



Lodgers and Subtenants Policy

1.0 Purpose and scope

This policy sets out our approach to managing requests from residents to have a lodger or subtenant live in their property. We aim to:

- Prevent illegal assignment and the creation of unintended tenancies and rights of occupation by managing these requests effectively
- Prevent the breach of lease terms by NHG or the lease terms of leaseholders which might affect its security, hinder enforcement and adversely affect other residents
- Ensure requests are dealt with fairly and promptly.

This policy applies to General Needs and Supported Housing tenants, as well as shared owners and leaseholders.

Residents that live in **short-term accommodation** (normally up to two years), where the service is part of an incremental recovery pathway, where it is to meet specific needs (for example Learning Disability or Mental Health) or on a licence agreement are not allowed to take in a lodger.

Residents living in market rent and intermediate market rents are not permitted to take in a lodger.

Temporary Housing, Key Workers and Student Lets residents cannot sublet their home or to take in a lodger. If the property becomes under-occupied, the tenant should notify their Local Officer and the Local Authority about their change of circumstances.

If a tenant unlawfully sublets part or the whole of their property while failing to use the property as their main or principal home, we follow our [Tenancy Fraud and Unauthorised Occupants Policy](#) and other relevant policy or procedures for dealing with tenancy fraud.

2.0 Definitions

House sitter- a person who looks after a resident's property while they are away from it and is not charged rent.

Lodger- a person who shares all the facilities of a dwelling and does not have exclusive possession of any part of the property. Their legal status is that of a licensee.

Subtenant- a person who has exclusive rights to part of the property. Their legal status is that of a tenant.

Resident – here ‘resident’ refers to the person who holds the NHG occupancy agreement

3.0 Tenants

3.1 Subletting

Some historical tenancy agreements grant the right to request permission to sublet part of the home. Where permission has been granted, this would have been on the condition that a fixed term tenancy is issued to the subtenant. From 1 May 2026, fixed term tenancies will be abolished, and as a result we no longer consider requests to sublet part of the property from tenants. Any previous permission to sublet part of the property is considered withdrawn and tenants who sublet their property from 1 May 2026 will be in breach of their tenancy agreement and action will be taken in line with our Tenancy Fraud and Unauthorised Occupants policy.

3.2 Taking in a lodger

Whether a tenant can take in a lodger or not, or requires our permission to do so, will depend on the type of tenancy agreement they hold:

- **Secure** tenants have the right to take in a lodger and do not need our permission for this, but should inform us of the name of the lodger
- **Assured non-shorthold** tenants have the right to take in a lodger but should check their tenancy agreement to see whether they require our prior written consent, which we will not unreasonably withhold
- **Assured-shorthold tenants** should check their tenancy agreement to see whether they have the right to take in a lodger with our prior written consent

4.0 Shared owners

4.1 Lodgers

We consider requests to take in a lodger in line with the conditions in section 6.

4.2 Request to sublet all of the home

We consider requests to sublet the entire home in exceptional circumstances. For a request to be considered:

- (i) The shared owner is unable to occupy their home for any of the following reasons:
 - It is necessary to temporarily relocate for a caring responsibility
 - It is necessary to temporarily relocate in order to seek employment elsewhere
 - Where a request is made by a serving member of the Armed Forces whose tour of duty requires them to serve away from the area in which they live (a distance of at least 50 miles or 90 minutes travelling time) for a fixed period.
 - When a shared owner dies, we consider allowing subletting to their estate

- (ii) Where the shared owner is unable to sell due to building-related issues, including:
- Cladding
 - Major works

5.0 Leaseholders

5.1 Lodgers

Leaseholders do not require permission to take in a lodger.

5.2 Subtenants

Individual leases may contain clauses on sub-letting either all or part of the home. Where the lease allows subletting or is silent, consent is not required.

Where the lease requires NHG to give consent, this will not be unreasonably withheld.

We reserve the right to charge an administration fee to process the request, where this is allowed under the terms of the lease. Whilst we have no obligation to do so, we may in special circumstances be prepared to consider permission to sub-let, even where the lease prohibits sub-letting.

6.0 General conditions for consent

When reviewing requests to take in a lodger or sublet all or part of the home, we consider whether:

- This would cause overcrowding
- Major works are planned, which will affect parts of the property that would be occupied by the lodger/subtenant
- The resident is subject to a possession order
- The proposed lodger is subject to action for anti-social behaviour
- It would not be appropriate for the lodger/subtenant to live with the head tenant given the type of housing or scheme
- There are safeguarding concerns about the resident or a household member

Where consent is provided, this will be on the conditions that we are provided with:

- A copy of the occupancy agreement
- The names, genders, ages and family composition of the proposed lodgers
- Photographic ID
- Full information about the amount of rent they are to be charged and the part of the premises they are to occupy.
- If the tenant's or lodgers behaviour breaks the terms of the resident's occupancy agreement, the resident is expected to take action to end the licence or tenancy agreement, using the relevant grounds for possession

where applicable. We will require evidence of this to prevent us from taking action against the resident.

