

Title of Report:	Ministerial Oral Statement – HMO Licensing and Enforcement
Committee Report Submitted To:	Environmental Services Committee
Date of Meeting:	9th December 2025
For Decision or For Information	For information
To be discussed In Committee	No

Linkage to Council Strategy (2021-25)	
Strategic Theme	Healthy, Active and Engaged Communities
Outcome	To provide information on HMOs within the Borough.
Lead Officer	Head of Health & Built Environment

Estimated Timescale for Completion	
Date to be Completed	N/A

Budgetary Considerations	
Cost of Proposal	N/A
Included in Current Year Estimates	N/A
Capital/Revenue	N/A
Code	N/A
Staffing Costs	N/A

Legal Considerations	
Input of Legal Services Required	NO
Legal Opinion Obtained	NO

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	N/A	Date:
	EQIA Required and Completed:	N/A	Date:
Rural Needs Assessment (RNA)	Screening Completed	N/A	Date:
	RNA Required and Completed:	N/A	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	N/A	Date:
	DPIA Required and Completed:	N/A	Date:

1.0 Purpose of Report

- 1.1 To note the Minister for Communities Gordon Lyons oral statement to the Northern Ireland Assembly on HMO licensing and enforcement and the follow-up letter to the Council's Chief Executive both of 21 October 2025.

2.0 Background

- 2.1 On the 21 October 2025 the Minister for Communities Gordon Lyons made an oral statement to the Northern Ireland Assembly on the enforcement and licensing of Houses in Multiple Occupation ("HMO"). (Appendix 1).

- 2.2 The Minister followed up his oral statement by writing to the Council's Chief Executive (Appendix 2) to remind the Council of –

"Firstly, I want to remind you that it is within the remit of each council to set policies regarding HMO provision. Councils can also set restrictions on the number or percentage of HMOs in certain areas in order to avoid an over concentration in residential areas and protect the character and amenities of existing areas. I would ask that your council consider this matter promptly, if such a policy requires updating or is not in place.

Secondly, I want to remind you that each council is responsible for the licensing of HMOs within its own area, including considering if the granting of a new licence would result in overprovision, and for enforcement of the relevant legislation in conjunction with the NIHMO Unit."

- 2.3. In the statement to the Northern Ireland Assembly on the 21 October 2025, the Minister outlined measures including:

1. The expectation that Councils will enforce HMO limits. He noted inconsistencies in the current approach across Councils.
2. Calling for stronger enforcement against unlicensed and overcrowded HMOs.
3. Approving higher licence fees to provide councils with more resources for regulating HMOs.
4. Contacting the Westminster government about extending the "Right to Rent" scheme to Northern Ireland, which requires landlords to check tenants' legal right to reside in the UK.
5. Raising concerns with the Home Office about MEARs using HMOs to house asylum seekers and refugees, stating the current system "is not working"

- 2.4 The Minister began his statement by acknowledging that

“HMOs are useful in some circumstances, for example when it comes to student accommodation or for those on low income and indeed, the benefit system presumes that single people under 35 will share accommodation and normally limits Housing Benefit and Universal Credit on that basis to a ‘shared accommodation rate’”.

- 2.5 Notwithstanding the clear need for HMOs to meet the housing needs of specific groups within society the Minister identified that HMOs can have wider community impacts and stated that.

“we must ensure these matters are managed responsibly while maintaining the right balance across our communities, ensuring housing needs are met without creating undue pressure or changing neighbourhood character.”

1. HMO Limits

Planning Considerations

- 2.6 The Communities Minister in his letter to the Chief Executives of all Northern Ireland Councils stated.

“I want to remind you that it is within the remit of each council to set policies regarding HMO provision. Councils can also set restrictions on the number or percentage of HMOs in certain areas in order to avoid an over concentration in residential areas and protect the character and amenities of existing areas. I would ask that your council consider this matter promptly, if such a policy requires updating or is not in place.”

- 2.7 The extant development plan in the Borough is the Northern Area Plan 2016. This includes Policy HOU 4 Use of Dwellings for Multiple Occupation in the Plan Strategy. This Policy seeks to control this type of housing to ensure that the accommodation provided for residents is of a satisfactory standard and that the impact on neighbouring properties is not detrimental to their amenity, or to the environment or character of the area. The Council is currently preparing the Local Development Plan 2038 with an indicative time of Autumn / Winter 2026 to publish the Draft Plan Strategy. In light of the Minister’s Statement, it may be appropriate to consider relevant policy provisions within the Plan.

