

# **Policy on licensing for overseas landlords under mandatory HMO, additional and selective licensing schemes**

## **Policy**

One of the main aims of landlord licensing schemes is to make sure that for each rented property there is a person or company (the licence holder) who is legally accountable for it. Therefore the licence holder must be resident within the jurisdiction of the UK courts.

**For that reason, the council will not normally issue a licence under our mandatory or selective licensing schemes to any person not resident within the UK.**

The licence puts responsibility on the licence holder for the proper management of the rented property, for preventing nuisance or antisocial behaviour by the residents and for keeping the property safe and in good order. Every licence contains legally binding conditions that govern these issues.

## **Frequently Asked Questions**

**Q. I am a landlord of a licensable property who lives outside the UK. Do I need to licence my property and what should I do?**

**A.** Yes, if your property requires a licence you must make sure it is licensed. You must appoint a person or company in the UK who can hold the licence for you.

**Q. I am a managing agent. Will I be taking a risk if I agree to hold the licence for my overseas client?**

**A.** Yes it is a small risk because you will take on legal liability for complying with the licence conditions or receiving statutory notices from the Council. But you can minimise that risk by making sure there will be robust management arrangements in place before you sign your contract with the property owner. We advise that you scrutinise the licence conditions in advance and determine exactly what is needed for you to comply in full over the term of the licence.

For example, among other things there need to be arrangements for:

- dealing with emergencies inside and outside office hours;
- efficiently carrying out repairs and improvements to the property if a defect occurs or if the council identify hazards (including arrangements for funding such works)
- for addressing complaints of nuisance to other properties or of antisocial behaviour by the tenants.

**Q. If I become the licence holder on behalf of an overseas landlord, what happens if something goes wrong? Will the Council take legal action against me?**

**A.** Not usually, unless there are very serious breaches - we usually try to work with the licence-holder to rectify any problems at the property, avoiding enforcement where we can. The Council only takes legal action against the worst landlords, or where licence holders have not addressed problems that the Council has brought to their attention.

**Q. I am an overseas landlord and I have appointed an agent to hold the licence for my property. What happens if I want to change agent?**

**A.** Unfortunately the law forbids the transfer of the licence from one person to another, so you will have to apply for a new licence. For this reason you will want to discuss the proposed management arrangements fees, etc. with the agent before signing the contract to make sure that you are completely happy with them.

**Q. I am an overseas landlord, is there any way that I can hold the licence for my property whilst living abroad.**

**A.** Yes, if you can find a friend, relative or managing agent resident in the UK who will agree to sign an undertaking to be legally bound by the licence conditions. This means that if the licence conditions are breached legal action could be taken against that person, not the licence holder. However, the council can only agree to this if it is confident that the management arrangements are satisfactory and that the person who has signed the undertaking is competent to comply with the licence and is a fit and proper person.