

<b>TRANSFER OF HOUSES IN MULTIPLE OCCUPATION: MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN DEPARTMENT FOR COMMUNITIES (DFC) HOUSING DIVISION AND LEAD COUNCILS</b>	<b>5<sup>th</sup> March 2019</b>
<b>TO: ENVIRONMENTAL SERVICES COMMITTEE</b>	
<b>FOR DECISION</b>	

<b>Linkage to Council Strategy (2015-19)</b>	
<b>Strategic Theme</b>	Resilient Healthy & Engaged Communities
<b>Outcome</b>	Delivery of New Statutory function
<b>Lead Officer</b>	Head of Health & Built Environment
<b>Cost: (If applicable)</b>	To be funded through HMO Licensing Scheme.

## **Background**

The Houses in Multiple Occupation (HMO) Act NI 2016 received Royal Assent on 12<sup>th</sup> May 2016 and is due to be commenced on 1<sup>st</sup> April 2019.

The above Memorandum of Understanding (MOU) has been developed in consultation with Council officers and sets out key working arrangements and responsibilities for the operation of the new HMO regulatory regime. The MOU will assist and provide clarity and accountability regarding the respective roles of Councils and the Department (DfC), to the procedures and activities involved in the regulation of the HMO function. It identifies key performance indicators (KPI's) and sets out the main activities and statistics to be provided with respect to monitoring the delivery of the scheme. A copy of the MOU may be found at Appendix 1 to this report.

## **Recommendation**

It is recommended that committee approve the signing of the above Memorandum of Understanding and that the Chief Executive sign on Councils behalf.



Department for  
**Communities**

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**DEPARTMENT FOR COMMUNITIES (DFC)  
HOUSING DIVISION**

**AND**

**BELFAST CITY COUNCIL**

**DERRY CITY AND STRABANE DISTRICT  
COUNCIL**

**CAUSEWAY COAST AND GLENS BOROUGH  
COUNCIL**

**1<sup>ST</sup> APRIL 2019**

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## **MEMORANDUM OF UNDERSTANDING**

1. Relating to the operation of the licensing of houses in multiple occupation in accordance with the Houses in Multiple Occupation Act (Northern Ireland) 2016 and the Houses in Multiple Occupation (Northern Ireland) Regulations 2019.

### **INTRODUCTION**

2. This Memorandum of Understanding (MOU) has been developed in consultation with councils and sets out the key working arrangements and responsibilities for the operation of this new regulatory regime.
3. Houses in multiple occupation (HMOs) play an important role in meeting the housing needs of people who are single, who have temporary employment, students, low income households and migrant workers.
4. Councils now have responsibility to properly and effectively regulate HMOs to ensure the health, safety and wellbeing of the occupants and at the same time minimise any negative impacts on the neighbourhood and surrounding area.

### **PURPOSE**

5. This MOU will assist and provide clarity and accountability regarding the respective roles of Councils and the Department to the procedures and activities involved in the regulation of this HMO function.

## **RESPECTIVE ROLES AND RESPONSIBILITIES**

### The Role of the Department

#### **The Department for Communities (DfC) roles and responsibilities are to:**

- Have responsibility for the policy, drafting primary and subordinate legislation, amendments to the Landlords Code of Practice and Guidance in relation to the regulation of HMOs including any consequential amendments.
- Provide support and assistance to councils in the development and delivery of the mandatory licensing scheme.
- Maintain mandatory oversight of the scheme. A monitoring programme identifying distinct functions subject to reporting mechanisms will be created in consultation with the councils for each financial year.
- Facilitate and attend meetings with Councils.
- Collaborate with Councils in the formulation, development review and evaluation of the licensing scheme.

### Role of the Councils

#### **Appointed councils roles and responsibilities are to:**

- Administer a licensing system in accordance with powers devolved in the Houses in Multiple Occupation Act (Northern Ireland) 2016, and in compliance with the Houses in Multiple Occupation (Northern Ireland) Regulations 2019, supplementary Landlords Code of Practice and guidance provided by the Department.
- Monitor and review all related financial transactions ensuring that the costs of operating the scheme are cost neutral with no public sector subvention required recovering costs from licence fees and fixed penalties obtained from landlords.
- Assist landlords, managing agents and tenants understand the requirements of the HMO licensing scheme.
- Attend any meetings with the Department to facilitate a review of the Scheme

- To adhere to, discuss if required and agree timescales per request to provide the necessary information for the Department to respond to requests which may include a range of Assembly Questions, Ministerial and Committee correspondence and briefings.

## **KEY PERFORMANCE INDICATORS**

6. DFC and nominated Councils operating the scheme have agreed a number of key performance indicators to ensure successful delivery of the new regime. Further details of the indicators can be found in **Appendix 1**.

## **ESTABLISHMENT OF MONITORING PROGRAMME**

7. To enable sufficient detail to be captured to carry out a future review of the licensing scheme **Appendix 3** provides the main activities and statistics to be provided in a quarterly return to the Department which shall be submitted at one calendar month following the quarter end.

