

HOUSING ACT 2004 – PART 2, LICENSING OF HOUSES IN MULTIPLE OCCUPATION

Mandatory licensing of Houses in Multiple Occupation came in to force in April 2006 and licences were issued for a period of five years. The first licences will be expiring shortly and renewal packs will be sent out in due course.

We hope that this factsheet will answer any questions that you may have about the renewal process. If you have any other questions please contact the Private Sector Housing Team on 01932 425886 / 425888 or email housing@runnymede.gov.uk

Have there been any changes in what counts as a licensable house in multiple occupation (HMO) since the Housing Act 2004 first came in to force in April 2006?

The legal definition of what counts as a licensable HMO has not changed. Any house that is three or more storeys in height and occupied by five or more persons living as more than one household who share at least one standard amenity and pay rent must be licensed.

Further details can be found on the Council's website www.runnymede.gov.uk

What happens to my existing licence on the date it expires?

The licence will automatically cease to have effect and will be removed from the public register of HMO licences.

Will I have to apply for a new licence?

If you intend to continue letting the property as a licensable HMO when the current licence expires, then you will have to apply for a new licence.

When should I apply?

You should ideally apply for a new licence at least two months before the current licence expires. This should then allow enough time to enable a new licence to be processed and approved so that it will come in to operation from the date of the expiry of the current licence onwards.

This is why we are sending all existing licence holders a renewal pack three months prior to the expiry date of their current licence. A licence application form will be included and you must complete and return it if your property is still licensable.

If your property is no longer licensable you must confirm this by completing and returning the declaration that is included in the renewal pack

Why do I need to apply for a new licence?

Although we already hold information about your property from your first licence application, we need to know about any changes in circumstances that may have occurred over the past five years or so. You will also need to provide updated information about your status as a fit and proper person to act as the licence holder.

Will the application form be the same as before?

Yes. The renewal pack also includes guidance on completing the application form.

Will I have to pay another licence fee? If so, how much will it cost?

Yes - local housing authorities are able to recover the full costs incurred in administering the licence scheme and therefore a further licence fee will be charged.

The processing of a new licence application is very similar to that involved with an initial application. All of the stages required by the legislation under Part 2 of the Housing Act 2004 must still be followed and a detailed assessment of your application must be carried out before a new licence can be granted.

A reduction of £71 will apply to licence renewals making the fee £559.

How long will the new licence last for?

In most cases the new licence will last for a further five years. Licences may however be granted for shorter periods where there are any concerns over the management arrangements or where there have been avoidable delays in making an effective licence application.

Will I have to provide another property plan?

If the property plan you provided with your initial licence application is still accurate then it should not be necessary to provide a further plan in most cases. We will contact you if there are any problems with the existing plan.

Will I have to provide updated safety certificates?

Yes. Any safety certificate that is out of date must be renewed before a new licence can be granted. This applies to:

- Gas safety certificates (if the property has a gas supply)
- Inspection certificates for the electrical installation.
- Test certificates for the fire alarm system.
- Test certificates for the emergency lighting system (if fitted)

You will also need to provide an updated declaration that any upholstered furniture you provide as part of the tenancy is fully compliant with fire safety regulations.

Will my property have to be inspected again?

If your property fully complies with the Council's adopted standards at the date of granting the new licence and there are no unresolved health and safety issues carrying over from the initial licence, then it may not be necessary to carry out a further inspection.

We will however carry out a risk assessment for each new licence to decide whether an inspection is required, and if so, how soon this would be. We will then inform you of the outcome as necessary.

An inspection may however be carried out at any time in connection with any enquiries received from the occupiers or neighbours.

Will the licence conditions be the same as before?

The conditions specified in your current licence concerning the proper management of the property will in most cases be broadly similar in any new licence that may be granted. Each case will however be assessed on its own merits. Any particular works or actions specified as conditions of your existing licence should have been completed by the time the new licence is granted and therefore in most cases it should not be necessary to include these conditions again.

What will happen if all of the conditions of the existing licence have not yet been complied with?

If all of the conditions have not been complied with then this is an offence for which you could be fined up to a maximum of £5000 per breach of licence condition.

For example it may have been specified that additional amenities should have been installed to make the house suitable for occupation by a certain number of persons. If this work has not been completed then evidence could be gathered with a view to instigating legal proceedings.

You are therefore urged to look through the schedule of licence conditions of your existing licence to ensure that any works required are completed.

What are the penalties for failing to obtain a new licence?

The penalties for operating a licensable HMO without a licence once the current licence expires are the same as those for failing to obtain a licence in the first instance. These include:-

- Failure to obtain a licence – a fine of up to £20,000
- Permitting an excessive number of occupants – a fine of up to £20,000
- Rent repayment orders
- Interim Management Orders
- You would not be able to issue notice to quit for existing short hold assured tenancies.