

Guidelines on Lodgers for Occupiers of Clergy Housing

As a member of the clergy entitled to a house of residence provided by the St Albans Diocesan Board of Finance (DBF), you have the right to take in lodgers with the consent of the DBF's Property Team (which will not be unreasonably withheld).

Accommodating a lodger in any home gives rise to many practical and legal issues. You should always consult the Property Team (property@stalbandsdiocese.org) before taking on a lodger.

Written Agreement

You must be certain that the arrangements you propose do not create a tenancy at law. We recommend you have a written agreement in place with your lodger, and that you use a solicitor to draft a suitable agreement to ensure it only creates a licence, not a tenancy.

Your written agreement should cover the ground rules on the basis that the lodger(s) will occupy a room in the residence but share common facilities such as living room, bathroom and kitchen. It should also cover details of any rent charged, a clear provision on notice periods for either party (and what happens when the clergy member leaves office), and provision for a deposit as clergy will be liable to paying for any necessary repairs resulting from damage to the house by lodgers.

Note that you may choose to house non-paying lodgers, however the terms of their lodging should still be covered in a written agreement.

Licensing

Allowing more than two lodgers into your home may mean that it is designated as "a house in multiple occupation" (HMO) as the property will be being occupied by more than one household and will fall outside the resident landlord exemption (Housing Act schedule 14) which allows for up to two lodgers. HMO designation is something that the DBF will not allow. Please take and be guided by advice from your local authority as each has the discretion to apply the HMO rules slightly differently. It is your responsibility to liaise with the local authority in this regard. (Please note failure to obtain a licence may result in you being prosecuted. Penalties include a maximum fine of £20,000.) A copy of any correspondence/documentation must be sent to the Property Team.

Health & Safety

In addition to any specific requirements a local authority may seek to impose on you, please:

- a. obtain (if there is a gas supply to your home), on an annual basis, a gas safety certificate in respect of any gas appliances at your home. Please note that certification issued by engineers on behalf of the Diocesan Board of Finance only covers gas boilers and gas fires installed by the DBF.
- b. PAT test any electrical equipment that will be used by a lodger (bedside lamp, cookers, fridges etc.) on an annual basis.
- c. take professional advice relating to fire safety in respect of fire risk assessments and provision and installation of fire equipment.

You must forward a copy of the above documentation and approve any recommended work prior to commencement to the Property Team. You will be required to meet the cost of any works undertaken.

Insurance

Taking a lodger will likely alter the basis of your contents insurance and the premium.

You are recommended to:

- a. Inform your insurer of the change in circumstance.
- b. Require any lodger to insure their own possessions independently of your own insurance.
- c. You should inform the Property Team so your change in circumstance is registered with the DBF's buildings insurers.

Please note you will be required to meet any additional premiums charged as a result.

Council Tax

If you are currently a single-person household, taking in a lodger will mean that your household will no longer qualify for the single person council tax discount of 25%. The DBF is unable to cover the difference, so we will invoice you for the difference. You may choose to require your lodger to reimburse you in your written agreement.

Taxation

The Government and HMRC run a number of schemes which cover income arising from having lodgers in your home. You are advised to take independent advice on the treatment for tax purposes of any income you may receive from lodgers.

Safeguarding

As the official house is a place where members of the public, some of whom may be vulnerable, will be visiting, the national Church's official guidance recommends that clergy proposing to have lodgers should consult with the Diocesan Safeguarding Advisor, particularly as some lodgers might also be vulnerable: safeguarding@stalbandsdiocese.org

AirBnB / Bed & Breakfast

Using the official house of residence to operate a bed and breakfast or AirBnB is not something that a full-time office holder would be able to do without affecting their duties, however their partner may choose to do so. The DBF's consent will not be unreasonably withheld for these activities; however they are more complex than housing a lodger and the Property Team expects full details of proposed business activities to be provided in advance. The business may need to be charged for a share of water rates and council tax, and clergy's HLC claims may need to be adjusted to account for this so please seek independent advice concerning this.

Leaving a House

When you leave a house of residence you will be required to hand it back with vacant possession. It is essential that any agreements in place have been terminated. It is strongly recommended that you require any lodgers to vacate the property one month prior to your departure. Any expenses incurred by the DBF in removing occupants who remain in the property once you have vacated will be reclaimed from you.