

# H&F HMO mandatory, additional and selective licensing FAQs

## 1, What is an HMO

HMO stands for house in multiple occupation.

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.

The full definition and exclusions can be found in the [Housing Act 2004, Section 254 to 264](#) and [Schedule 14](#).

Examples would be shared houses with 3 or more occupants, flats with 3 or more occupants within a building and owner occupiers with 3 or more lodgers.

## 2, What is a household?

A household can be one person or several people provided that they are all members of the same family. Half-relatives will be treated as full relatives. A foster child living with his foster parent is treated as living in the same household as his foster parent.

Domestic staff members are also included in the household if they are living rent-free in accommodation provided by the person for whom they are working.

## 3, How do I know if my property is an HMO?

Below is a table to show some examples of what does and does not constitute a HMO.

Description	HMO?
2 bedroom house or flat with 2 unrelated tenants	No
2 bedroom flat, 1 cohabiting couple living and 1 unrelated tenant	Yes

3 bedroom house, 3 unrelated tenants	Yes
3 bedroom house, brother, sister and cousin sharing	No

#### 4, How long is the licence valid for?

Licences can be granted for up to five years. The council may grant licences for shorter periods in certain circumstances. If your licence period is less than five years you will be informed in writing why the council has limited the period.

If the licence holder wants to apply for a lesser period this should be discussed with the council as soon as possible.

#### 5, Are there conditions attached to the licence?

There will be a number of conditions attached to licences, some of which are set out in the Act and some of which will be prescribed by the council in individual cases. Those conditions that will apply to all licences are:

licence holders will be required to produce to the council annually for our inspection an in date gas safety certificate (gas safety inspections are required yearly)

licence holders will be required to keep electrical appliances and furniture made available by them in a safe condition

licence holders will be required to ensure that smoke alarms are installed in the HMO and are kept in proper working order and make declarations to this effect to the council

licence holders will be required to supply to occupiers of the HMO a written statement of terms on which they occupy the house and make declarations to this effect to the council.

## Mandatory licensing

#### 1, What are the requirements for a mandatory licence for an HMO?

HMOs which are occupied by five or more people with at least two households require a Mandatory Licence. Definition updated in 2018 by The Licensing of Housing in Multiple Occupation Order. Mandatory licensing is regulated under the Housing Act 2004 and has been in force since 2006.

Properties are required to meet certain 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 and selective licensing as it is a national scheme.

## 2, How much does a mandatory licence cost?

The mandatory licence fee is property specific.

The fee calculation is based on the number of habitable rooms and whether any discounts may apply. For an average sized property in Hammersmith & Fulham a licence may cost £1400. Vat is not applied to licence fees.

A discount will be applied where:

the licence holder and/or the manager is a member of a registered body

the licence holder is signed up to the [Hammersmith & Fulham Landlords Charter \(pdf\)](#) (You can sign up to the landlord’s rental charter as part of the application process)

Only one discount is applied per licence.

Payment must be made online when you make your application

We do not accept cheques or cash payments.

## 3, How do I apply for a mandatory licence?

**From the 5 June 2017** you must submit an online application. Payment must be made online when you make your application Hammersmith & Fulham Council does not accept cheques or cash payments.

# Additional licensing

## 1, What is the additional licensing scheme?

This is a discretionary scheme that we have adopted to help to deal with the problems associated with HMOs that are not already covered by mandatory licensing.

This can be that safety standards are not being met or that properties are not being managed properly and will include typically smaller privately rented shared houses and flats and some sub standard property conversions.

## **2, When does the additional licensing scheme come into force?**

It comes into force on 5 June 2017.

From the 5 June 2017 you must submit an online application.

## **3, How long will the additional licensing scheme last and how long will my licence last?**

Our additional licensing scheme will last for five years from 5 June 2017.

We plan to conduct a review in Year 5 to produce the evidence to support the effectiveness of the scheme and therefore its continuation. Only at that point, will we know if the scheme will be renewed.

All property licences will expire on the last date of the scheme regardless of when the licence was issued.

The majority of licences will begin on 5 June 2017 and therefore last for five years.

If a landlord acquires a new HMO in year 2, for example, the licence will be issued from that date (in year 2) but the expiry date will be the last date of the scheme.

## **4, What is the designated area for additional licensing scheme?**

The additional licensing designated area covers the whole of Hammersmith & Fulham.

## **5, What types of HMOs are subject to additional licensing?**

Additional licensing will extend to all privately rented HMOs in H&F which are occupied by three or more people (including children) who form two or more households, irrespective of size and number of storeys.

**Example 1** - a semi-detached, three-bedroom house where all the rooms have been converted to bedrooms and provide accommodation for four to five people sharing bathroom and kitchen facilities.

