

This Guidance is for England and Wales. If you are in Scotland, you will grant an occupation contract. Different rules apply in Wales under the Renting Homes (Wales) Act 2016.

1. Introduction

- 1.1 Owning and letting property can be a good investment. However, there are many things that landlords and agents need to consider when letting property to students.

2. Houses in multiple occupation

- 2.1 Your property is a house in multiple occupation (HMO) if at least three tenants live there, forming more than one household,¹ and the tenants share kitchen, bathroom or toilet facilities.
- 2.2 If your property is an HMO, you must ensure that:
- 2.2.1 the landlord's name and contact details are displayed in a prominent position in the property;
 - 2.2.2 proper fire safety measures are in place - there should be smoke detectors in communal areas, and the kitchen must have a fire alarm;
 - 2.2.3 the water supply and drainage system is in good, clean and working condition;
 - 2.2.4 annual gas safety checks are carried out;
 - 2.2.5 electrics are safe;
 - 2.2.6 the property is in good repair;
 - 2.2.7 there are adequate heating facilities;
 - 2.2.8 communal areas are clean and in good repair;
 - 2.2.9 there are enough bins for everyone living in the house; and
 - 2.2.10 the occupiers are aware of their duties as occupiers of HMOs.
- 2.3 The environmental health officer of the local authority will enforce these rules. They can carry out inspections and prosecute landlords who break the rules.

¹ A household consists of either a single person or a group of people who are married or living together as a family who live together. It includes lodgers and sub-tenants.

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- 2.4 With effect from 01 October 2018, all licences granted for HMOs in England must include conditions to ensure that rooms used as sleeping accommodation have a minimum floor area (for further details see our **Guidance Note: Houses in Multiple Occupation (HMOs) Licences (England)**). Failure to comply with these conditions may result in a landlord incurring an unlimited fine. Local authorities may choose to issue a civil penalty of up to £30,000 as an alternative to prosecution.
- 2.5 Some HMOs must be licensed. From 01 October 2018 in England, licensing is mandatory for all HMOs consisting of five or more persons forming two or more households.
- 2.6 Additional licensing may be required for other types of HMOs. The council will determine whether a significant proportion of these HMOs are believed to cause problems.
- 2.7 Selective licensing allows a local authority to designate the whole or part of a residential area as subject to selective licensing of HMOs. Properties exempt from the HMO licensing regime. This is to address problems caused by low quality housing and antisocial behaviour.
- 2.8 Licensing is dealt with by local authorities. An application form will need to be completed and a fee paid. Following an inspection, an inspection will be carried out to assess the suitability of the property and the management. Each local authority has different rules. Licences usually last for 5 years but some local authorities issue licences for shorter periods. Licences are non-transferable.
- 2.9 More information about licensing can be found from your local authority. Please see our **Notes: Houses in Multiple Occupation (HMOs) Licences (England)** in the **Guidance Notes: Houses in Multiple Occupation and Rented Property Licences**.

3. Joint tenancies

- 3.1 Sometimes, a tenancy is shared between two or more tenants. This might be the case if the property is a small flat. More often, a number of tenants sign up to a tenancy agreement. This means that they are "joint tenants".
- 3.2 Joint tenants have equal rights and responsibilities, which means that any one tenant can be required to pay rent and any other costs) on behalf of all the tenants.

4. Change of tenants

- 4.1 Most student tenancies are for a fixed term, e.g. 9 months or 12 months. Usually, the tenancy agreement will include a clause that allows for a permit assignment, i.e. a transfer of the tenancy to a new tenant.

4.2 Some circumstances change unexpectedly and one of the students may move out of the property. This might happen, for example, if the student's course of study changes.

4.3 The landlord may allow a replacement tenant to step into the shoes of the outgoing tenant. This can be documented in one of two ways.

4.4 The landlord may ask existing tenants to surrender their tenancy to the landlord and then grant a new tenancy agreement to the new tenant. If there are parental guarantees, these will need to be renewed for the old tenancy and will not relate to the new tenancy.

4.5 The landlord may ask the current group of tenants to assign the tenancy agreement to a new group of tenants, with the landlord's consent. This way, the tenancy can be put in place. The landlord can release the outgoing tenant and ask for an additional guarantee from the new tenant's parents.

4.6 What the landlord asks the outgoing tenant to assign his or her "share" of the tenancy to. A tenancy agreement cannot be "severed" in this way.

4.7 We have provided forms for surrenders, assignments, new tenancies, and parental guarantees.

5. Parental Guarantees

5.1 Landlords often ask students' parents to guarantee performance by the student. This is to ensure that the student will pay rent and observe the other terms of the tenancy agreement. This is because students generally have few assets of their own and are therefore at risk of renting a property without a guarantor.

5.2 A parental guarantee should be given before the tenancy agreement is entered into. A copy of the tenancy agreement should be attached to the guarantee so that the guarantor is aware of what the guarantor is agreeing to.

5.3 If the tenancy agreement is entered into by the student, "each guarantor" each guarantor will in effect be guaranteeing the performance of the student, not just their own child.