional provisions associated with entering premises under Clause 77 or 78, including an offence of obstructing the execution of a warrant.

NILGA notes the provisions within this clause.

Clause 80: Application by owner where consent withheld

This clause makes provision for a court of summary jurisdiction to grant the necessary consent to take action where that consent has been unreasonably withheld by a person involved with the property.

NILGA notes the provisions within this clause.

Clause 81: Obstructions

This clause makes provision for where any person required, authorised or entitled to carry out work for, required by, or on behalf of NILGA is obstructed in carrying out that work. A court of summary jurisdiction may, upon application, order an individual to allow the authorised person to carry out the action in question. Any person failing to comply with this order is guilty of an offence.

NILGA notes the provisions within this clause.

Clause 82: Effect of moving from accommodation for works to be carried out

This clause outlines that where a person vacates a premises for the purposes of allowing works to be carried out as required by any notice under the Bill, or a statement of remedial work, their tenancy or other occupancy arrangement is unaffected and is taken to not have been terminated, altered or varied. When the person regains lawful occupation they do so under the same terms.

NILGA welcomes and notes the protection afforded to the tenant.

Clause 83: HMOs occupied in breach of Act

This clause confirms that notwithstanding any common law rule that unlawful contracts are not enforceable, a tenancy or licence in respect of an HMO remains enforceable, even if the landlord is required to obtain a licence under Part 2 of the Act but fails to do so.

NILGA would seek clarification on the intention of this clause in relation to the payment of rents.

Clause 84: Fees

This clause confers power to make regulations concerning fees, including the maximum amounts to be charged, how fees are to be calculated, and circumstances in which no fee is to be payable or in which fees are to be refunded.

NILGA notes the proposed making of regulations. NILGA asserts that fees from landlords should meet the cost of the licensing scheme. We understand that it is the intention of the Department to leave the fees in their current format and to consider the matter further with Councils as the operation of the new regime progresses. NILGA does not agree that we should wait until the new regime starts to review fees.

As stated earlier, we would propose that a working group consisting of the representatives from the Northern Ireland Housing Executive, the Department, and local councils is formed to oversee the transfer of HMO regulation to councils. We would also request that formation of this group is expedited and that one of its functions is to consider the cost of administering the new regime, the transition from the existing registration scheme to licensing, the resources required and future licensing fees.

Clause 85: Guidance

A council must have regard to guidance issued by the Department about the exercise of its HMO licensing functions.

NILGA would welcome the provision of comprehensive guidance.

Clause 86: Regulations and orders

This clause confers a power to make consequential and supplementary provision by regulations. It lists the regulations contained within the Bill that are subject to draft affirmative resolution. Regulations which are not listed in the clause are subject to negative resolution. The clause also lists the bodies the Department must consult with when making certain regulations.

NILGA notes the provisions within this clause.

Clause 87: General notices

This clause directs that any “general notices” issued by a council under the Bill must be given in writing and published in such manner as the council considers appropriate.

NILGA notes the provisions within this clause.

Clause 88: Interpretation

This clause defines a number of terms used throughout the Bill.

NILGA notes the provisions within this clause.

Clause 89: Consequential amendments and repeals

This clause gives effect to the consequential amendments and repeals set out in Schedules 7 and 8 to the Bill.

NILGA notes the provisions within this clause.

Clause 90: Commencement

Clause 90 enables the Department to make provision by order as to the day or days when the provisions of this Bill, excluding Clause 84 to 86, 90 and 91, come into operation. The listed clauses will come into operation upon receiving Royal Assent.

NILGA notes the provisions within this clause.

Clause 91: Short title

Clause 91 provides that the Act shall be known as the Houses in Multiple Occupation Act (Northern Ireland) 2015.

NILGA notes the provisions within this clause.

SCHEDULES:

Schedule 1: Buildings or parts of buildings which are not houses in multiple occupation

Schedule 1 contains the detail about the buildings, or parts of buildings that are not classed as HMOs for the purposes of this Bill.

NILGA would re-state its comments regarding its concerns over the exemption of religious communities, Housing Associations, educational establishments and, building occupied by owners.

Schedule 2: Applications for HMO licences: requirements and procedure Schedule 2 contains the detail about the procedure for the consideration of an application for an HMO licence.

NILGA notes the provisions within this clause.

Schedule 3: Further provision about notices that require works to be carried out Schedule 3 contains the detail about the provisions relating to notices requiring works to be carried out.

Part 1: Provision applying to all notices that specify works

Part 2: Failure to carry out works required by rectification notice or hazard notice

NILGA notes the provisions within this clause.

Schedule 4: Variation and revocation of HMO licences: procedure Schedule 4 contains the detail about how and why a council may go about varying or revoking an HMO licence.

NILGA notes the provisions within this clause.

Schedule 5: Part 4 notices: further provisions Schedule 5 contains the detail about the serving and operation of Part 4 notices.

Part 1: Service and date of effect of notices

Part 2: Suspension of effect of notices

Part 3: Variation and revocation

NILGA notes the provisions within this clause.

Schedule 6: Definitions for the purpose of Clause 73 Schedule 6 contains definitions of terms used in Clause 73 of the Bill.

NILGA notes the provisions within this clause.

Schedule 7: Consequential amendments This Schedule contains the detail of the consequential amendments resulting from the introduction of this Bill

NILGA notes the provisions within this clause.

Schedule 8: Repeals - This Schedule contains the detail of the repeals resulting from the introduction of this Bill

NILGA notes the provisions within this clause.

Yours sincerely

A handwritten signature in blue ink that reads "K Smyth".

Karen Smyth

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