HMO Licensing – Overprovision

- 2.8 Legal Services has advised that section 8 of the 2016 Act requires the Council to be satisfied that the granting of a new HMO licence will not result in overprovision.

- 2.9 In considering overprovision, section 12(1) of the 2016 Act requires the Council to have regard to:
- a) the number and capacity of licensed HMOs in the locality.
 - b) the need for housing accommodation in the locality and the extent to which HMO accommodation is required to meet that need.
- 2.10 Currently there are no defined localities within the borough for the purpose of section 12(2) of the 2016 Act. If it is agreed that moving forward Housing Management Areas are appropriate these should be aligned across the planning and HMO licensing regimes.
- a) The number and capacity of licensed HMOs in the locality**
- 2.11 On the date of assessment, the Council determines the number and capacity of licensed HMOs in the locality as a percentage of the overall number of residential units.
- b) The needs for housing accommodation in the locality and the extent to which HMO accommodation is required to meet that need.**
- 2.12 The housing “*need...in the locality*” and the extent to which HMO accommodation is required to meet that need, fluctuates with time. Officers currently use ward / town when assessing need in the locality.

Regulations

- 2.13 Section 12(1)(c) of the 2016 Act allows the Department to bring forward regulations in which they may specify such other matters which the Council must have regard to when considering overprovision. No such Regulations have been introduced by the Department and officers from the NIHMO Unit have raised this with Department officials at the most recent HMO Monitoring Group meeting. DfC officially have indicated that Councils should write to the department if they feel such regulations would be beneficial.

2. Stronger enforcement against unlicensed and overcrowded HMOs

- 2.14 The Minister in his statement stated that since *“April 2019 to early September 2025, there have only been 77 fixed penalty notices (“FPN”) issued and 2 successful prosecutions for the operation of unlicensed HMOs and 1 successful prosecution for exceeding the licensed occupancy.”*
- 2.15 From the start of the financial year the NIHMO Unit has redirected resources towards enforcement activity and between 1 April 2025 to 30 October 2025 undertook 289 enforcement visits across Northern Ireland, which resulted in 24 FPNs being paid which in turn generated £120,000 in fixed penalty income.
- 2.16 Additionally, in the period between 1 April 2025 to 30 October 2025 the NIHMO Unit served a total of 126 notices as set out in Table 1

Table 1

<i>Notice Type</i>	<i>Causeway Coast & Glens Borough Council</i>	<i>Rest of Northern Ireland</i>	<i>Total</i>
<i>Section 30(1): Non-Licensed HMO (Owner)</i>	0	16	16
<i>Section 30(2): Non-Licensed HMO (Agent)</i>	0	4	4
<i>Section 5(2) Evidence of household notice</i>	0	18	18
<i>Section 5(5) Household notice</i>	0	8	8
<i>Section 15 Temporary Exemption Notices</i>	0	28	28
<i>Section 50(2): Suitability Notice with works</i>	0	1	1
<i>Section 71 - Power to obtain information from persons connected to premises</i>	0	3	3
<i>Section 72 - Power to require persons</i>	2	34	36

<i>connected to premises to produce documents</i>			
<i>Section 73 - Additional supporting documentation</i>	0	7	7
<i>Section 78: Powers of Entry without warrant</i>	0	8	8
<i>Total</i>	2	127	129

3. Higher licence fees

- 2.17 The Department for Communities in exercise of the powers conferred by section 84 of the Houses in Multiple Occupation Act (Northern Ireland) 2016 made the Houses in Multiple Occupation (Fees) (Amendment) Regulations (Northern Ireland) 2025 which came into operation on 1st August 2025.
- 2.18 The Regulations increased the maximum permitted fee per occupant per year from £45 to £75. The policy objective behind the regulations is to allow the HMO licensing scheme to operate on a cost neutral basis for councils. At the introduction of the 2016 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.
- 2.19 Officers from the NIHMO Unit in conjunction with Belfast City Council finance colleagues are currently running costing models with the intention to bring forward a committee paper for approval to increase the current HMO licence fee of £45 from 1 April 2026.

