

Renting out a room (2)

‘Renting out a room (1)’ looked at some points you should consider if you’re thinking of taking in a lodger.

This factsheet looks at the steps to follow if you have decided to go ahead.



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Note

Information contained in this publication is correct at the time of going to press. Please check details before use.

Tell your landlord/lender

In most cases, you will need permission from your landlord and/or mortgage lender before taking in a lodger. If you are in doubt, it is better to let them know anyway.

Unlawful subletting of social housing

Certain tenants living in social housing may be committing a criminal offence if they sublet all or part of their home without their landlord’s permission, or contrary to what their tenancy agreement says. However, taking in a lodger is different – a lodger is someone who rents a room in your home and shares facilities such as the kitchen, bathroom and living room with you without having any exclusive rights. Although not always necessary, written consent from your landlord to you taking in a lodger should prevent you from committing an offence.

Local lodging schemes

Your council or landlord may know if there are lodging schemes operating in your area. These can help match prospective lodgers with people wanting to rent out a room in their homes. Many are specifically targeted at particular groups of people such as young care leavers, but others are open to anyone, especially people affected by the ‘bedroom tax’. These schemes can give you the advice, support and assistance you need to enter into a lodger agreement.

Tell your insurer

Check how taking in a lodger will affect any home insurance you have. It needs to be extended to cover your lodger’s possessions, or s/he might need separate insurance.

Tell the benefit/tax office

If you are on benefits or tax credits, these might be affected, as might your single person council tax discount (see ‘Renting out a room (1)’). However, you are still likely to be better off with the income from your lodger. If you want to take advantage of the ‘Rent a Room scheme’ to earn tax-free income, you will need to provide a furnished room. If you get more than £4,250 per year from your lodger, you will have to inform the tax office.

Gas safety

Landlords must get gas appliances in the property checked by a Gas Safe registered engineer every 12 months and obtain a gas safety certificate. Both tenants and lodgers are entitled to be given a copy of it.

Lodger agreement

Decide the lodging rules and put them down in writing ready to be signed by your chosen lodger. The agreement should spell out the rights and responsibilities of your lodger and yourself with regard to deposits, notices required for termination, rent payment methods and dates, and other house rules.

Advertise your room

There are several ways to advertise your room. Word of mouth can help you find someone you know. Otherwise, try putting a notice in your local shop, university or gym. Your council may also keep a list of rooms available in your area, or you can put a free advert on a specialised website.

Choosing the right lodger

Talk to prospective lodgers and make sure they are a good fit for your household. If you do not know them, have someone with you when they come around for the first time. Before you decide, you should carry out credit checks and request references. If there are children/vulnerable people in your home, you could ask your lodger to obtain a police check, although there is a fee to pay for that.

Asking your lodger to leave

Lodgers are ‘licensees’ so you only need to give them ‘reasonable notice’ to leave as set out in your lodger agreement. You will only need a court order if your lodger does not move out after the expiry of your notice.

Further advice

You can get further advice from Shelter’s free* housing advice helpline (0808 800 4444), a local Shelter advice service or citizens advice bureau, or by visiting shelter.org.uk/advice or adviceguide.org.uk

*Calls are free from UK landlines and main mobile networks.