

House in Multiple Occupation (HMO) Licensing Guide



What is a House in Multiple Occupation (HMO)?

A property occupied by three or more persons in two or more households where one or more amenities such as a bathroom, toilet or cooking facilities are shared.

OR

A property converted into a mixture of self-contained and non-self-contained units occupied by three or more persons in two or more households.

OR

A property converted entirely into self-contained flats prior to 1991 or after 1991 (without Building Regulation approval) and where at least one third of the flats are occupied by tenants on short term tenancies.

In order to be an HMO, the property must be the tenants' only or main residence.

Properties let to students, migrant workers or members of staff will be treated as their only or main residence and the same will apply to properties which are used as domestic refuges.

What is a Household?

A household can be a family, cohabitating couples or a single person.

Domestic staff, fostering and or care workers are not considered separate households.

Examples of Households:

Three friends sharing a property will be three households

A couple sharing with a third person will be two households

A family renting a property will be a single household

A resident landlord and his family plus three unrelated lodgers will be four households.

What is a self-contained unit of accommodation?

A self-contained unit will have its own private living space, bedroom(s), kitchen (or cooking area), bathroom, and toilet facilities for the exclusive use of the unit's occupants.

If any of these facilities are outside the unit, it is not self-contained.

Local Authority regulation of HMOs

Buildings, houses and flats which have been converted into HMOs are regulated by local authorities to ensure they are properly constructed, managed and maintained.

All HMOs must comply with the local authority's adopted standards for HMOs and other HMO related regulations.

Most HMOs occupied by five or more persons will require a licence from the local authority.

HMO licensing gives local authorities powers to ensure HMOs are properly managed, maintained and kept safe.

HMO Licensing

HMO licensing was introduced by the Government to regulate the management and safety of HMOs, which are often occupied by vulnerable or disadvantaged members of society.

Statistically residents of HMOs are at greater risk from hazards associated with fire and poor hygiene than that of residents in smaller single occupancy properties.

Licensed HMOs benefit from:

- Licence holders and managers who are fit and proper people
- Restricted levels of occupation to suit the property
- Adequate management standards
- Adequate amenities and safety precautions

Landlords of Licensed HMOs benefit from:

- Regulated and approved standards of safety and management
- Letting rooms within a Local Authority Licensed HMO
- HMO Buildings and contents insurance, which cannot be compromised by its failure to comply with the local and or fire authority standards.
- Reduced risk of hazards associated with fire and or inadequate amenities.

There are three local authority operated licensing schemes for privately rented accommodation:

Mandatory HMO licensing, Additional HMO licensing and Selective Licensing.

This local authority only operates the mandatory HMO licensing scheme.

Mandatory HMO Licensing Criteria:

The HMO must be occupied by five or more people in two or more households, and
One or more amenity (toilet, bathroom, or kitchen facilities) in the HMO is shared,
or One or more units of accommodation are not entirely self-contained

The owner or manager of an HMO, or someone on their behalf, may apply to the local authority for an HMO licence

Exemptions to HMO Licensing

HMOs managed or under the control of one of the following are exempt from licensing;

- Local Authorities
- Local Fire Authorities
- Registered Social Landlords (Part 1 of the Housing Act 1996 c.52)
- Police Authorities (Section 3 of the Police Act 1996 c.16)
- The Metropolitan Police Authority (Section 5B Police Act 1996 c.16)
- A health service body within the meaning of Section 4 of the National Health Service and Community Care Act 1990 (c.19)

Buildings owned or managed by educational establishments and occupied principally by full time students (most commonly these will be halls of residence) may be specified as exempt by order.

Buildings occupied by religious communities with the principal purpose of conducting prayer, contemplation, education or the relief of suffering.

Buildings regulated otherwise than under the Act, such as children's homes, care homes, residential family centres, boarding schools or colleges which accommodate children, approved bail hostels, removal centres, prisons, remand centres, young offenders institutions, secure training centres and accommodation for destitute asylum seekers.

Self-contained units occupied by a landlord and family members with no more than two other unrelated persons. This will not, however, apply where there are other units sharing amenities within the building or part of the building containing the self-contained flat.

HMOs which are not licensable are still subject to the provisions of the Housing Acts, the local authority's adopted standards for HMOs and other housing related regulation

Planning Permission for HMOs Changing the occupation and use of a building, house or flat from its existing occupation and use into that of an HMO may require planning permission.

HMOs in an Article 4 Area require planning permission

Where Planning permission is required ideally it should be obtained prior to a licence application being submitted.

Applying for an HMO Licence does not negate the need for planning permission. If planning permission is not applied for or granted you will be committing an offence and the planning department take enforcement action regardless of the granting of an HMO Licence.

How to apply for an HMO Licence

HMO Licence Application Forms can be filled in here

https://www.bromley.gov.uk/info/200069/houses_in_multiple_occupancy/1213/apply_for_an_hmo_licence

Part 1 Licence Administration Fee

The licence administration is due at the time of application, it covers the cost of:

- Processing the application and verifying its contents and that of any certificates which have been submitted in support of the application
- Carrying out a fit and proper person check
- Searches of local authority records, company searches, and land registry searches
- Any other searches which may be appropriate.