4. Extend the “Right to Rent” scheme.

- 2.20 “Right to Rent” is a legal requirement in England that landlords must check that all adult tenants have the legal right to be in the UK before a tenancy agreement is created. This check ensures that only those with the correct immigration status can rent properties, and landlords can face penalties for failing to comply. The process varies based on immigration status and can involve checking physical documents or using an online service like the “share code”.

5. Concerns with the Home Office about MEARs using HMOs to house asylum seekers and refugees.

- 2.21 Officers from the NIHMO Unit are currently working with Mears Housing to vary approximately 250 licences across Northern Ireland (20 in Causeway Coast & Glens Borough Council Area) to add them as the managing agent.

- 2.22 There is no provision within the 2016 Act to restrict the occupancy of an HMO with regard to the asylum or refugee status of the occupants.

3.0 Recommendations

- 3.1 Members are asked to note the contents of the Ministers statement and the policies currently in place to deal with such matters in the Causeway Coast & Glens Borough Council area.

4.0 Background Papers

Appendix 1 – The Communities Ministers oral statement to the NI Assembly – HMO licensing and enforcement – 21 October 2005.

Appendix 2 – The Communities Ministers letter to the Chief Executive – HMO licensing and enforcement – 21 October 2025.

Appendix 1 – The Communities Ministers oral statement to the NI Assembly – HMO licensing and enforcement – 21 October 2005.

Topics:

- [Housing supply policy & delivery](#)

Date published: 21 October 2025

Mr. Speaker, I wish to make a statement to the Assembly on the enforcement and licensing of Houses in Multiple Occupation – HMOs



In recent months, there has been an increased focus on Houses in Multiple Occupation, with concerns raised regarding concentrations of this type of accommodation in certain areas. I am also aware of reports regarding overcrowding and the operation of unlicensed HMOs.

The purpose of my statement today is to address these concerns and provide clarity on the licensing regime for HMOs which operates in Northern Ireland and responsibilities for enforcement.

Let me first clarify what HMOS are.

An HMO is a property or part of a property where three or more people from more than two households live and share washing or cooking facilities. HMOs are useful in some circumstances, for example when it comes to student accommodation or for those on low income and indeed, the benefit system presumes that single people under 35 will share accommodation and normally limits Housing Benefit and Universal Credit on that basis to a 'shared accommodation rate'.

However, we must acknowledge that this type of housing carries higher risks, both in terms of safety and standards, and can have wider community impacts. We must ensure these matters are managed responsibly while maintaining the right balance across our communities, ensuring housing needs are met without creating undue pressure or changing neighbourhood character.

Controls on numbers of HMOs are necessary to ensure that any detrimental effects on neighbouring properties or the environmental character and qualities of residential areas are minimised.

Unfortunately, it is recognised that over concentrations of HMOs were allowed to develop in some areas in the past, leaving some challenges to be addressed.

The Houses in Multiple Occupation Act (Northern Ireland) 2016 provides councils with a key statutory tool to prevent future over concentrations of HMOs through the overprovision test. This means that when considering an application for a new HMO, councils must have regard to the number of HMOs already in the locality.

Councils should also have their own specific policies about HMO provision and set restrictions on numbers or percentages of HMOs in certain areas. Regrettably, Mr Speaker, there are far too many inconsistencies of approach, and some councils have not exercised their powers to the fullest extent when it comes to this legislation. For this reason, today I can confirm that I will be writing to all Council Chief Executives outlining their obligations and my expectations under the current legislation.

Councils have powers to investigate, enforce, and punish those landlords acting outside the law. I expect councils to implement their own HMOs policies, including setting a limit on the percentage of HMOs in a certain area.

Immigration is an excepted matter and the lead government department with responsibility for legal obligations to asylum seekers across the UK, including accommodation, is the Home Office.

Where an individual has been accepted by the Home Office as a refugee and given leave to remain in the UK, in most cases this will bring an entitlement to access public services including housing assistance for which my Department is responsible in Northern Ireland.

I can confirm that approximately 250 HMOs are currently in use by MEARS across Northern Ireland to provide accommodation for asylum seekers and refugees. I have raised concerns on several occasions around the MEARS accommodation issues and I do not plan to rehearse them all again today. It is however the case, that this system is not working and current policies are failing communities right across Northern Ireland and the rest of the United Kingdom.

There are higher risks associated with HMOs, and they often have a negative impact on neighbourhoods and the balance of a community.

Councils have substantial powers under the Act to manage issues reported with this type of accommodation, including powers to obtain information and enter premises. Councils also have powers to issue fixed penalty notices, fines and proceed to prosecution if necessary.