## **GENERAL OPERATION OF THE MOU**

### **Commencement**

8. This MOU will be effective from the 1 April 2019 when the HMO Licensing scheme will commence.

### **Accountability and Responsibility**

9. Accountability for this MOU will lie with the Director, Housing Supply Policy in the Department for Communities and at Chief Executive or Director level in Belfast City Council, Derry City and Strabane Council, and Causeway Coast and Glens Borough Councils responsible for administering the scheme.

### **Review**

10. Either party may ask for a review of any part of the MOU at any time during its duration. Reviews will be conducted and agreed by those responsible for the day to day operation of the review and will be the responsibility of the Head of Private Rented Branch and the equivalent Head of Environmental Health/City Services in Belfast City Council, Causeway Coast and Glens Borough Council and Derry City and Strabane District Council. Changes should be formally approved by those accountable for the MOU. The first review is expected to take place 2 years after HMO licensing has been operational.

### **Force Majeure**

11. Neither party to this Agreement shall be liable to the other or shall be held to be in breach of this agreement to the extent that it is prevented, hindered or delayed in the performance or observation of its obligations hereunder due to

any cause beyond its control, (including industrial action, strike, walk out, riot, civil disobedience, inclement weather, inability to obtain supplies, accident or any other contingency whatsoever beyond its reasonable control).

### **Governing Law**

12. It is hereby agreed that this Agreement shall be governed by Northern Ireland law and that the Courts of Northern Ireland shall have exclusive jurisdiction in all matters arising hereunder.

### **Disputes**

13. In the event of a dispute in relation to any matter covered by this MOU resolution will be determined in the first instance by those responsible for the day to day operation. Should this fail to resolve the matter resolution will be determined by those accountable for the MoU.

### **Agreement**

14. This MoU will be effective for future years unless it is terminated, amended or superseded.
15. Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements for our inspection regime.

\_\_\_\_\_ Director or Chief Executive

Acknowledged on behalf of Belfast City Council

Date: \_\_\_\_\_

\_\_\_\_\_ Director or Chief Executive

Acknowledged on behalf of Derry City and Strabane Council

Date: \_\_\_\_\_

\_\_\_\_\_ Director or Chief Executive

Acknowledged on behalf of Causeway Coast and Glens Borough Council

Date: \_\_\_\_\_

\_\_\_\_\_ Director

Acknowledged on behalf of the Department for Communities

Date: \_\_\_\_\_

## APPENDIX 1

### KEY PERFORMANCE INDICATORS

The following KPIs are aligned to targets within the Primary Legislation (Houses in Multiple Occupation Act (Northern Ireland) 2016).

Target 2019/2020	Aim	Performance Indicator	Number
3 months	To decide whether to grant or refuse an application for an HMO licence	How many completed within/outside the 3 month period <b>to include reasons for not making targets</b>	
28 days	Must serve a notice within this timescale if the application is refused due to a breach of planning control	How many completed within/ outside the 28 day period <b>to include reasons for slippage</b>	
14 days notice	Must provide a statement of reasons for its decision	How many completed within/outside the 14 day period	
7 days	Must serve a notice of determination whether to vary or revoke an HMO licence	How many completed outside the statutory period <b>to include reasons for not making targets</b>	



7 days	Must serve notice of hearings for oral representations not less than 7 days before the date of the proposed hearing	How many served outside period of 7 days. <b>To include reasons for not meeting targets</b>	
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## APPENDIX 2

### Contact Details

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Belfast City Council

028 90270428

Belfast City Council

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**Bryan Edgar**

Causeway Coast and Glens Borough Council

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**3 HMO Licensing Quarterly Returns – To be made by Belfast City Council (as lead for Shared Service)**

<b>Houses in Multiple Occupation Act 2016–</b>		
1. How many HMOs were licensed within the last quarter?		
2. What is the total number of HMOs licensed year (April 19) to date?		
3. What is the total number of HMOs identified as unlicensed (April 19 to date)		
4. How many HMO inspections were carried out in the last quarter?		
5. How many HMO renewals took place in the last quarter?		
<b>6. Offences in connection with HMO Licensing Scheme</b>		
(i) How many offences in relation to HMOs occurred in the last quarter?		

<ul style="list-style-type: none"> <li>(ii) What was the nature of these offences?</li> <li>(iii) How many fixed penalties were served?</li> <li>(iv) What is the amount served in fixed penalties?</li> <li>(v) How much was received this quarter from Fixed Penalties?</li> <li>(vi) How much has been received to date (From April 19) from Fixed Penalties?</li> <li>(vii) Please provide details of any other enforcement issues which should be brought to our attention.</li> </ul>		
<p><b>7. Finance</b></p> <ul style="list-style-type: none"> <li><b>(i) income in last quarter/from start of financial year?</b></li> <li><b>(ii) expenditure in last quarter/from start of financial year?</b></li> <li><b>(iii) performance against budget in last quarter/from start of financial year?</b></li> </ul>		