



<b>Subject:</b>	HMO Applications - Supporting Documentation
<b>Date:</b>	11 December 2024
<b>Reporting Officer:</b>	Kevin Bloomfield, HMO Unit Manager
<b>Contact Officer:</b>	Kevin Bloomfield, HMO Unit Manager Helen Morrissey, City Protection Manager

<b>Is this report restricted?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	To consider a request to include additional supporting documentation confirming ownership and confirmation that mortgage or other loan holder's consent before an HMO licence application is considered valid.
<b>2.0</b>	<b>Recommendations</b>
2.1	To approve the inclusion pursuant to Section 87(1) General notices of the Houses in Multiple Occupation Act (Northern Ireland) 2016 "2016 Act" that the following additional documents is required under paragraph 1(1) or (1)(2)(h) of Schedule 2 of the 2016 Act before any HMO licence application form received after 1 April 2025 is considered valid -  a) Confirmation of ownership of the HMO including the date such ownership commenced from a solicitor or other legally qualified person.  b) Confirmation from any party holding a mortgage, charge or lien against the property that they have no objection to the granting of the HMO licence.
<b>3.0</b>	<b>Main report</b>
	<b><u>Background</u></b>
3.1	Schedule 2, paragraph 12 of the Houses in Multiple Occupation Act (Northern Ireland) 2016 "2016 Act" requires the Council to decide whether to grant or refuse an application for an HMO

	<p>licence before the end of the period of 3 months beginning with the date on which the council received it.</p>
3.2	<p>The Department of Communities “DfC” Guide to the licensing of Houses in Multiple Occupation in Northern Ireland – Guidance for Local Government April 2019 states “the application is only valid if the form is completed correctly, full payment is made, and the required supporting documents are included”.</p>
3.3	<p>From the introduction of the HMO licensing scheme in April 2019 pursuant to Section 87(1) General notices of the 2016 Act the following documents as listed in points 1 – 12 below are required under paragraph 1(1) or (1)(2)(h) of Schedule 2 of the 2016 Act before an application is considered valid:</p> <ol style="list-style-type: none"> <li>1. Electrical Installation Condition Report</li> <li>2. Fire detection and Alarm Systems</li> <li>3. Emergency Lighting (if applicable)</li> <li>4. Current Portable Appliance Test (PAT) certificate</li> <li>5. Energy Performance Certificate (EPC)</li> <li>6. Gas Safety Certificate (if applicable)</li> <li>7. Chimneys and Flues (if applicable)</li> <li>8. Expiry/useful date on CO detector (if applicable)</li> <li>9. Current Fire Risk Assessment</li> <li>10. Personal Emergency Evacuation Plans (if applicable)</li> <li>11. Proof of suitable funding arrangements</li> <li>12. An anti-social behaviour plan</li> </ol> <p><b>a) Confirmation of ownership.</b></p>
3.4	<p>Section 8 of the 2016 Act outlines that applications for an HMO licence must be made by the owner of the HMO.</p>
3.5	<p>For all new licence applications relating to the sale / transfer of a licensed HMO officers require confirmation from the solicitor acting on behalf of the purchaser details of the new owner(s) name whether an individual or a company and the date the transfer took place to ensure compliance with section 28 “Change of ownership: effect on licence” of the 2016 Act.</p>
3.6	<p>Currently no such confirmation is sought in relation to renewal applications, however the HMO Unit currently undertake a percentage check of HMO licence applications via Land Registry and since the introduction of the Houses in Multiple Occupation Act (Northern Ireland) 2016 on the 1 April 2019 have credited our Landweb account to the sum of £15,500.</p>
3.7	<p>Officers are of the opinion that the percentage check is not sufficiently robust, as we continue to get applications from persons other than the owner. Examples include –</p> <ol style="list-style-type: none"> <li>a) applications from individuals when the property is owned by a company of which they are a director or vice versa,</li> <li>b) applications from one limited company when the property is owned by another limited company which share the same directors,</li> <li>c) applications from an individual when the property is owned by their spouse or other family member.</li> </ol>