- The resident will remain our main point of contact, not the sub-tenant
- The resident must provide us with an alternative address, where they are moving out of their home.

Further conditions for consent for shared owners who request to sublet

i) Rent

- The rent charged to any tenant renting will *only* cover the resident's ongoing housing costs, and the shared owner must provide evidence of this in the form of a breakdown. This would include covering the costs of the shared owner's mortgage, rent and service charge (as applicable), as well as any additional costs incurred such as any mandatory electrical, gas and fire safety checks. Additionally, if there is any letting management fee (or similar) associated with the sub-letting arrangement, then this would be a reasonable expense for the shared owner to have covered.
- rent increases must be agreed between the shared owner and the provider prior to the start of the sub-let.
- Market rent can be applied where subletting is due to the resident being unable to sell
- All requests must have the support of the mortgage lender

ii) Subletting arrangements

- Requests are considered on a case-by-case basis, with any sub-letting arrangements reflective of the shared owner's particular circumstances. We will require the shared owner to provide evidence to support their stated reason for subletting and the sub-letting arrangements.
- The subtenant will only occupy the property for 16 months. This will require the shared owner to evict the subtenant using Ground 1 (occupation by landlord) or Ground 1A (sale of dwelling house) introduced by the [Renters' Rights Act](#) after they have lived there for 12 months, providing them with 4 months' notice. After 16 months, the leaseholder must return to reside in the property in compliance with the terms of the lease.
- In exceptional circumstances e.g., where there is the need of building safety work, a lack of an EWS1 certification during the staircase process (buy a greater share of their property), during the re-mortgage or sell of the property, or where leaseholder fell into negative equity, we will consider granting permission to sublet for an extended period of up to 2 years and extend further if necessary.

5. Home insurance

We recognise that in some instances taking a lodger may be against the resident's insurance policy, which will invalidate the insurance, as having a lodger may be seen as an extra risk.

Both residents and lodgers are responsible for obtaining appropriate types of insurance and to ensure they understand the cover provided by their insurer and any general exclusions and conditions that may apply.

Refusing permission

If consent is withheld, we put this in writing and explain our reason(s) for refusal. We aim to respond to requests within 10 working days.

Where consent has not been sought

7.1 Tenants

Where we discover that a resident has taken in a lodger without first seeking permission as stipulated in their tenancy agreement, we consider granting consent retrospectively.

Where we discover that a tenant has sublet their property or taken in a lodger following our decision to refuse their request, we take action in line with our Tenancy Fraud policy.

7.2 Shared owners and leaseholders

Where we discover that a shared ownership (leaseholder) sublets their property without permission or following the end of a license period, we will deem them to be in breach of their lease and we will take enforcement measures or legal action as appropriate.

We will consider granting consent retrospectively, in instances where there was a breach, and that will depend on the circumstances and whether the criteria to sublet of the property has been met.

In instances where we disagree with a shared owner on reasons for subletting, and a shared owner agrees to rectify a breach (by removing the subtenant from their home), this may prevent enforcement action.

7.3 Leaseholders

Where we discover that a property is sublet without our consent and against the terms of the lease, we will consider granting consent retrospectively. We will reserve the right to take legal action at our discretion.

Monitoring

We will monitor all permissions to sublet or take in a lodger. This will include follow-up visits to verify the identity of occupants, confirm the arrangements stated in applications, and ensure that tenants are still using the property as their principal home.

5.0 Holiday lets

We consider letting part or all of a home as a holiday let through Airbnb or similar hosting arrangement as running a business from home. We refuse tenants permission to run this type of business from their home.

We consider this activity as a breach of any residential lease regardless as to whether the lease is silent or not.

6.0 House sitter

Residents who have permission to be absent from their property for a prolonged period, in line with our [Absent Tenants and Abandonment Policy](#), can have a house sitter stay in their property while they are away. We may ask for the name, age, and gender of the house sitter to enable staff to identify them during visits to the property.

8.0 Our approach

In writing this policy we have carried out assessments to ensure that we are considering equality, diversity and inclusion. If you'd like a copy of the assessment, please email your request to policy@nhg.org.uk.

9.0 Reference

- In line with **Section 93 and 94 of the Housing Act 1985** tenants cannot sublet part of their property without the landlord's consent
- **Section 94** of the Housing Act outlines conditions under which we must consent to subletting.
- Landlord and Tenant Act 1985

Document control

Author	Policy Officer
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Effective date	
Approved by	Policy Group
Policy owner	Regional Heads of Housing and Head of Leasehold Services
Accountable Director	Director of Housing Management Assistant Director of Leasehold

Version Control

Date	Amendment	Version
July 2019	New NHG Policy created	1.0
January 2023	Desktop review of the Policy where we updated the definition section, clarified on the refugee resettlement scheme, holiday lets and reviewed our position on entitlement to sublet all or part of the property in Shared ownership properties.	1.1

