



Subject:	Update on Transfer of Houses in Multiple Occupation
Date:	4 th December 2018
Reporting Officer:	Nigel Grimshaw, Strategic Director of City & Neighbourhood Services
Contact Officer:	Siobhan Toland, Director of City Services Stephen Leonard, Neighbourhood Services Manager

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

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

1.0	Purpose of Report or Summary of main Issues
1.1	The new legislative control, the Houses in Multiple Occupation (HMO) Act NI 2016 completed the Final Stage on 15 th March 2016 and received Royal Assent on 12 th May 2016. On commencement of this Act HMO regulation will transfer to local Councils.
1.2	The committee will recall an update paper presented at the meeting on 4 th September 2018, and the papers of 10 th April 2018 and 8 th May 2018.
1.3	This paper provides a further update on the progress with the transfer of Houses of Multiple

	Occupation (HMO) function from the Northern Ireland Housing Executive (NIHE) to Councils.
2.0	Recommendations
2.1	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> • note the update information regarding the Houses of Multiple Occupation function and the current status of the programme of transfer.
3.0	Main report
	<p><u>Key Issues</u></p> <p><u>Fees</u></p> <p>3.1 During the summer of 2018, the three cluster lead Councils developed a fee calculator, which considered the costs of the new scheme transferring to the Councils, and the necessary fee that would be required to ensure the scheme could be administered at no cost to the councils.</p> <p>The fee calculator has subsequently been reviewed by external consultants.</p> <p>3.2 The consultants, working closely with the finance teams in the Councils, concluded that, the assumptions underpinning the anticipated costs and income for the new scheme were reasonable, while the overriding premise is that the Councils' delivery of the scheme would be cost neutral i.e. no public sector subvention required.</p> <p>3.3 It is intended to bring a further report to the Committee regarding the fees once the Department of Communities (DfC) engagement (see below) has been completed and the feedback from stakeholders has been fully reviewed.</p> <p><u>DfC engagement</u></p> <p>3.4 On 14th November 2018, the DfC launched a stakeholder engagement, which included the issuing of 2607 letters to landlords and agents registered under the current scheme, and the publication of the new scheme's details on the DfC website.</p>

3.5	<p>The letter detailed that whilst the Houses in Multiple Occupation Act (Northern Ireland) 2016 has been granted Royal Assent and introduced into law, most of the Sections contained within have not yet been enacted. This means the Act exists, but at this stage, in name only. Following on from the introduction of the primary legislation, DfC officials have been working alongside Council and Housing Executive representatives, to prepare a significant programme of subordinate regulations and a landlords Code of Practice which will give effect to the HMO Act with the aim to introduce a new licensing scheme from 1st April 2019. DfC are on track to meet the deadline for transferring the HMO function and introducing the licensing scheme for 01 April 2019.</p>
3.6	<p>The communications also provided additional information on the new HMO licensing scheme and included a copy of the draft HMO Regulations (Northern Ireland) 20XX, the Landlords Code of Practice and a Regulatory Impact Assessment. The communications also outlined the new registration fees for the scheme. The engagement advised interested parties to contact the DfC for any clarification, and with any questions or comments. The engagement will close on 30 November 2018.</p> <p><u>ICT</u></p>
3.7	<p>BCC's Digital Services has lead on the process to procure a regional ICT solution for the new scheme. The contract has been awarded, subject to completion of a call off contract, to undertake this work. Considerable work is required to build the new ICT system, and to prepare for the transfer of data from NIHE files to the new ICT platform. Costs associated with the new ICT system will be paid for by DfC as transition costs. Digital Services have developed a SLA for ICT across all the Councils.</p> <p><u>Governance</u></p>
3.8	<p>On advice from Legal Services, given the licensing/regulatory nature of the 2016 Act and the expertise gained by the Licensing Committee in terms of assessing similar type issues, a report was taken to the Licensing Committee on 20th November 2018, recommending that it assumes responsibility for determining all matters under the Houses in Multiple Occupation (HMO) Act NI 2016, with the exception of those which are proposed to be delegated to the Strategic Director of City and Neighbourhood Services Department, i.e.</p> <ul style="list-style-type: none"> • applications for the grant, renewal, transfer or variation of licences where objections are

received;

- applications where officers believe there may be an issue in relation to the fitness of the applicant to hold a licence;
- approving any guidance documents;
- setting of licence fees;
- revocation of licences, except where in the public interest the Director, in consultation with the City Solicitor, considers that there are particular circumstances which make it necessary to suspend a licence immediately.

3.9 A subsequent report on 23 November 2018 to the Strategic Policy and Resources Committee recommended amendments to Standing Order 37 (d) Duties of Committees – Licensing Committee to give effect to the Licensing Committee having delegated authority to determine those applications for a house in multiple occupation as set out in paragraph 3.6. The report also confirmed that the Licensing Committee had agreed to the amendments to the Scheme of Delegation, as outlined in paragraph 3.28; subject to the approval of the Strategic Policy and Resources Committee.

3.10 It is proposed to hold a training workshop in January 2019 and bring proposed amendments to the Licencing Committee’s Operating Protocol on February 2019.

Transferring staff

3.11 Consultation with staff transferring from NIHE to BCC continues. Two members of NIHE staff continue to work in BCC offices each week to prepare a procedure manual and other relevant documentation. It is anticipated that an awareness session for transferring staff will take place in December, which will include a tour of the proposed office space and facilities in Cecil Ward Building, an opportunity to meet future colleagues in the City & Neighbourhood Services Department, and a tour of City Hall. A similar process will take place for transferring staff who will be based in the offices of Causeway Coasts and Glens Borough Council. A review of training needs prior to transfer is also ongoing.

Financial and Resource Implications

3.12 The cost of administering the new licensing regime has been included in the draft estimates for 2019/20.

3.13	<u>Equality or Good Relations Implications/Rural Needs Assessment</u> There are no equality, good relations or rural needs implications associated with this report.
4.0	Appendices – Documents Attached
	None.