<p>3.8</p> <p>3.9</p> <p>3.10</p> <p>3.11</p> <p>3.12</p> <p>3.13</p> <p>3.14</p> <p>3.15</p>	<p><b>b) Objections from mortgage or other loanees</b></p> <p>Schedule 2, paragraph 1(2)(e) of the 2016 Act requires the HMO licence application to contain the name and address of any person (other than the owner) who has a relevant interest in the HMO. A relevant interest is defined as a freehold estate, a leasehold estate (unless the unexpired term is three years or less), a mortgage, charge or lien.</p> <p>Officers are required to serve a copy of the notice of proposed decision on each relevant person in accordance with Schedule 2, paragraph 9(1) of the 2016 Act and must also serve a copy of the notice of determination (whether that be the licence certificate or notice of refusal) on those persons pursuant to Schedule 2, paragraph 13(1)(b).</p> <p>A number of mortgage providers include terms in their loans which prohibit the use of the accommodation on which the loan is secured as an HMO and subsequently object to the granting of an HMO licence. Such objections are either received after the proposed decision is issued but before the licence is granted but more typically due to time delays on their part after the licence is granted.</p> <p>If such an objection is received officers can no longer be satisfied that the management arrangements for the HMO are suitable. In such circumstances officers invite the owner to put new funding arrangements in place and provide proof of same and warn that the Council would consider revoking the licence in accordance with section 23 “Revocation of licences” if new arrangements are not adopted.</p> <p><b>Administrative and other burdens</b></p> <p>Both the issue of proof of ownership and funding are causing administrative burdens on the NIHMO Unit and equally as important causing worry and stress for HMO owners when issues are identified late in the process which may potentially lead to tenants losing their homes if revocation of the HMO licence becomes necessary.</p> <p>The provision of the requested documentation before an application is considered valid would allow officers to identify issues at an earlier stage and allow additional time if necessary for HMO owners to take corrective action before the issue becomes potentially critical.</p> <p><b><u>Financial and Resource Implications</u></b></p> <p>None. The cost of assessing the applications and officer inspections are provided for within existing budgets.</p> <p><b><u>Equality and Good Relations Implications</u></b></p> <p>There are no equality or good relations issues associated with this report.</p>
	<p><b>Appendices – Documents</b></p>
	<p><b>Appendix 1 – Valid Application (Current supporting documentation).</b></p>

## **Appendix 1 – Valid Application (Current supporting documentation).**

Pursuant to Section 87(1) General notices of the 2016 Act the following documents as listed in point 1 – 12 below are required under paragraph 1(1) or (1)(2)(h) of Schedule 2 before an application is considered valid:

### **1. Electrical Installation Condition Report**

Valid, current certificates for the electrical installation, confirming compliance with the applicable edition of the I.E.E. Regulations. Certificates with either C1 or C2 faults indicated on the certificate will be deemed as non-compliant.

### **2. Fire detection and Alarm Systems**

For a system installed to BS 5839-1:2017 “Fire detection and fire alarm systems for buildings. Code of practice for design, installation, commissioning and maintenance of systems in non-domestic premises. One of the following valid certificates is required -

- Installation Certificate
- Commissioning Certificate
- Inspection and Servicing Certificate

For a system installed to BS 5839-6:2013 Fire detection and fire alarm systems for buildings. Code of practice for the design, installation, commissioning and maintenance of fire detection and fire alarm systems in domestic premises

For Grade A, B or C systems, one of the following valid certificates is required –

- Installation Certificate
- Commissioning Certificate
- Inspection and Servicing Certificate

For Grade D Systems certification is not required.

### **3. Emergency Lighting (if applicable)**

In accordance with the recommendation of BS5566. Part 1, Code of Practice for the Emergency Escape Lighting in Premises. One of the following valid certificates is required -

- Completion certificate – Installation – Declaration of conformity
- Completion certificate – Verification – Declaration of conformity
- Emergency lighting inspection and test certificate

### **4. Current Portable Appliance Test (PAT) certificate**

Portable appliance testing (PAT) is the term used to describe the examination of electrical appliances and equipment to ensure they are safe to use.

