

The short-term rental industry is regulated

As a short-term rental property owner or host there are a number of legal obligations and minimum requirements that apply to you, just as with other forms of accommodation. The Short-Term Accommodation Association has produced this handy guide to help you understand what rules apply to you, and how you can be sure that you are complying with the regulations.

As a short-term rental host or property owner, you are responsible for ensuring your property complies with the regulations which apply for your property and circumstance. This is a guide to help you understand the regulations which apply to you. You may also consider working with a company to manage your short lets who may help you with some or all of these requirements.

Regulatory Reform (Fire Safety) Order October 2005

 You must carry out a fire risk assessment at your property, and carry out measures to mitigate the risks that you find. The STAA has produced a summary of fire safety rules which can be found here.

Gas Safety (Installation and Use) Regulations 1998

You must maintain pipework, appliances, and flues in a safe condition. You
must have annual gas safety checks carried out by a registered Gas
Engineer. You must provide gas safety records for guests to inspect. The
Health and Safety Executive has produced a guide which can be found
here.

Electrical safety

 You must ensure that electrical installations in a property that you are renting is safe for the duration of your guests' stay and that electrical appliances have a CE marking (the manufacturer's guarantee that the appliance meets all relevant aspects of European law). You can find more information on this here.

Health and Safety Assessments

 Local authorities are responsible for carrying out health and safety examinations of private rented properties. The standards which they are



looking to enforce under the Housing Act apply in particular to facilities for the maintenance of personal hygiene, sanitation and drainage facilities, food safety, ventilation, and space and water heating installations. More information can be found <u>here</u>.

Energy Performance Certificates

 In certain circumstances in England and Wales, and in all circumstances in Scotland, you will have to ensure that your property has an Energy Performance Certificate. Specific guidance on this issue can be found here and here.

Planning regulations

You must comply with all planning regulations in your local authority. Each local authority has its own rules with respect to short-term rentals. In Greater London you must seek planning permission if you wish to short-let your property for more than 90 nights per year, as per the <u>Deregulation Act 2015</u>. Scotland you must seek planning permission if you are letting a secondary residence in a short-term let control zone, as per the <u>Planning (Scotland) Act</u>. In Northern Ireland you must obtain a tourism certificate to short-let your property, s per the <u>Tourism (Northern Ireland) Order 1992</u>. You should contact your local authority to find out what the rules are in your area.

Income tax

 Income derived from short-term rentals is taxable in the same way as all other forms of income. You must declare your income from short-term rental activity for the purposes of income tax. HMRC has produced a comprehensive guide on tax obligations here.

Business rates and Council Tax

 If you offer short-term lets for more than 140 days per year you are liable to pay business rates rather than Council Tax. In either case, you must pay the appropriate form of taxation. You can find more information on this topic here.



Home and contents insurance

Many home insurance policies will not cover the short-term rental of the
insured property. If something is damaged or stolen during a short-term
rental stay, your policy may not cover the damage, or may even be voided.
There are specialist insurance products for short-term rentals offered by
STAA affiliate members <u>Guardhog</u> and <u>Pikl</u> and full-service management
companies such as <u>onefinestay</u> and <u>UnderTheDoormat</u> provide insurance
as part of their offer.

Mortgage agreements

 If you have a mortgage on your property, you must consult your mortgage agreement. Some mortgage agreements will prohibit short-term rentals.
 STAA affiliate <u>Copofi</u> specialises in helping people find short-let mortgages.

Tenancy agreements and leasehold agreements

If you are a tenant you must consult your tenancy agreement, as it may
prohibit you from short-term rentals in the property.. Breach of a tenancy
agreement can lead to that agreement being nullified. Some leasehold
agreements will prohibit short-term rentals. Each lease is different, and we
recommend you seek legal advice if you are in doubt.

Food Safety and Hygiene Regulations 2013

• If you serve food to your guests, you must comply with food safety legislation. You must also comply with regulations surrounding allergies and food labelling. More information can be found here.

General Data Protection Regulation

 You must comply with data protection legislation if you are operating a business in the UK. The Information Commissioner's Office has provided a guide to data protection law in the UIK.

Equality Act 2010

All businesses in the UK must be compliant with the Equality Act 2010. More
information on the guidelines contained in the act can be found here.



Consumer Protection from Unfair Trading Regulations 2008

 You must comply with these regulations, which protect consumers from unfair or misleading trading practices, and ban misleading omissions and aggressive sales tactics. A briefing produced by the UK Parliament can be found here.

TV Licence

• If you have a television which can play live broadcasts, or which has BBC iPlayer installed, then you must have a TV licence. More information can be found at the <u>official website</u> for TV licensing.