



# Tenancy policy

<b>Lead officer</b>	Director of Operations
<b>Drafted by</b>	Policy & Research Officer
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## **Policy Statement**

1. Local Space provides a unique range of temporary and key worker accommodation across nine local authority areas in London, Essex, Kent and East Sussex. Our tenancy options enable us to provide our current and future customers with the security their current circumstances demand whilst ensuring our financial viability. They also allow us to make the best use of our stock and in a way which is consistent with the purpose of the accommodation and the association.
2. We are committed to providing quality homes and to meeting the needs for goods, services, works and utilities in a way that achieves a positive impact on the wellbeing of our customers and individuals in the communities where we work.
3. Our Tenancy Policy helps to fulfil the housing strategies of the local authorities where we work; complements our Allocations Policy, which includes both statutory and Local Space eligibility criteria, and provides clarity about the types of tenancy we offer.
4. Our Equality and Diversity Policy applies to the provision of housing and related services. Local Space acknowledges that in society certain groups and individuals are unfairly and unlawfully discriminated against. We are committed to helping redress the effects of unfair discrimination and disadvantage and to ensure that equality of opportunity and diversity become integral features of all its activities. The association will always ensure that it does not discriminate unlawfully on the grounds of gender, marital status, sexual orientation, age, religious beliefs, HIV status, disability, race, nationality or national or ethnic origin.
5. Local Space regards the lawful and correct treatment of personal information as very important to its successful operations and to maintaining confidence between the employees, customers and those with whom it carries out business. The organisation will ensure that it treats personal information lawfully and correctly. For more information about how we deal with personal information please see our Data Protection Policy.

## **Legal and Regulatory Framework**

6. This policy supports compliance with the Regulator of Social Housing's Tenancy and Consumer Standards. The most important legislation and case law that currently govern registered provider tenancies are:
  - Housing Act 1985, 1988 and 1996
  - Protection from Eviction Act 1977
  - Landlord and Tenant Act 1988
  - Family Law Act 1996

- Localism Act 2011
- Immigration Act 2014
- Homelessness Reduction Act 2017
- Domestic Abuse Act 2021
- Prevention of Social Housing Fraud Act 2013
- Localism Act 2011
- Prevention of Social Housing Fraud Act 2013
- Matrimonial Causes Act 1973
- Rent Act 1977
- Social Housing (Regulation) Act 2023

## **Our Property Portfolio**

7. **Equity Stock** - Local Space began with 450 properties gifted to us by the London Borough of Newham for use as temporary accommodation and to borrow against in the purchase of additional units. This stock is leased back to Newham for use as temporary accommodation. All tenancies, management and maintenance are with Newham although Local Space retains a responsibility for landlord gas servicing and repairs.
8. **Acquired Stock (Newham)** – through the Equity Stock we acquired a further 1000 properties which are leased back to Newham as temporary accommodation. All tenancies and tenant management are with Newham however Local Space retains a responsibility for landlord gas servicing and repairs, replacement of fixtures and fittings and capital works.
9. All other stock in the property portfolio is directly managed by Local Space.

## **Setting the Rent**

10. Rents are set annually by the Board and comply with statutory and regulatory requirements and the Management or nominations agreements entered with Local Authorities. The Board also approve rental increases in the event of new tenancies commencing in the course of the year.
11. Rents are also set in compliance with the framework of Standards issued by the Regulator of Social Housing ('RSH') which sets out the regulatory requirements applying to the Social Housing of registered providers, including the Rent and Tenancy Standards. The Rent Standard sets out rules which govern the setting of Social Housing rents by registered providers and the limits on annual increases. Certain tenures, including Intermediate Rent Accommodation, are exempt from the Rent Standard. The current version of the Rent Standard was issued in April 2020.

## **Nominations, eligibility and allocations criteria**

12. Local Space tenants are either directly nominated by one of our local authority partners from their waiting lists or they are applicants for our key worker housing and receive a letting through our internally managed waiting list. We prioritise applicants from St. Barts NHS Trust and teachers recruited through the Newham Partnership Working. However, we also accept other tenants who are key workers working in East London. To qualify household incomes should be between £20,000 and £80,000.

