



Do you rent out a property in the UK?

In April 2006 the mandatory Houses in Multiple Occupation (HMO) licensing came into force across the UK. However, there are differences in the HMO definition and licensing requirements dependant on whether the property is in England, Wales, Northern Ireland or Scotland.

It is recommended that you check the requirements with the Local Authority in the area that the property is located, as all these regulations are subject to amendment from time to time.

Advertisements in the UK newspapers have been slightly misleading, in that they have stated that if a landlord does not have a licence they could be fined up to £20,000. However, the new licence only affects landlords whose property is classed as a House in Multiple Occupation (HMO).

The purpose of HMO licences is to raise management and amenity standards in the rented property sector. HMOs are often poorly managed and in a bad state of repair; the new licensing requirements will raise the standards of such accommodation and ensure that landlords are managing their HMOs to the required standards.

Regional Differences

1. England and Wales

Properties in England and Wales subject to the new HMO legislation include:

- Properties with three or more storeys (including habitable attics or basements)
- Properties with five or more unrelated tenants
- Properties occupied by any tenants unrelated to each other

It is advisable to check with the Local Authority where your property is located as some local authorities may also licence smaller HMOs.

Further details can be found at:

<http://www.communities.gov.uk/housing/rentingandletting/privaterenting/housesmultiple/>

2. Northern Ireland

HMO legislation in Northern Ireland covers properties such as:

- Properties split into separate bed-sits
- Properties let as lodgings
- Properties that are a shared house or flat
- Properties used as a hostel
- Properties used as a bed and breakfast hotel which is not just for holidays
- Student halls
- Care homes

Full details of mandatory legislation for Northern Ireland can be found at:

<http://www.nihe.gov.uk/hmos/>

<http://northernireland.shelter.org.uk/advice/advice-3810.cfm>

3. Scotland

If you are a private landlord in Scotland there are two types of mandatory registration:

a. Licensing Of Houses In Multiple Occupation

The Scottish Executive introduced mandatory licensing of Houses in Multiple Occupation (HMOs) in October 2000; it covers all sizes of property. **A licence is required for every house or flat where three or more people live who are not all members of one family or of one or other of two families.** The house must be their only or main home. Flats or bedsits which are otherwise separate are considered part of one house if they share cooking, washing or toilet facilities. Resident landlords and members of their family are not counted in calculating the number of occupants, so they only need a licence if they have three or more tenants living with them.

The owner of the house is responsible for obtaining an HMO licence from the local authority. Before awarding a licence, the authority will make sure that acceptable standards are met in three categories.

The local authority sets the standards required, and also sets the fees which are charged for a licence application.

Further details can be found at:

<http://www.scotland.gov.uk/Topics/Housing/Housing/16193/PrivateRenting/16501>

b. Private Landlords Registration

Since 30 April 2006, all private landlords have been required to register with their local authority. This gives tenants assurance that landlords are fit and proper people to let property, and gives the local authority a full picture of the private rented sector in their area.

The Scottish Executive has published guidance for local authorities, and provides an online system for them to receive applications and maintain their registers at www.landlordregistrationscotland.gov.uk. Paper application forms and information leaflets are available from local authorities. Further information about registration is available on the Help pages of the registration website.

If you require any further assistance on the property licence websites please contact your local AFF Coordinator in the HIVE or AFF Cyprus Branch Office on 00357 2596 2110.