**Example 2** - 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.

**The following exemptions apply:**

There are other properties that are not regarded as HMOs, that are excluded as detailed in the Housing Act 2004:

Buildings controlled or managed by public sector bodies e.g. registered social landlords, police authorities etc.

Buildings regulated by other legislation e.g. care homes, detention centres etc.

Buildings controlled or managed by an educational establishment (specified by type or otherwise) and occupied by the establishment's students

Buildings occupied by religious communities whose principal occupation is prayer, contemplation, education or the relief of suffering

Buildings occupied by the owner and members of his household, provided there are no more than two other persons (e.g. lodgers)

Buildings occupied only by two persons who form two households

Privately rented HMOs in Hammersmith & Fulham with three or more storeys occupied by five or more people (including children) who form two or more households will continue to require a licence under the mandatory licensing scheme.

**6, How does additional licensing work?**

Anyone who owns or manages an HMO in H&F has to apply to the council for a licence. The council must issue a licence if it is satisfied that:

the HMO is reasonably suitable for occupation by the number of occupants/households allowed under the licence and

the proposed licence holder is a 'fit and proper person' and

the proposed licence holder is the most appropriate person to hold the licence and

the proposed manager (if there is one) is a 'fit and proper person' and

the proposed management arrangements are satisfactory and

the person involved in the management of the HMO is competent

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, to 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. This allows applicants a further period in which to make representations on the council's proposed course of action.

Following the representation period a final decision is made and the licence is either issued or refused. There is then an opportunity to appeal to a [tribunal](#) if you are not satisfied with the council's decision.

#### **7, How much does an additional licence cost?**

A licence under this scheme will cost £560. Vat is not applied to licence fees.

A discount is applied where:

the licence holder and/or the manager is a member of a registered body **or**

the licence holder is signed up to the [Hammersmith & Fulham Landlords Charter \(pdf\)](#) (You can sign up to the landlord's rental charter as part of the application process)

Only one discount is applied per licence.

Payment must be made online when you make your application

We do not accept cheques or cash payments.

#### **8, What is the deadline for applications?**

You have until midnight on 30 January 2018 to submit your completed application.

After that time, your property will be deemed "unlicensed". The fine for operating an unlicensed HMO is unlimited. A breach of any conditions of the licence carries an unlimited fine per individual condition.

## 9, Where can I find out more information about the additional licensing scheme?

Further information and guidance on additional licensing can be found at: [Improving private rented housing](#)

# Selective licensing

## 1, What is the selective licensing scheme?

This is a discretionary scheme that we have adopted which requires landlords letting a property that does not meet the criteria for mandatory or additional licensing, and is in the [designated selective licensing area](#), to get a licence

We have introduced it to help to deal with the problems associated with privately rented properties. This will include typically smaller privately rented shared houses and flats and some sub standard property conversions.

## 2, When does the selective licensing scheme come into force?

It comes into force on 5 June 2017.

From the 5 June 2017 you must submit an online application.

## 3, How long will the selective licensing scheme last and how long will my licence last?

Hammersmith & Fulham's selective licensing scheme will last for five years from 5 June 2017.

The council plans to conduct a review in Year 5 to produce the evidence to support the effectiveness of the scheme and therefore its continuation. Only at that point, will we know if the scheme will be renewed.

All property licences will expire on the last date of the scheme regardless of when the licence was issued. The majority of licences will begin on 5 June 2017 and therefore last for five years.

If a landlord acquires a new licence in year 2, for example, the licence will be issued from that date (in year 2) but the expiry date will be the last date of the scheme.

## 4, What types of houses are subject to selective licensing?

Selective licensing covers rented properties in the [selective licensing designated area](#).

Privately rented properties in the designated area which do not already have a mandatory or additional licence will require a selective licence. This will apply to properties irrespective of the number of storeys.

**The following exemptions apply:**

There are other properties that are not regarded as HMOs, that are excluded as detailed in the Housing Act 2004:

Buildings controlled or managed by public sector bodies e.g. registered social landlords, police authorities etc.

Buildings regulated by other legislation e.g. care homes, detention centres etc.

Buildings controlled or managed by an educational establishment (specified by type or otherwise) and occupied by the establishment's students

Buildings occupied by religious communities whose principal occupation is prayer, contemplation, education or the relief of suffering.

Privately rented HMOs across Hammersmith & Fulham with occupied by three or more people (including children) who form two or more households will continue to require a licence under either the mandatory licensing scheme or the additional licensing scheme.