## **Tenancy Types**

13. The tenancy types we use vary across the property portfolio.
- **Assured Shorthold Tenancy (AST)** – This is our most common tenancy agreement. ASTs are weekly tenancies for a specified period which can be ended after an initial 6 months by either the tenant or landlord serving the Notice as set out in the agreement, or if there are breaches of tenancy at any time, by obtaining a County Court Possession Order. Our AST tenancies have a probationary period of 12 months. If there are problems during the probationary period, (such as rent arrears, irregular payments, or antisocial behaviour), tenants may be issued with a notice ending the tenancy.
  - **Assured Tenancy** – Assured tenancies are weekly tenancies; have no fixed length and may be referred to as ‘lifetime’ tenancies. The tenancy can only be ended by a County Court on specified grounds set out in the Housing Act 1988.
  - **Fixed Term Tenancy (FFT)** – Local Space introduced the use of fixed term assured shorthold tenancies of two years less one day during 2017 for our Key Worker Scheme only. We have done this as part of a strategy to ensure all future lettings meet the scheme criteria for public sector key workers. We also use FTTs to rationalise the current use of the Key Worker stock by gradually ending tenancies which no longer, or never did, meet the criteria.
14. Local Space will provide tenants with a written tenancy agreement that sets out our rights and obligations and the rights and responsibilities of our tenants all of which are explained in detail at the tenancy sign-up.

## **Joint Tenancies**

15. Key worker and general-purpose accommodation – conversion to a joint tenancy will only be agreed where the new joint tenant is a spouse or established partner and the proposed tenant will be subject to a full financial assessment and profiling. Proposed joint tenants in key worker accommodation must also meet the key worker criteria. We will discuss options with both parties and establish the implications for the new tenant in line with our sign-up procedure. Sole tenants in breach of their tenancy agreement in any way will not be considered for a joint tenancy.

16. Conversion from a joint key worker or assured tenancy to a sole tenancy on receipt of notice from one of the parties will be agreed subject to the remaining tenant meeting the eligibility criteria for the accommodation and there being no rent arrears or other on-going breach of tenancy. This will only be approved if both parties agree for the joint to sole tenancy to be processed and approved.

### **Tenancy sustainment**

17. It is important to a successful tenancy to ensure that tenants have a clear understanding at the outset of their rights and responsibilities. We make sure that these are explained and understood at the tenancy sign up. All tenants rights and responsibilities are detailed in our tenancy agreements, but the following are key:
- Taking care of the property and making good any damage that may be caused.
  - Reporting issues of disrepair promptly, allowing access to employees or contractors acting on behalf of Local Space to inspect the condition of the property or carry out repairs or other works.
  - Not causing or allowing any members of their household or guests to engage in any antisocial or nuisance behaviour.
  - Pay the agreed amount of rent on time and all meet all outgoings applying to the premises including council tax, electricity, and other costs.
18. The key rights of the tenants include:
- The right to occupy the Premises without interruption or interference from Local Space (except for the obligation contained in the Tenancy Agreement to give access to Local Space employees, agents, or contractors) so long as the tenant complies with the terms of the Tenancy Agreement.
  - The right of Security of tenure so long as the tenant occupies the Premises as their only principal home.
  - The right to consultation, Local Space shall consult the tenant before making changes in matters of housing management that are likely to have a substantial effect on the tenant.
  - The tenant has a right to information from Local Space about the terms of their Tenancy Agreement and about Local Space's policies and procedures.
19. Prior to a tenancy being granted and subsequently, the ability to sustain that tenancy will be assessed. The nominating local authority undertakes the initial affordability and suitability checks. We will always take account of individual circumstances and vulnerabilities in the allocation and management of our tenancies.
20. We recognise that occasionally vulnerable customers may need financial advice and support. Where appropriate we will tailor our service to meet our customer needs and/or help them to access the support they need. Our focus is on early intervention to prevent rent arrears, and we encourage customers to contact us as soon as possible when they are having difficulty.