Valid Licence Application

A valid licence application will only be considered by the local authority when the following have been received:

A fully completed and signed licence application

The appropriate licence application administration fee

A scaled floor plan detailing layout and position of each room (minimum A4). Please see <https://www.bromley.gov.uk/downloads/file/1523/hmo-licence-providing-a-floorplan>

**A current (no older than 5 years) satisfactory Electrical Installation Condition Report If required, a current (no older than one year) Landlords Gas Safety Record
A current (no older than one year) Fire Alarm Test Certificates
If required, a current (no older than one year) Emergency Lighting Test Certificate
A copy of a tenancy agreement*

**It is a legal requirement to have an EICR and Gas Safety Certificate for any tenanted property, however if the property is currently unoccupied or you are awaiting an inspection for a current certificate you can submit your application, you will be required to provide the new certificate(s) during the licensing process.*

Incomplete or Invalid Licence Application

Where an application is incomplete or invalid the local authority will contact the applicant to invite them to complete their application or submit a new valid application.

Proposal to Grant a Licence

Once a licence application has been validated the applicant, owner, manager and anyone else with an interest in the property will be notified that the local authority proposes to grant a licence for the property.

They will also have the opportunity to make representations regarding the proposal.

Decision to Grant or Refuse a Licence

A decision will then be made as to whether or not to grant the licence with or without modifications/conditions or to refuse the licence application.

The applicant and other interested parties will have the opportunity to appeal the decision if they are unhappy with it.

Decision to Grant a Licence

The local authority will issue a licence when it is satisfied that:

- The appropriate licensing fee has been received
- The proposed licence holder is a fit and proper person
- The proposed licence holder is the most appropriate person to hold the licence
- The proposed manager, who may be the licence holder, is a fit and proper person
- The proposed management arrangements are satisfactory
- The property either complies or will comply with all the relevant fire, safety and management regulations.

Decision to refuse to grant a Licence

The local authority may refuse to grant a licence, where:

- The HMO is exempt or ineligible for licensing
- The HMO cannot be physically or practically brought up to the standards required by the local authority
- The proposed Licence holder or manager is not a fit and proper person

Who is a fit and proper person?

The local authority will carry out checks to ensure potential Licence holders and managers are fit and proper persons. In deciding whether or not someone is a fit and proper person the local authority must consider:

- Any previous convictions for violence, sexual offences, drugs and fraud
- Any previous contraventions of housing, landlord and tenancy and or anti-discrimination legislation
- Membership of a professionally recognised body or an approved landlords association that is affiliated to the National Federation of Residential Landlords may be beneficial

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Part 2 Licensing Fee

Before a licence is issued the applicant is required to pay a licensing fee, which covers the cost of:

- Issuing and registering the licence and licence conditions
- Creating and maintaining the licence records
- Routine inspections of the licensed HMO licence variations
- Any other costs associated with maintaining the licence and its conditions over the five years period.

What does an HMO Licence tell you?

- The name and address of the Licence holder and manager
- The date of the Licence and its duration
- The HMO's maximum level of occupation
- Licence conditions
- Any works required to ensure the HMO meets the local authority's HMO standards

What are Licence Conditions?

- Restrictions or prohibitions on the use of certain parts of the HMO, if appropriate;
- A requirement that the HMO, its structure, amenities, facilities, services, appliances, fixtures and fittings and its contents, including furniture, are properly maintained in a safe condition.
- A requirement for specified works or repairs to be carried out within a particular time frame.

How long is a Licence valid for?

A Licence will normally be issued for a maximum period of five years; however, it may be issued for a shorter period if the circumstances warrant it.

How long will the application process take?

The local authority will aim to process a valid application within twelve weeks and will need to inspect the building containing the HMO and all the rooms, communal areas and amenities within the HMO before it is satisfied that the HMO is suitable for licensing.

Re-licensing of a Licensed HMO

- The local authority may require a licensed HMO to be re-licensed for a fee where:
- Ownership or the licence holder of the HMO changes
 - There is a significant change in the layout of the HMO
 - There is a significant change in the building containing the HMO
 - There are changes in the number and or location of bedsits and or
 - Facilities provided within the HMO

Variation of an Existing Licence

The local authority may vary an existing licence for no fee where there is a change in management.

HMO Licence Application Administration Fees for New Licences

Number of units available to let	Licence Application Administration Fee
Up to 5 units	£1125.00
6 units	£1321.00
7 units	£1517.00
8 units	£1713.00
9 units	£1909.00
10 units	£2105.00

For more than 10 units add £196.00 per additional unit.

HMO Licensing Fee for New Licences

Number of units available to let	Licensing Fee
Up to 5 units	£482.00
6 units	£566.00
7 units	£650.00
8 units	£734.00
9 units	£818.00
10 units	£902.00

For more than 10 units add £84.00 per additional unit.

HMO Licence Application Administration Fee for Renewing a Licence

Number of units available to let	Licence Application Administration Fee
Up to 5 units	£867.00
6 units	£1014.00
7 units	£1161.00
8 units	£1308.00
9 units	£1455.00
10 units	£1602.00

For more than 10 units add £147.00 per additional unit.

HMO Licensing Fee for Renewing a Licence

Number of units available to let	Licensing Fee
Up to 5 units	£372.00
6 units	£435.00
7 units	£498.00
8 units	£561.00
9 units	£624.00
10 units	£687.00

For more than 10 units add £63.00 per additional unit.