The most serious offences carry fixed penalties of £5,000 and fines of up to £20,000.

Since April 2019 to early September 2025, there have only been 77 fixed penalty notices issued and 2 successful prosecutions for the operation of unlicensed HMOs and 1 successful prosecution for exceeding the licensed occupancy.

The operation of the HMO licensing scheme is funded by licence fees paid by landlords, and I am therefore increasing the maximum amount that can be charged for an HMO licence application, in order to ensure the adequate resourcing and operation of the licensing scheme.

The private rented sector in Northern Ireland is under strain, so it is important that landlords who decide to break the law are held to account. Therefore Mr Speaker, I can also confirm to the house that I have written to both the Home Office and Secretary of State for Northern Ireland requesting they extend the Right to Rent scheme to Northern Ireland. This would ensure that landlords in Northern Ireland also have a legal obligation, as they do in England, to ensure prospective tenants have legal status to reside in the United Kingdom.

In closing Mr Speaker, I've always said I would do what I can with what I have and today sets out the clear expectations I have of every Council in Northern Ireland to ensure they exercise the powers available to them. I have also demonstrated my support by increasing the fees to landlords, which supports Councils and the HMO unit to carry out their responsibilities and I will continue to engage with UKG on bringing the Right to Rent scheme to Northern Ireland.

I would encourage anyone who has concerns or suspicions about unlicensed HMOs, or other issues with HMOs, to report these to their local council or the HMO Unit for investigation and action.

I commend this statement to the House.

From: The Minister

Local Council Chief Executives

Dear Chief Executive

THE REGULATION OF HOUSES IN MULTIPLE OCCUPATION

As you will be aware, Houses in Multiple Occupation Act (NI) 2016 introduced a new licensing scheme for these types of properties, with the overarching aim of improving conditions for occupiers. The legislation, which was operational from April 2019, also transferred responsibility for this regulatory function from the Housing Executive to Councils.

In recent months there has been an increased focus on Houses in Multiple Occupation (HMOs), and some have expressed concerns about concentrations of this type of accommodation in certain areas.

I am also aware that there have been reports of overcrowding and suspicions about the operation of unlicensed HMOs.

Firstly, I want to remind you that it is within the remit of each council to set policies regarding HMO provision. Councils can also set restrictions on the number or percentage of HMOs in certain areas in order to avoid an over concentration in residential areas and protect the character and amenities of existing areas. I would ask that your council consider this matter promptly, if such a policy requires updating or is not in place.

Secondly, I want to remind you that each council is responsible for the licensing of HMOs within its own area, including considering if the granting of a new licence would result in overprovision, and for enforcement of the relevant legislation in conjunction with the NIHMO Unit.

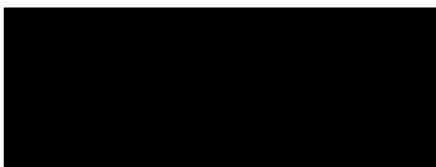
Finally, in relation to enforcement, councils have substantial powers under the Act to manage issues reported with this type of accommodation:

- There are 21 offences within the HMO legislation punishable by fixed penalty notices up to £5,000 and fines of up to £20,000.
- The most serious offences include: operation of an unlicensed HMO, breach of occupancy specified on licence, use or permitting use of an HMO subject to a hazard notice, these offences are subject to a fixed penalty notice of £5,000 and a fine of up to £20,000.
- Other offences include: breach of licence conditions, agents not named on licence etc., these offences are subject to fixed penalty notices of £2,500 and fines of up to £10,000.
- Some lesser offences can attract fixed penalty notices of £200-£500 and fines of up to £1,000.

I would therefore ask that your Environmental Health Officers remain vigilant to the potential for properties to be operating as unlicensed HMOs and report these to the NIHMO Unit. Other issues such as overcrowding or substandard management arrangements should also be reported to the NIHMO unit as soon as possible.

Any concerns or issues can be raised with NIHMO unit, and these can be discussed during the HMO Monitoring Group Meeting, which is attended by council representatives, members of my Private Rented Sector Team and other interested parties, such as, the NI Fire and Rescue Service. Any urgent matters can, of course, be raised with the NIHMO unit and, subsequently, my Department outside of these meetings.

Yours sincerely



Gordon Lyons MLA
Minister for Communities