

## LANDLORD INSIGHTS

# HMO Licensing: The Complete Compliance Checklist

England — Mandatory, additional and selective licensing for houses in multiple occupation

HMO licensing is one of the most complex and heavily penalised areas of landlord compliance. Letting an HMO without the correct licence can result in an unlimited fine, a rent repayment order covering up to 12 months' rent, and a banning order preventing you from letting property in the future. This checklist covers every licensing obligation, the physical standards your property must meet, and the management regulations you are required to follow.

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# 1 Does Your Property Qualify as an HMO?

## The legal definition

Under the Housing Act 2004, a property is a House in Multiple Occupation (HMO) if it is occupied by three or more people who form two or more separate households, and who share (or lack) one or more basic amenities such as a kitchen, bathroom or toilet. A "household" is a single person, a couple, or members of the same family.

## Common HMO types

- Shared houses or flats (e.g. a 4-bedroom house let to 4 students or young professionals)
- Bedsits with shared kitchen and/or bathroom
- Properties converted into self-contained flats that do not comply with the 1991 Building Regulations (Section 257 HMOs)
- Some buildings comprising self-contained flats where the freeholder lets a majority of them

## The household test — worked examples

Occupants	Households	HMO?
3 friends (not related)	3 households	Yes
Couple + 1 friend	2 households	Yes
Family of 4	1 household	No
Couple + couple	2 households	Yes — 4 occupants, 2 households
Parent + adult child	1 household	No — same family

## Section 257 HMOs — converted blocks of flats

A building converted entirely into self-contained flats is a Section 257 HMO if the conversion did not comply with the 1991 Building Regulations (or later standards) and less than two-thirds of the flats are owner-occupied. These properties face different licensing requirements — check with your local authority.

### If You Are Unsure — Ask Your Council

The HMO definition has nuances that catch landlords out, particularly around family households, Section 257 conversions, and purpose-built student accommodation. If you are uncertain whether your property is an HMO, contact your local housing authority in writing and keep the response on file.

## 2 Mandatory HMO Licensing

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### Who needs a mandatory licence

Since October 2018, mandatory HMO licensing applies to all HMOs in England occupied by five or more persons from two or more households, regardless of the number of storeys. Previously, the three-storey rule meant smaller properties escaped licensing — that exemption no longer applies.

### What the licence requires

- Application to the local housing authority before the property is let as an HMO.
- Payment of the application fee (set by each council — typically £500 to £1,500).
- A fit and proper person declaration by the licence holder and any managing agent.
- Evidence that the property meets the required physical standards (see page 5).
- A satisfactory management arrangement — either self-managed or a licensed agent.

### Licence conditions

Every HMO licence carries conditions. Standard conditions typically cover: maximum occupancy, provision and maintenance of smoke alarms and fire safety equipment, gas and electrical safety certificates, waste management, and maintenance of the property to the required standard. Breach of a licence condition is a separate criminal offence from operating without a licence.

### Duration and renewal

Licences are granted for up to 5 years. They are not automatically renewed — you must apply for renewal before the licence expires. Operating on an expired licence carries the same penalties as operating without one. Diarise the expiry date when your licence is granted.

### Penalties for Operating Without a Licence

Letting an HMO without a mandatory licence is a criminal offence. Penalties include: an unlimited fine on conviction, a civil penalty of up to £30,000 as an alternative to prosecution, a Rent Repayment Order covering up to 12 months' rent, and a banning order preventing you from letting residential property in future. Local authorities are actively enforcing — do not assume you will not be found.

## 3 Additional and Selective Licensing

### Additional HMO licensing

Local authorities can extend HMO licensing beyond the mandatory threshold by designating an additional licensing scheme. Additional licensing typically covers smaller HMOs — usually those occupied by 3 or 4 persons from 2 or more households. The application process and licence conditions are identical to mandatory licensing.

- Over 80 local authorities in England operate additional HMO licensing schemes.
- Schemes vary widely — some cover the whole borough, others only specific wards.
- A shared house with 3 people could require a licence in one borough but not the next.
- Check with your local authority before letting any shared property.

### Selective licensing

Selective licensing applies to all privately rented properties in a designated area — not just HMOs. Over 60 local authorities in England operate selective licensing schemes, typically targeting areas with high levels of anti-social behaviour, poor housing conditions, or high concentrations of private rented properties. A standard buy-to-let property in a selective licensing area requires a licence.

- Fees typically range from £400 to £1,000 per property.
- Licences run for 5 years and are not transferable on sale.
- Conditions cover property standards, management arrangements, and tenant referencing.
- New schemes are introduced regularly — a property that did not require a licence last year may require one now.

### How to Check Your Obligations

There is no single national register of licensing schemes. Check directly with your local authority, or use Landlord Insights — we monitor all 140 local authorities in our coverage area and publish an alert whenever a new licensing scheme is introduced, expanded, or renewed. New schemes are introduced with little notice to landlords.

### Licensing Schemes Are Expanding

The number of selective and additional licensing schemes in England has grown significantly over the past five years. Councils are using licensing as a primary revenue and enforcement tool. If you have not checked your obligations in the past 12 months, check again — the position may have changed.

## 4 HMO Physical Standards

The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007 and subsequent guidance set out the minimum physical standards for licensed HMOs.