**5, How does selective licensing work?**

Anyone who owns or manages a house which is being privately rented in the [area designated for selective licensing](#) has to apply to the council for a licence. The council must issue a licence if it is satisfied that:

the HMO is reasonably suitable for occupation by the number of occupants/households allowed under the licence and

the proposed licence holder is a 'fit and proper person' and

the proposed licence holder is the most appropriate person to hold the licence and

the proposed manager (if there is one) is a 'fit and proper person' and

the proposed management arrangements are satisfactory and

the person involved in the management of the HMO is competent

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, to 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. This allows applicants a further period in which to make representations on the council's proposed course of action.

Following the representation period a final decision is made and the licence is either issued or refused. There is then an opportunity to appeal to a [tribunal](#) if you are not satisfied with the council's decision.

## 6, How much does a selective licence cost?

A licence under this scheme will cost £560. Vat is not applied to licence fees.

A discount is applied where:

the licence holder and/or the manager is a member of a registered body **or**

the licence holder is signed up to the [Hammersmith & Fulham Landlords Charter \(pdf\)](#) (You can sign up to the landlord's rental charter as part of the application process)

Only one discount is applied per licence.

We do not accept cheques or cash payments.

Payment must be made online when you make your application

## 7, What is the deadline for applications?

You have until midnight on 30 January 2018 to submit your completed application.

After that time, your property will be deemed "unlicensed". The fine for operating an unlicensed HMO is unlimited. A breach of any conditions of the licence carries an unlimited fine per individual condition.

## 8, Where can I find out more information about the selective licensing scheme?

Further information and guidance on selective licensing can be found at:  
[Improving private rented housing](#)

## General

### **1, I already hold a mandatory licence for my property, do I need to apply for an additional licence as well?**

No, a property can only have once licence. If your property has a mandatory licence, you do not need to apply for an additional or selective licence as well.

If your property has five or more occupants forming two or more households, then your property is already subject to the mandatory licensing scheme and you will not need to apply again under the additional or selective licensing scheme.

However, you must hold a separate licence for each property that meets the licensing criteria, whether under the mandatory, additional or selective licensing scheme.

A property can only be licensed under one scheme.

### **2, I already run a licensed HMO, do I require a licence for my other houses?**

Yes. You must hold a separate licence for each property that meets the licensing criteria, whether under the mandatory or the additional licensing scheme.

### **3, Why do I need to tell third parties, such as my mortgage provider, about my HMO application?**

Licences are legally enforceable and may require changes to the house. People with a legal interest in the property have a statutory right to know how the HMO licence may affect them.

This would include mortgage providers, other owners, or managers.

### **4, What can I do if I suspect that a property should be licensed or if there are more people living in an HMO than are permitted under the licence?**

It is an offence to fail to apply for a HMO Licence or be non compliant with a HMO Licence.

If you have any concerns you can:

Check the [Current Register of Licensed HMOs \(xls\)](#)

From January 2018, you will be able to report an unlicensed or noncompliant HMO online.

The fine for operating an unlicensed HMO is unlimited. A breach of any conditions of the licence carries an unlimited fine per individual condition.

#### **5, How can I find out the contact details of a landlord or agent for a licensed HMO?**

Information about the licence holder and the agent are available from [Current Register of Licensed HMOs \(xls\)](#)

#### **6, I am selling the HMO soon what do I need to do?**

Licences are non-transferable. When you sell a licensed HMO you must inform Hammersmith & Fulham Council that you have done so because, in effect, you surrender your licence. The new owner will need to apply for a new licence.

#### **7, I've been asked to provide a management agreement as one of my license conditions, what does it need to include?**

As a minimum the agreement should include the following;

The licence holder has control of the property with the owners consent.

The licence holder has the monetary funds available for repairs and emergency works at the property.

The licence holder has consent from the owner to use these funds in an emergency without discussing it/contacting the owner for permission.

All responsibility for the management, letting and repair of the property is with the licence holder.

The agreement must be dated and signed, and give their timescale of the agreement. Must be signed by both parties.

#### **8, I've been sent a copy of a licence but I am not the Licence holder, why has it been sent to me?**

The council has a statutory requirement to send a copy of the licence to all interested parties, you may be the rent collector, rent receiver, mortgage company, a statutory tenant, freeholder, managing agent and or leaseholder.

#### **9, I have been sent multiple copies of licensing documentation, why?**

The council has a statutory requirement to send a copy of the licence to all interested parties, you may be the rent collector, rent receiver, mortgage company, a statutory tenant, freeholder, managing agent and or leaseholder. If you hold more than one of these is applicable to an individual or company then you will be sent a copy for each.

#### 10, Can a property receive a property licence if the lease does not allow for private renting or use as an HMO?

Yes. Legally any property which falls within the definition of either Selective, Additional or Mandatory licencing will require a licence. Whether the lease agreement allows for this use is a civil matter between the leaseholder and freeholder. The council will grant a licence irrespective of the terms and conditions of a lease agreement.

