

# POLICY: LODGER POLICY

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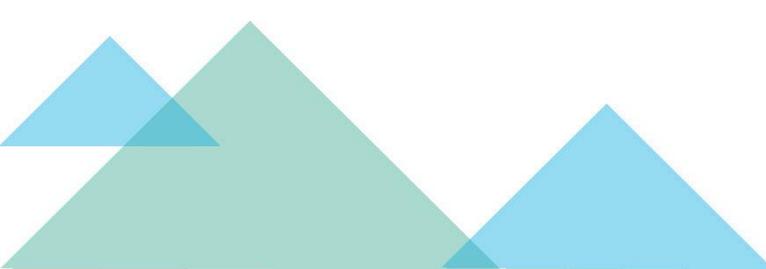
## 1.0 Introduction

- 1.1 Some TVH tenants may consider taking in a lodger or subletting a room in their home in return for payment. This can be a good way to help pay rent and share some household bills; however, it also comes with responsibilities and can affect any benefits a tenant claims.
- 1.2 All TVH tenants in social rented accommodation must have written approval from TVH to allow them to take in a lodger.
- 1.3 The Deregulation Act 2015 overrides legislation which previously stipulated that any residential premises within London required planning permission to be used as temporary accommodation (see definition below (3.1) of temporary accommodation)
- 1.4 The Deregulation Act 2015 enables freeholders and leaseholders, including those who bought under the right to buy, to sublet partial or entire homes for a maximum of 90 days in any calendar year.
- 1.5 The Deregulation Act prohibits freeholders and leaseholders to let their properties for more than 90 days in any calendar year. Therefore the letting of rooms via lettings sites such as Air b&b, does not need freeholders and leaseholds to seek permission, as long as the let is 90 days or less in any calendar year.
- 1.6 Non freeholders or leaseholders are governed by The Prevention of Social Housing Fraud Act 2013, (POSHFA), which makes any partial or whole home sublet without the landlord's permission, a crime. Tenants wishing to take in a lodger and not commit a crime can only do so by seeking their landlord's permission.
- 1.7 The Immigration Act 2014 places a legal duty on all landlords to ensure they let properties only to individuals who are allowed to legally reside in the UK
- 1.8 The TVH policy on allowing tenants to let spare rooms in their homes is that as long as the criteria in 4.0 are met, requests should be approved.

## 2.0 Background Legislation

- 2.1 Housing Act 1996 as amended by the Homelessness Act 2002
- 2.2 Deregulation Act 2015
- 2.3 The Prevention of Social Housing Fraud Act 2013
- 2.4 The Immigration Act 2014

## 3.0 Definitions

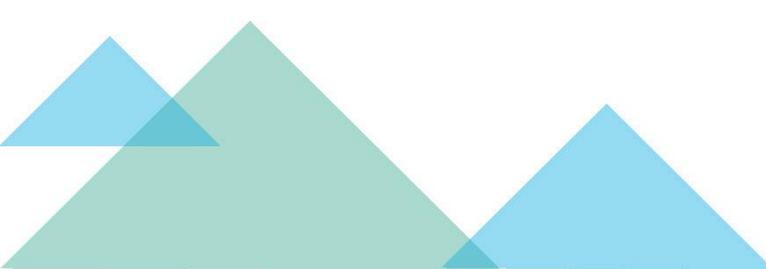
- 3.1 Temporary accommodation is deemed as sleeping accommodation occupied by the same person for **less** than 90 consecutive nights.
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- 3.2 A lodger is someone who shares a TVH tenant's home, usually in return for a payment although not always. Although the lodger may have their own room, they do not have any tenancy rights.
- 3.3 A lodger may receive services such as laundry, cleaning and meals (in this case, they may also be known as a 'boarder').
- 3.4 A lodger is not a member of the tenants household (partner/child/parent)
- 3.5 Since April 2013, working age residents claiming Housing Benefit or Universal Credit, who have spare bedrooms, face deductions to their benefits, based on the rent they pay. They receive a deduction of 14% of their benefit for one spare bedroom, and 25% of their benefit for two or more spare bedrooms.
- 3.6 Post-bedroom tax, TVH has been able to consider giving consent for a tenant to partially sublet, in the form of taking in a lodger
- 3.7 How a lodger or subtenant will affect benefits depends on which benefit a tenant is claiming:

- If a tenant is claiming **Housing Benefit**, a lodger or subtenant will be included in the calculation of number of bedrooms needed. So by having a lodger or subtenant in the spare bedroom, a tenant can avoid the deduction. However, any rent received over £20 per week will be considered income and will affect the Housing Benefit.
- If a tenant is claiming **Universal Credit**, a lodger or subtenant **will not** be included in any calculation of the number of bedrooms needed, so the 14% or 25% deduction will still apply. However, the rent received will not be treated as income and could be used to help pay the shortfall in rent.

#### 4.0 Requesting an assessment to take in a lodger

- 4.1 All tenants in TVH social rented accommodation must put a request in writing to TVH seeking approval to take in a lodger, the request will be assessed
- 4.2 The TVH tenant must complete the lodger assessment form with the allocated housing officer
- 4.3 The TVH tenant must provide a copy of the prospective lodgers passport/full birth certificate/home office document showing they are legally allowed to reside in the UK.
- 4.4 If approved to take in a lodger, a TVH tenant must live in the property throughout the time any lodger is living there
- 4.5 Not all residents are allowed to take in a lodger or a subtenant. The following are guidelines for considering eligibility to sublet social rented TVH homes:
  - Yes, if the tenant has an assured, secure, starter or fixed term tenancy
  - No, if the tenant has an assured shorthold tenancy (not fixed term tenancy)
  - No, if the lodger cannot evidence they are allowed to reside in the UK
  - No, if the tenant lives in supported, sheltered or agency managed housing
  - No, if the tenant wants to sublet the whole of their home



- No, if the tenant is overcrowded or likely to become overcrowded if they take in a lodger or subtenant
- No, if the tenant is subject to a court order
- Leaseholder or shared owners must check the terms of their lease and they must seek TVH approval for subletting. Each request will be assessed on a case by case basis by the relevant officer at TVHA.

4.4 All requests must be put in writing to the relevant Housing Officer/Property Manager and the request must state:

- the name(s), gender(s), and date(s) of birth of any potential lodgers or subtenants
- the parts of the home they will be occupying
- how much rent will be charged
- Immigration status of proposed lodger, i.e. passport/birth cert/Home Office docs.

4.5 The tenant is fully responsible for the behaviour of any lodgers or subtenants while they live in their home. If they cause a nuisance the tenant will be held responsible.

4.6 Tenants must declare relevant income from a lodger or subtenant to the Tax Office and any other relevant Government office, i.e. Housing benefit. The government's 'Rent a Room' scheme may apply, allowing a tenant to receive up to £4,250 a year tax-free.

4.7 If the tenant moves out, they must ensure that their lodger or subtenant leaves too. The tenant must tell their home insurer that they are taking a lodger or subtenant as it can affect the home insurance cover.

4.8 A tenant must not sublet the whole of their home or they will be in breach of their tenancy agreement. If TVH discover a tenant is subletting the whole of their home (through our regular checks) TVH will take legal action to take back possession of the property.

4.9 A tenant must notify TVH if there is any change to who shares their home with them.

## 5.0 Policy Information

**Policy owner:** Asif Rashid – Area Housing Manager

**Date policy agreed:** September 2015

**Approved by:** Howard Dawson – Deputy Housing Director

**Next review date:** September 2017