<b>Bedroom sizes</b>	<p>Minimum 6.51 m<sup>2</sup> for one person aged over 10. Minimum 10.22 m<sup>2</sup> for two persons. Rooms under 4.64 m<sup>2</sup> cannot be used as sleeping accommodation at all.</p> <p><b>Penalty: Civil penalty / licence breach</b></p>
<b>Kitchen facilities</b>	<p>Adequate and suitable facilities for the number of occupants. At minimum: sink with hot and cold water, cooking facilities, worktop space, storage. Councils may specify ratios.</p>
<b>Bathrooms and WCs</b>	<p>Adequate for the number of occupants. Councils set ratios — a common standard is 1 bathroom per 4-5 occupants. All facilities must be in good repair and properly ventilated.</p>
<b>Fire safety</b>	<p>Fire doors to all rooms opening onto escape routes. Interlinked smoke alarms on every floor. Heat detector in kitchen. Fire blanket in kitchen. Fire extinguisher on each floor (some councils). Emergency lighting where required.</p> <p><b>Penalty: Unlimited fine / licence revocation</b></p>
<b>Heating</b>	<p>Adequate fixed space heating in every room. Landlord cannot rely solely on portable heaters. Heating system must be in good working order.</p> <p><b>Penalty: Civil penalty</b></p>
<b>Electrical safety</b>	<p>EICR every 5 years. Adequate sockets in every room. No exposed wiring or overloaded circuits.</p> <p><b>Penalty: Up to £30,000</b></p>
<b>Gas safety</b>	<p>Annual Gas Safe inspection. Certificate to tenants within 28 days. Boiler and installations in safe working order.</p> <p><b>Penalty: Unlimited fine / prosecution</b></p>
<b>Communal areas</b>	<p>Clean, maintained, free from hazards. Adequate lighting. Handrails on staircases. Floor coverings in good condition.</p> <p><b>Penalty: Civil penalty / licence breach</b></p>
<b>Waste management</b>	<p>Adequate refuse and recycling storage for the number of occupants. Arrangements for regular collection.</p> <p><b>Penalty: Civil penalty</b></p>

### Room Size Enforcement

Since 2018, councils can issue a licence condition specifying the maximum number of occupants for each room based on its size. Overcrowding — even if the overall licence is valid — is a licence breach. Measure all sleeping rooms before letting and confirm compliance with your council's minimum size standards.

## 5 HMO Management Regulations

The Management of Houses in Multiple Occupation (England) Regulations 2006 impose ongoing duties on the manager of every HMO — whether licensed or not. Breach of the management regulations is a criminal offence separate from any licensing breach.

<b>Tenant information</b>	Manager's name, address and telephone number displayed prominently in the HMO. Emergency contact details provided to all occupiers.
<b>Escape routes</b>	All means of escape from fire kept free from obstruction at all times. Fire doors kept closed (not wedged open). Escape routes adequately lit. <b>Penalty: Criminal offence / unlimited fine</b>
<b>Common parts</b>	Staircases, landings, hallways, bathrooms, kitchens and other shared areas kept in clean condition and good repair. Adequate lighting maintained. <b>Penalty: Criminal offence</b>
<b>External areas</b>	Gardens, yards and outbuildings kept in clean and tidy condition. Paths and steps maintained in safe condition. <b>Penalty: Criminal offence</b>
<b>Water supply</b>	Water supply and drainage kept in good working order. No action taken that would unreasonably cause a water supply to be interrupted. <b>Penalty: Criminal offence</b>
<b>Gas and electricity</b>	No action or inaction causing gas or electrical supply to be cut off. All installations maintained in safe working order. <b>Penalty: Criminal offence / unlimited fine</b>
<b>Fixtures and fittings</b>	All fixtures, fittings and appliances provided by the landlord kept in good repair and clean working order. <b>Penalty: Criminal offence</b>
<b>Waste</b>	Sufficient and suitable bins provided. Arrangements made for regular removal of refuse. <b>Penalty: Criminal offence</b>

### Management Regulations Apply to ALL HMOs

The management regulations apply to every HMO regardless of size or whether a licence is required. A two-storey property with three sharers that falls below the mandatory licensing threshold is still subject to the management regulations in full. Councils can inspect and prosecute for management regulation breaches without needing to establish a licensing offence.

## 6 Licence Application and Compliance Checklist

- Confirmed whether the property is an HMO — mandatory, additional and selective licensing checked**

Check with your local authority before marketing. Confirm all applicable licensing schemes — rules vary significantly by area.
- HMO licence applied for before letting — fit and proper person declaration included**

Submit the application with all required documents. The licence holder and any managing agent must complete a fit and proper person check. Do not let without a licence or interim licence in place.

**Penalty: Unlimited fine / RRO**
- All physical standards met before tenants move in**

Bedroom sizes, fire doors, smoke alarms, heat detector, kitchen and bathroom facilities, heating, EICR and gas safety — all must comply before occupation.

**Penalty: Licence revocation / fine**
- Gas Safety Certificate and EICR current — copies to council and tenants**

Both documents must be in date. Provide copies to the local authority with your application and to all tenants on move-in.

**Penalty: Unlimited fine / up to £30,000**
- Licence conditions read, understood and complied with**

Read every condition. Diarise ongoing obligations (annual certificates, inspections, occupancy limits). Breach of a condition is a separate criminal offence from operating without a licence.

**Penalty: Criminal offence**
- Manager details displayed — licence expiry diarised for renewal 3 months in advance**

Name, address and emergency contact displayed prominently in communal areas. Licences run up to 5 years and are not automatically renewed. An expired licence carries the same penalties as no licence.

**Penalty: Unlimited fine / RRO**

### Stay Ahead of Every Change

Landlord Insights monitors 140 local authorities across England, Wales, Scotland and Northern Ireland — including HMO licensing scheme changes, selective licensing designations, and enforcement actions. Weekly briefing every Monday morning.

**Plans from £9.99/month | [landlordinsights.co.uk](https://landlordinsights.co.uk)**

*Disclaimer: This checklist is for general guidance only and does not constitute legal advice. HMO licensing requirements vary significantly by local authority. Always verify your obligations directly with your local housing authority and seek professional legal advice for your specific circumstances.*