## Planning permission

#### 1, Do I also need planning permission?

**Planning permission** – Sui Generis – Planning permission is (and always has been) required to convert a single family house into a large HMO (with 7 or more unrelated persons sharing). This is legislation and is not new. See [www.lbhf.gov.uk/planning](http://www.lbhf.gov.uk/planning)

## Application process

#### 1, How do I apply for a mandatory, additional or selective licence?

You can now apply online for your licence.

#### [Apply for your property licence online](#)

Please take care when completing the application form and make sure you upload the required documents.

Incorrectly completed applications will not be processed and will be returned with a letter or email to advise of missing documents or information.

If the necessary documents are not received within 28 days of the date of this letter or email, a further letter or email will be sent. If information is not forthcoming the matter will be referred to the enforcement team for further action.

#### 2, If I do not apply for a licence on 5 June 2017, will my property be deemed unlicensed?

You have until midnight on 30 January 2018 to submit your completed application.

After that time, your property will be deemed “unlicensed”. The fine for operating an unlicensed HMO is unlimited. A breach of any conditions of the licence carries an unlimited fine per individual condition.

### **3, What documents do I need to support my licence application?**

Do not begin your online HMO licence application without the correct valid documents.

Gas Safety Certificate (required for properties with a gas supply)

Plans of the property that fall under mandatory and additional licensing.  
[Example plans for reference \(pdf\)](#)

### **4, My certificate expires at the end of June. Can I send our existing certificate as long as it is in date at the time of the application?**

As long as the certificates are in date at the time of the application, then that will be fine.

We will place conditions on your licence for new certificates.

### **5, How do I upload my documents?**

You will be able to upload the documents as part of the application process.

The documents you will be asked to submit will depend on the information provided in your application form. For example, if you indicate that your property has a gas supply, you will be asked to upload a gas safety certificate.

### **6, Do I need to carry out a fire risk assessment?**

As the owner, landlord or occupier of a business or non-domestic premises you are responsible for ensuring it is safe from fire. This includes ensuring that a risk assessment has been carried out by a competent person.

### **7, What happens if I don't comply with the conditions of the HMO licence?**

You run the risk of prosecution and a possible unlimited fine per individual condition.

It may also affect your 'fit and proper' status and your licences could be revoked. It is an offence to make a signed declaration at the time of your application which states that your property complies.

If at the time of inspection your property is non compliant, enforcement action may be taken.

Hammersmith & Fulham Council's [Enforcement Policy \(pdf\)](#)

Hammersmith & Fulham Council's [HMO Standards \(pdf\)](#)

### **8, What if my property does not meet the standards or requires work on 5 June 2017?**

These property standards apply to HMOs regardless of whether they are licensed or not. So, if you have been renting out your property as an HMO, then you should already be complying with these standards.

Once your application has been processed an officer from the council will come to visit your property. If your property does not comply with these standards or the living conditions are poor the council may place conditions on your licence or serve an enforcement notice requiring you to carry out the works.

The fine for operating an unlicensed HMO is unlimited. A breach of any conditions of the licence carries an unlimited fine per individual condition.

### **9, Once I have submitted my application, what happens next?**

The application is processed once all relevant information, documents and payment has been received.

The information you provide will assist the council as to whether to grant or refuse a licence.

A provisional decision is sent to all interested parties. If no representation is received within the specified time period, the council will proceed to issue the final decision documentation, which is sent to all interested parties.

An officer will contact the licence holder and persons occupying the property to arrange an inspection to assess the property's compliance with the council's HMO Standards and other relevant standards. If the property is deemed to be non-compliant at the time of inspection, further mandatory conditions to carry out certain work may be included as part of the licence or the licence may be revoked. (There is a right for appeal against a decision)

#### **10, What happens if I do not agree with the council decision or conditions placed in the licence.**

You will have the opportunity to make a representation to council, within 21 days, if you have any concerns about the proposal to licence. The council will aim to respond to your concerns within 21 days. If you are not satisfied with the response you may make a further representation to the council within 14 days. The council will respond to you within 14 days. If you remain unsatisfied you have the right to appeal to the [First Tier Property Tribunal](#).

#### **11, What happens if I don't apply for an HMO licence?**

A person commits an offence under the Housing Act 2004 if he or she is a person having control of, or managing an HMO which is required to be licensed under the mandatory, additional or selective licensing schemes, but which is not so licensed. If a person is found guilty, the fine is unlimited

Hammersmith & Fulham Council's [Enforcement Policy \(pdf\)](#)

Hammersmith & Fulham Council's [HMO Standards \(pdf\)](#)

#### **12, 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.

#### **13, 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.

#### **14, How do I contact the private sector housing HMO team?**

Any one who requires general advice should contact us at [PHS@lbhf.gov.uk](mailto:PHS@lbhf.gov.uk)