EXPLANATORY MEMORANDUM TO

The Houses in Multiple Occupation (Fees) (Amendment) Regulations (Northern Ireland) 2025

S.R. 2025 No. 124

1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department for Communities to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule is made under section 84 of the Houses in Multiple Occupation Act (Northern Ireland) 2016 and is subject to the negative resolution procedure.

2. Purpose

2.1. The purpose of this Statutory Rule is to increase the maximum amount of fee per person per annum a council may charge for an application for a Houses in Multiple Occupation (HMO) licence. The maximum fee will change from £45 per person per annum to £75 per person per annum.

3. Background

3.1. The policy objective is to allow the HMO licensing scheme operating on a cost neutral basis for councils. At the introduction of the Act, one of the policy objectives in setting licence application fees was to ensure that the transfer of the administration of HMOs to councils would not be at the expense of rate payers.

4. Consultation

4.1. This amendment to the HMO fee is based on financial information provided by the Northern Ireland HMO Unit, which administers the licensing scheme on behalf of all councils, and is required to keep the scheme cost neutral. There was no requirement for consultation.

5. Equality Impact

5.1. A screening tst indicated that there was no adverse impact on equality of opportunity or the needs of rural customers therefore a full Equality Impact Assessment was not considered neccessary.

6. Regulatory Impact

6.1. A Regulatory Impact Assessment has been completed and this increase is not considered to have a significant impact on affordability.

7. Financial Implications

7.1. Financial Implications are set out in the Regulatory Impact Assessment which has been published on the Department's website.

8. Section 24 of the Northern Ireland Act 1998

8.1. It is the view of the Department that these Regulations are compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. Not applicable.

10. Parity or Replicatory Measure

10.1. This measure replicates legislation in administration in the rest of the UK which is designed to keep HMO Licensing schemes on a cost neutral basis.

11. Additional Information

11.1. Not applicable.