

1. Introduction

This subfolder contains guidance on the management of houses in multiple occupation (HMOs) and other private rented properties in Wales.

Detailed guidance on the licensing of HMOs and other private rented properties is available on the [Welsh Government](#) website. This guidance does not replace the Welsh Government guidance but is intended to provide a summary of the key points specific to HMOs. Landlords and agents must ensure that all other requirements for letting a residential property under a tenancy agreement, whether or not the property is an HMO, are complied with. Please refer to the *Checklist for Residential Landlord* for further information.

2. HMOs

Some HMOs require a licence, and landlords and/or managing agents must comply with the relevant licensing requirements.

In simple terms, a house or flat is a house in multiple occupation (HMO) if it is occupied by three or more tenants who share some or all of the toilet, bathroom, or kitchen facilities.

A landlord of such a property must ensure that the property meets the requirements of the Housing Management Regulations relating to HMOs. These are discussed at section 3.

There are other definitions of HMOs, including those of the local authority defined HMOs. Further information is available on the *Checklist for Residential Landlord*. Some properties are also exempt from licensing, such as student accommodation, provided they are managed or controlled by a specific body or subject to an approved code of practice.

3. Licensing of large HMOs

In Wales, a large HMO is a property which is occupied by five or more tenants who form two or more households¹ and share some or all of the toilet, bathroom, or kitchen facilities.

Note that purpose built flats with a shared kitchen and bathroom are not subject to mandatory licensing.

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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A landlord of a large HMO must obtain a licence from the local housing authority to operate the HMO. More information about licensing is available on the relevant local authority website.

If a landlord has an agent, the agent must be named on the licence and it is an offence if they are not.

4. Additional licensing of HMOs

An HMO that does not fall under the standard licensing regime may be subject to additional licensing. Local housing authorities have the power to introduce additional licensing of HMOs. This is specified in the designation, for example, 'selective licensing' within their additional licensing scheme. Some authorities include HMOs with less than three storeys within their additional licensing scheme. Additional licensing may be introduced to address problems caused by inefficient use of housing stock.

Landlords should check with the local housing authority whether their HMO is affected by additional licensing.

5. Selective licensing of private rented properties

Local housing authorities also have the power to introduce selective licensing of private rented properties (other than HMOs for which a licensing system already exists). Selective licensing may be introduced to address problems caused by low housing demand and/or significant anti-social behaviour.

Landlords should check with the local housing authority whether their private rented property is affected by selective licensing.

6. Obtaining a licence for an HMO

Licensing is dealt with by local housing authorities. An application form will need to be completed and a fee paid. Usually, a survey of the property, the suitability of the property, the suitability of the landlord and that certain mandatory conditions are in place. Each local housing authority has its own requirements, and these differ between each authority. Landlords should contact the local housing authority for further details and refer to the guidance on the local authority website.

Licences usually last five years but some authorities may grant them for shorter periods. The licence is non-transferable. If a landlord has an existing licence, this licence will need to be renewed or a new licence would need to be obtained.

7. Rent Smart Wales

Local housing authority to operate the HMO. More information about licensing is available on the relevant local authority website.

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As well as complying with the licensing requirements, private rented sector landlords and letting agents must also be registered and licensed under Rent Smart Wales from 1 April 2014. A landlord can face penalties if they are not registered with Rent Smart Wales.

8. Planning law and HMOs

Landlords of private rented houses must be aware of planning rules and make sure they comply with them.

A dwelling house in the occupation of a single person or a small family falls into Use Class C3 under the Town and Country Planning (Use Classes) Order 1987 (as amended).

Use Class C4 covers use of a dwelling as a residential institution. In Wales, planning permission is not required for a change of use from C3 use to C4 use but planning permission is not required for a change of use (unless an Article 4 Direction has been made by the relevant local authority).

HMOs where more than 6 people live together require planning permission is required for such use.

Local housing authorities can make Article 4 Directions which take permitted development rights away, so enquiries will need to be made to find out if an Article 4 Direction has been made in the property in question. A planning application for change of use will be required if an Article 4 Direction has been made.

9. Management of HMOs

Landlords of HMOs in Wales, whether or not they are licensed, must comply with The Housing (Wales) Act 2011 and the Management of Houses in Multiple Occupation Regulations 2006.

The regulations can be viewed at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/281211/HMO_Regulations_2006.pdf

The Regulations cover the following: The person managing the HMO. This may be the landlord or a managing agent.

Regulation 3 requires the management details (name, address, and any telephone contact number) of the person managing the HMO and that these details are made available to the occupiers and are clearly displayed in a prominent position in the HMO.

- *Letter to HMO Occupier Providing Management Details*
- *Notice to Display in HMO Shared Areas*

Regulation 4 requires the management details to be made available to the occupiers and to be clearly displayed in a prominent position in the HMO.

HMOs in Wales, all private rented properties in Wales must also be registered and licensed under the Housing (Wales) Act 2011. A landlord can face penalties if they are not registered with Rent Smart Wales.

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Regulation 4 requires the management details to be made available to the occupiers and to be clearly displayed in a prominent position in the HMO.

Regulation 5 requires the manager to ensure the gas supply and drainage system in good, clean, and working condition.

Regulation 6 relates to gas and electricity supply. The manager must not unreasonably interrupt the supply. The manager must also ensure gas safety test certificates and electrical safety certificates (every five years) are in place. See:

- *Letter Sending HMO Gas Safety*
- *Letter Sending HMO Electrical*

Regulation 7 contains the manager's duties to ensure the common parts, fixtures, fittings and appliances are in good and clean condition.

Regulation 8 deals with the manager's duties to ensure each unit of living accommodation in good and clean condition.

Regulation 9 relates to the provision of information to occupiers.

Regulation 10 sets out the duties to ensure the attention of occupiers. See:

- *Notice for Display in HMO*
- *Letter to HMO Tenants Regarding*

If you have a s257 HMO you must comply with the Licensing and Management of Houses in Multiple Occupation (Amendment) Regulations 2007. The details of these regulations are outside the scope of this guidance.

The regulations can be viewed at [www.gov.uk/government/uploads/system/uploads/attachment_data/file/111111](#)

10. Enforcement

Wales

It is a criminal offence if a landlord or manager does not:

1. holding a licence when required
2. breaches a mandatory licence condition
3. breaches the management duties

If prosecuted for a criminal offence, a landlord or manager may be imposed if found guilty.

Local housing authorities or occupiers may apply for a rent repayment order (up to 12 months' rent repaid) where a landlord or manager is operating an HMO without a licence.

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Service of a s21 notice on an assured shorthold tenancy will not be valid if the property is not licensed when it should be.

Agents

Agents should ensure that landlords are aware that a licence is required. As stated above, the agent should also be named on the licence and landlords can have dual liability for breaches of the licence.

Even if no licence is required and the property is exempt, agents must also be responsible for the management regulations as they will be responsible for breaches of these regulations.

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