21. For our directly managed accommodation we will assess and profile our new tenants and their ability to sustain one of our tenancies at offer stage and signup. We follow this up with a new tenant visit at approximately six weeks into the tenancy.
22. In any situation where there is evidence a child or adult may be at risk, we will take urgent action in accordance with our partner local authority safeguarding policies and procedures. All Local Space staff will receive regular guidance or training on how to recognise and report safeguarding issues.
23. Temporary accommodation managed by Newham – tenancy sustainment is the responsibility of the local authority as part of their tenancy management and homelessness roles
24. Temporary accommodation managed by Local Space – tenancy sustainment is a joint responsibility between the nominating authority as a part of its homelessness role and Local Space as a part of its management role. We support tenants with financial advice and additional support where there is a change in employment or family circumstances.
25. Key Worker and Assured Tenancies - We pay particular attention to credit checks and our tenant profiling and sustainability assessments. We follow this up with financial advice and additional support where there is a change in employment circumstances.

### **Using Fixed Term Tenancies (FTTs)**

26. To ensure more robust monitoring of key worker tenancies, Local Space provides a fixed term tenancy of two years less one day. We re-issue fixed term tenancies to households who continue to demonstrate that they meet the key worker and income criteria.
27. Current AST tenants who do not meet the key worker eligibility criteria will be assisted in the following ways:
  - If the tenant is not a key worker and has held a satisfactory tenancy with no rent arrears but is earning over £35,000 (no children), £38,500 (1 child) and £42,000 (2+ Children) per annum, they will be charged Market Rent and placed on a two year less one day year FTT. The tenancy will not be renewed unless they have become a keyworker or retired, and the occupants will be expected to find alternative accommodation.
  - If the tenant is not a key worker and has held a satisfactory tenancy with no rent arrears and is earning within the income criteria, they will be charged Key Worker rent and placed on a two year less one day FTT. The tenancy will not

be renewed unless they have become a keyworker or retired, and the occupants will be expected to find alternative accommodation.

- If the tenant is a key worker and has held a satisfactory tenancy with no rent arrears and is earning within the income criteria, they will be charged Key Worker rent and given a two year less one day FTT. The tenant will be subject to a review on income and employment as described below.
- If the tenant (non-key worker or key worker) has held an unacceptable tenancy or breached their tenancy conditions they will be served a notice and provided with appropriate advice and assistance to seek alternative accommodation.

28. Exemptions will be made in the following circumstances:

- A retired tenant, part or full time; in receipt of a private or government pension and having held a satisfactory tenancy with no arrears of rent will be charged Key Worker rent and remain an assured shorthold tenant
- A tenant(s) aged 60 or over on 1st January 2017 having held a satisfactory tenancy with no arrears of rent will be charged Key Worker rent and remain an assured shorthold tenant.
- A tenant requiring care and support will be assessed by the SMT based on these vulnerability criteria:

### **Offering new fixed term tenancies**

29. We will notify prospective tenants of the use of fixed term tenancies at the first opportunity regarding a potential offer and discuss the implications of fixed term tenancies at property viewings.
30. Our offer letters will make clear the length of the fixed term tenancy. The letter will also advise prospective tenants they have the right to request a review of both the type of tenancy offered and the length of tenancy and how the review will be facilitated, heard and decided by a senior officer of Local Space not previously involved in the decision to offer a fixed term tenancy.

### **Renewing fixed term tenancies**

31. We will explain how we monitor and review fixed term tenancies, including the criteria for renewing or not renewing, during the tenancy sign-up and the new tenant visit.
32. We will provide advice and assistance on alternative housing options, consistent with the criteria for renewing and not renewing fixed term tenancies, throughout the fixed term.