### **5. Energy Performance Certificate (EPC)**

Energy Performance Certificate with a minimum E rating for energy efficiency.

## 6. Gas Safety Certificate (if applicable)

Valid, current certificate(s) issued within the last year by a Gas Safe registered installer.

## 7. Chimneys and Flues (if applicable)

A declaration as to the condition of any chimneys/flues and date they were last cleaned.

## 8. Expiry/useful date on CO detector (if applicable)

A carbon monoxide alarm is installed which meets the requirements of BS EN 50291:2001 in the same room as any gas appliance.

Additionally a carbon monoxide alarm is installed which meets the requirements of BS EN 50291:2001 in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance.

As a minimum alarms should be powered by a battery designed to operate for the working life of the alarm. Such alarms must be kept in proper working order and should incorporate a warning device to alert users when the working life is due to pass.

**While Carbon Monoxide alarms may provide an extra measure of warning remember these are no substitute for regular inspection and maintenance of appliances, vents, flues and chimneys.**

## 9. Current Fire Risk Assessment

The Fire and Rescue Services (NI) Order 2006 and the Fire Safety Regulations (NI) 2010 places responsibilities on person(s) with control of premises to assess the risk of harm from fire and to put in place suitable fire safety measures.

The appropriate person **must** record the significant findings of their fire risk assessment (including fire safety measures that have been, or will be, taken to ensure the safety of persons from fire) and any persons identified as being especially at risk from fire on the premises.

The aim of the fire risk assessment is:

- To identify hazards and to reduce the risk of those hazards causing harm to as low as is reasonably practicable; and
- To determine what fire safety measures and management policies are necessary to ensure the safety of people in the building should fire occur.

The completed fire risk assessment will be evaluated using the Northern Ireland HMO Fire Safety Guide as a benchmark. If the property is not deemed compliant the applicant will be afforded an opportunity to remedy the issues. If they are not remedied to the satisfaction of officers the council will take that into account when assessing whether the applicant is a fit and proper person.

Fire Risk Assessment templates are available at [www.nifrs.org](http://www.nifrs.org) (link opens in new window)

## 10. Personal Emergency Evacuation Plans (if applicable)

A PEEP is a Personal Emergency Evacuation Plan. It is a bespoke 'escape plan' for individuals who may not be able to reach an ultimate place of safety unaided or within a satisfactory period of time in the event of any emergency.

Who needs a PEEP?

PEEPs may be required for occupants with:

- mobility impairments
- sight impairments
- hearing impairments
- cognitive impairments
- other circumstances

A temporary PEEP may be required for:

- short term injuries (i.e. broken leg)
- temporary medical conditions
- those in the later stages of pregnancy

The underlying question in deciding whether a PEEP is necessary is "can you evacuate the building unaided, in a prompt manner, during an emergency situation?" If the answer is "no", then it is likely that a PEEP is needed.

### **11. Proof of suitable funding arrangements**

An applicant must be able to demonstrate that they have sufficient funds to undertake any remedial or improvement works necessary to bring the property up to a licensable standard and maintain it in such a standard.

The applicant is therefore required to provide a letter from an accountant, bank or some other person with professional knowledge of the funding arrangements to demonstrate that the funding arrangements for maintaining and managing the HMO are suitable.

### **12. An anti-social behaviour plan**

In assessing whether an applicant is a fit and proper person the council must have regard to whether the applicant, their associate or former associate has engaged in any anti-social behaviour and their conduct as regards any anti-social behaviour engaged in by occupants of premises which they owned or managed.

An applicant will be required to provide an anti-social behaviour plan to support an application for a licence. The plan must have regard to the council's Anti-Social Behaviour Guide and the Standard Licence Conditions in relation to managing anti-social behaviour.