

Taking in a Lodger

What is a lodger?

Your household can consist of a partner, other family members and relatives through marriage. You do not need permission for family members to live with you even if they contribute towards the rent (as long as this does not lead to overcrowding).

A lodger is someone, other than a member of your household, who rents a room in your home and who may share a bathroom, living room and kitchen with you. They do not have a room key or sole possession of any part of your home. You may also provide additional services such as meals, cleaning, laundry etc.

Can I take a lodger into my home?

If you have a Scottish secure tenancy or a short Scottish secure tenancy you can apply for permission to take a lodger into your home. However, you must still occupy your home. You will also have to get permission from any partner or other joint tenants.

How will taking in a lodger affect me?

Taking in a lodger can be a good way of earning extra money but it can also have an adverse effect on your income.

- If you are claiming benefits, such as housing benefit, jobseekers allowance or income support, the money you get from your lodger may affect how much benefit you get. It is important that you check how your benefits may be affected. Contact the Benefits Office as soon as possible for advice before taking in a lodger.
- If you are receiving a single person discount on your Council Tax, you will no longer be eligible for this if you take in a lodger - but you can include their share of Council Tax in the rent you charge your lodger.
- You should also contact HM Revenues & Customs as any money that you get from your lodger may be treated as income.
- As the tenant you will be responsible for payment of rent and any damage to the property.
- You will also be responsible for your lodger's behaviour whilst living in your home i.e. breaches of tenancy conditions such as antisocial behaviour etc.
- Your lodger will become a common law tenant and you will still require a court order to evict them if you ask them to leave and they don't want to go. This will be your responsibility as the tenant and not the responsibility of East Lothian Council.

- Please note that if you move or end your tenancy, your lodger will have to leave. He/she will NOT qualify to take on the tenancy or be allowed to remain in it. If your lodger refuses to leave, we will take legal action to evict them. We may charge you for the costs involved.

How do I apply to take in a lodger?

You must complete the Taking In a Lodger Application Form, which is available from your local area housing office. This form will ask you to provide details about you, your family and your lodger. This will include: -

- Who currently lives with you
- Your reasons for taking in a lodger
- The details of the lodger
- How much rent you will charge (including deposit)
- What services you will provide i.e. meals, cleaning etc

When will the Council not give permission to take in a Lodger?

We will not unreasonably refuse permission for your to take in a lodger. We will refuse only when we have justified reasons for doing so. For example: -

- We have served a Notice of Proceedings on you (under Grounds 1 - 7 of Schedule 2 of the Housing (Scotland) Act 2001, warning that we make take action to evict you, for example, because of antisocial behaviour.
- You are in arrears with your rent and an arrangement to repay these has not been entered into or adhered to for three months.
- We have been granted an Order for Possession to evict you.
- You intend to ask the lodger for a payment other than a reasonable rent or a deposit.
- We intend to carry out work on the property that may affect the accommodation.
- Taking in a lodger may lead to overcrowding i.e. you do not have a spare room to offer as accommodation.

We will inform you of our decision with 28 days of receiving your application form.

What if I am unhappy with the decision?

If you are unhappy with the decision to refuse permission to take in a lodger, you can appeal against the decision. Information on the appeals process will be given in the decision letter that you receive. All appeals

should be made in writing to the Community Housing Manager within 21 days.

You can also appeal directly to the Sheriff Court by way of Summary Application with 21 days of receiving the decision letter. You should contact a solicitor or specialist housing advice provider for assistance.

Should you require any further information, please contact your Community Housing Officer at your local area office. Please telephone 01620 827827.

Benefit Changes

- With the changes to benefits about to come into force on 1st April 2013, there are new rules about under-occupancy. This means that if you have a spare room you will receive 14% less housing benefit for one spare room and 25% for two or more spare rooms. You will need to cover this shortfall through existing income or benefits. For more information see our leaflet 'What you need to know about the changes to Housing Benefit' available at www.eastlothian.gov.uk
- Working age tenants claiming housing benefit won't be subject to the size criteria reduction for any spare bedroom which is occupied by a lodger.
- Currently, income from lodgers is taken into account for means-tested benefits and so the first £20 per week is ignored. Seek advice regarding your individual circumstances from the Council, Benefits Agency or Citizen's Advice Bureau. However, once claimants move to universal credit from October 2013, the rent from a lodger will no longer be treated as income. Potentially this will make taking in a lodger a more attractive option.
- Demand for rooms has increased as from 1st January 2012 new single claimants under 35 years of age will get housing benefit at room rates only

Taking in a Lodger - Further Advice & Information

Hints & Tips

- Finding a lodger. There are a number of options to consider including:
 - Placing a free advert in the local paper or newsagents etc.
 - Word of mouth - friends and relatives may know of someone looking for a room.
 - Placing a free advert on one of the websites specialising in rooms for rent.
- Always be aware of personal safety issues
 - If you put an advert in a paper, only include the area you live in, plus your phone number. It is safer not to include your name or address.
 - If you are looking for a female flat mate, then stipulate that you only want calls from women.
 - When you set up a time for someone to visit, try and make sure that you are not in the house alone, ask another flat mate or friend to stay in with you.
 - If you agree to take someone on, ask them for a reference from another landlord. You should also ask for a landline number eg. a work number and then check that it is correct and that they are who they say they are
- It is important that you and your lodger are clear on : -
 - What is included in the rent i.e. utilities, telephone etc.
 - What services are provided i.e. meals, cleaning etc.
 - Which areas of the house the lodger has access to, including the garden.
 - Use of cupboard space, washing machine, fridge etc.
 - Use of or access to parking.
 - Whether there can be visitors or overnight guests
 - How much notice you should give if you wish your lodger to leave.
- All of the above should be agreed and written down as part of your Lodger Agreement. A sample Lodger Agreement can be found on Shelter Scotland's web site <http://scotland.shelter.org.uk/> along with further useful information.
- Ask your lodger to pay the rent by standing order will avoid any awkwardness about asking for rent each month and allow them to manage their outgoings.
- You may wish to ask for a deposit to cover unpaid rent or damages - this will not be covered by the Scottish Governments Deposit Protection Scheme.
- Let the Council know if you're paying reduced council tax for single occupancy.
- Check your home contents insurance cover is still valid. Your lodger will need to arrange their own cover.