

Room for a lodger?



Things you must think about
before you rent out a room
in your home.

Think about:

- ◆ Your **tenancy agreement** - does it let you have a lodger? Check with your landlord first: you will probably need their written permission.
- ◆ Your **benefits** - these could be affected by taking in a lodger – talk to a benefits adviser.
- ◆ **Council Tax** - having another person living with you may increase the amount you pay – ask your Local Council.
- ◆ How much your **utility bills** may go up ie water, gas, electricity etc.
- ◆ Whether your **home insurance** policy / premium will be affected.
- ◆ **How much** to charge and how the lodger will pay you – if they are on a low income they can claim Housing Benefit or Universal Credit.
- ◆ Your and your family's **security** and that of your belongings – a lodger you already know or that has been recommended is probably best. Get references, and take time to talk to them. Don't just take the first person that is interested in the room.
- ◆ **Tax** - check out whether you will have to pay tax on the income you receive from a lodger. Ask about the 'Rent a Room' scheme.
- ◆ **Your responsibilities** - your home must be safe, and in good repair. Furniture must comply with fire safety regulations and gas appliances checked annually by a gas installer.
- ◆ **The Right to Rent Rules** - you have to make certain checks by law: checking that the lodger has a right to be in the country - or risk a fine of up to £3000. Get advice on this.
- ◆ Will you ask for a **deposit** to act as security in case the lodger leaves owing you money? (Make sure the lodger gives this to you before they move in. Think about keeping this deposit separately from your other money so it can be returned easily at the end of the letting.)
- ◆ **Having a written letting agreement** - to cover things such as:
 - the rent and what services are included; why a deposit may not be returned,
 - how long the letting will last and how much notice must be given,
 - which rooms in your house they can use; if and where they can smoke,
 - how bills such as electricity, gas etc will be paid and when,
 - what facilities they can use and when eg a washing machine, TV etc.
- ◆ **Making a list of items** within your home / photo of the lodger's room when the letting starts - in case you need these later on.

REMEMBER: YOU ARE THE TENANT AND THEREFORE YOU ARE RESPONSIBLE FOR YOUR LODGER AND THEIR ACTIONS.

This checklist is given as a guide and does not provide an authoritative interpretation of the law.

Produced by www.housingsystems.co.uk. A Welfare Reform information website for housing professionals.