

LIVING SAFELY TOGETHER

Additional Licensing of HMOs – Frequently Asked Questions

What is an additional licensing scheme for houses in multiple occupation (HMO)?

It is a scheme that Councils can introduce to help to deal with the problems associated with HMOs that are not already covered by the [mandatory licensing scheme](#). This can be that safety standards are not being met or the properties are not being managed properly. This will include typically smaller privately rented shared houses and flats and some sub standard property conversions.

What does HMO stand for?

HMO stands for house in multiple occupation.

What is a house in multiple occupation (HMO)?

It is an entire house or flat which is let to three or more tenants who form two or more households and who share a kitchen, bathroom or toilet. It includes converted blocks of flats that have been converted but not to current standards. The full definition and exclusions can be found in the [Housing Act 2004, Section 254 to 264](#) and [Schedule 14](#).

What is a household?

A household can be one person or several people provided that they are related to each other, including cousins, grandparents and stepchildren as well as partners living together.

What are the current licensing requirements for HMOs?

Currently, HMOs that are three or more storeys, occupied by five or more people, forming two or more households are required to be licensed. This is called mandatory licensing and the Housing Act 2004 is the legislation that requires this licensing to be carried out by the Council. There are approximately 200 properties licensed by the City Council.

There is a requirement to meet standards for the number of people living in the accommodation, the size of the rooms they occupy, the number of shared amenities per person e.g. bathrooms and kitchens and fire safety measures e.g. fire alarms, fire extinguishers, smoke detectors, fire doors, fire exits and signage and thermal comfort and energy efficiency measures.

The HMOs also have to be managed properly and checks are carried out to make sure that landlords/managers are “fit and proper” and do not have unspent criminal convictions. This licensing would continue alongside additional licensing as it is a national scheme.

What types of HMOs does Additional Licensing cover?

Additional Licensing will extend to all HMOs irrespective of size and storey within Worcester City. There are many more of those (over 1,500).

All privately rented HMOs located in Worcester City occupied by three or more people (including children) who form two or more households will require a licence. This will apply to properties irrespective of the number of storeys. This includes properties converted before 1991 where they would not meet current standards ([s257 HMOs](#)).

An example would be a semi-detached, three-bedroom house where all of the rooms have been converted to bedrooms and provide accommodation for four to five people sharing bathroom and kitchen facilities.

Another example is a 2 bedroom flat where the 2 bedrooms and lounge are used as bedrooms so has 3 unrelated occupiers and the kitchen and bathroom are shared.

What evidence does the Council have to justify that a scheme is needed?

Worcester City has an important, valuable and vibrant HMO market occupied by single people located across the City. The private rented sector now accounts for over 18% of the housing stock. The Council operates the mandatory licensing scheme as well as an accreditation scheme for other HMOs. When inspected, 92% of these properties required works to improve safety and management standards. This means that there are between 1,500 and 2,000 properties where occupiers share facilities and which are at risk. For full details of the evidence, please view the consultation paper ([link](#)).

What does Worcester City Council want to achieve through an Additional Licensing Scheme?

The aim of the scheme is to ensure landlords are meeting their obligations to provide safety measures, for the property to be in a good condition, well maintained and to improve the quality of management. There is a desire for there to be a level playing field and all HMOs providing consistent standards irrespective of the size of the dwelling.

How much will an HMO Licence application cost?

Worcester City Council is proposing a fee of £670 for a five-year licence. Larger properties may be charged more to reflect the extra time required for inspection.

Is the Council using licensing fees to raise money?

The fee charged will cover the costs associated with administering the scheme and the scheme is required to be self-financing. The Council is not permitted to make a financial gain from the scheme. This fee has been calculated to cover the cost of the assessing applications, issuing of licences/ accompanying documents, inspections, licensing enforcement and monitoring of properties.

Will landlords pass on this cost to tenants?

It is not intended that the cost is passed on to tenants and in other areas of the country where similar schemes have been introduced it has not happened. However, if the cost of the license is £670, this equates to 85p a week if three people share a property and 64p a week if 4 people share.

Can landlords pay for the Licence in instalments?

As part of the consultation, views will be sought about the fee and various ways that it can be collected.

How long will the licence last?

The licence will last for 5 years.

I already run a licensed HMO; do I require a Licence for my other houses?

Yes. You must hold a separate Licence for each house that meets the licensing criteria.

Do I need planning permission for my HMO?

You will need planning permission to change the use of a house from a single family dwelling to a house in multiple occupation. You should ensure that you have the relevant planning consent before you let the house as a HMO. You should contact the Planning department for further information. Email: planning@worcester.gov.uk

I have planning permission for my HMO. Would I also need a licence?

Yes. Planning and licensing have different objectives and separate legislation. You will need both.

I rent out rooms in my private house, do I require a licence?

A resident landlord and family can have up to two lodgers living in the house. If you have three or more lodgers in the house you will require a HMO licence.

I am selling a licensed house, what do I need to do?

Licences would be non-transferable and a new owner would need to apply for a new Licence.

What will happen to landlords who do not apply for a licence?

Failure to license can lead to the following consequences:

- Prosecution and a fine of up to £20,000.
- Restriction on the use of a s21 notices to recover possession of letting rooms. This is a 2 month notice commonly used to gain possession of a property.
- A court order requiring the repayment of up to 12 months rent for the period when the property should have been licensed and wasn't.

What will happen if landlords do not comply with the conditions of the licence?

It is an offence to fail to comply with the conditions of the Licence. The maximum fine is £5,000. It may also affect the landlord 'fit and proper' status and the licence/s (if multiple properties owned) could be revoked.

How would Additional Licensing work?

Anyone who owns or manages an HMO in Worcester City would have to apply to the Council for a Licence. The Council assesses the application and issues a Licence if it is satisfied that the HMO is reasonably suitable for occupation by the number of occupants/households allowed under the licence. Accompanying documentation would include current electricity and gas safe safety certificates and a plan to show the layout and size of the rooms. An assessment would also be made that the licence holder meets criteria about their suitability. This is known as being a 'fit and proper person'. The Council will also assess whether the proposed management arrangements are satisfactory.

If the Council is not satisfied with the above then they may decide to refuse the Licence or impose further conditions on the Licence holder to, for example, make the property suitable. A copy of the proposed Licence or reasons for proposing to refuse the Licence has to be issued before a final decision is made. Licence conditions will be monitored and the property inspected during the lifetime of the licence.

Where can I find out more information about Additional Licensing and feed into the consultation?

Further information and guidance on additional HMO licensing can be found on our [web pages](#).

How do I contact the Private Housing team?

Email: privatehousing@worchester.gov.uk

Tel: 01905 722233

Post: Worcester City Council Private Housing Team, The Hive, Sawmill Walk, The Butts, Worcester WR1 3PB