33. We will formally review fixed term tenancies between the twelfth and sixth months before the end of the fixed term and decide with the tenant whether to grant another fixed term tenancy. The review will be used to discuss the tenant's future needs and aspirations, their current vulnerabilities and support needs, whether the property type still meets their needs, and whether the tenancy conditions have been maintained.
34. We will expect a tenant to engage with us during the tenancy review and provide information and documentation needed to carry out the review in accordance with the renewal criteria. Where a tenant does not cooperate, we will base the decision on the information available.
35. Where a tenant has been identified as vulnerable, we will ensure they have access to additional support to help understand their tenancy and the review process. This support may be provided by other appropriate support agencies.
36. Where the decision is not to renew, we will work closely with the customer and housing advice partners to provide the customer with advice and assistance in relation to rehousing. Where a tenancy will end on expiry of a fixed term which may result in a homelessness duty on a partner local authority, we will advise the relevant local authority in advance to ensure an effective action plan is coordinated.
37. We expect most fixed term tenancies to be renewed. The tenancy will not be renewed where there is not at least one member of the household who continues to meet the key worker criteria, where there is an on-going breach of the conditions of the tenancy or the tenant will not accept an offer of alternative accommodation more appropriate to their needs.
38. Where a property is no longer suitable due to overcrowding, under occupation or an adaptation is no longer needed and is likely to be required by another applicant or customer we will work with the tenant to find suitable alternative accommodation before the end of the fixed term.
39. We will notify fixed term tenants in writing of the decision to renew or not renew not less than six months before the end of the fixed term tenancy. As a part of the written notification, we will advise them of their right to a review of the decision and how the review will be facilitated, heard and decided by a senior officer of Local Space not previously involved in the decision not to renew the fixed term tenancy.

### **Ending fixed term tenancies**

40. During a fixed term tenancy and should the way a tenancy is being conducted require it, Local Space will be able to rely on the grounds of possession listed in the Fixed Term Tenancy Agreement to seek possession.

41. If the tenant chooses to end the tenancy before the end of the fixed-term they may do so in accordance with the break clause in their tenancy and by surrendering the tenancy and giving at least four weeks' notice.
42. Not less than six months from the end of the tenancy, Local Space will issue a six month notice to tenants who will not have their tenancies renewed. A further Notice will be served not less than two months from the end of the fixed term period to end the tenancy.
43. During the fixed term tenancy surrender will be allowed subject to the following circumstances:
  - It is in the best interest of Local Space
  - It is in the best interest of the customer or neighbourhood
  - The property condition does not breach tenancy conditions
  - The rent account is clear
  - Keys are returned on expiry of the notice period and access is given to undertake a property inspection during the notice period to enable a property to be re-let quickly.
44. If the tenant has abandoned the property during the fixed-term a Forfeiture Notice will be served on the property. This will give the tenant 4 weeks' notice that Local Space will be taking back possession of the property.

## **Succession**

45. Local Space does not operate a discretionary succession scheme, however customers have statutory succession rights, whether they have an assured or assured Shorthold tenancy (AST), under the Housing Act 1988. This legislation provides that where the tenant had a periodic assured or AST immediately before their death, their spouse, civil partner or person living with the tenant as spouse or civil partner is entitled to succeed to the tenancy, where they were also occupying the property as their only or principal home with the tenant immediately before their death. The successor will acquire the same tenancy enjoyed by the tenant, so in the case of an AST, the successor will acquire an AST by succession.
46. Only one succession is permitted under the Housing Act 1988 and is only available where the tenancy is a sole tenancy, e.g. the succession rights will not apply in the case of joint tenancies. Where a joint tenant dies, the tenancy continues in favour of the surviving joint tenant by survivorship. A succession is not possible where the tenant was themselves a successor tenant.
47. Key Worker Scheme (FTT) – partners meeting the statutory succession criteria will be able to remain during the remaining period of the FTT. As for any fixed

term tenant whether they can remain at the end of that period will depend on whether they meet the renewal criteria.

- 48. Key Worker (AST) – Spouses or partners meeting the statutory succession criteria and who are 60 and over will be able to remain as periodic AST. Spouses or partners under 60 meeting the statutory succession criteria will be able to remain on a two year less one day FTT. As for any fixed term tenant whether they can remain at the end of that period will depend on whether they meet the renewal criteria.
- 49. Temporary accommodation – succession rights will not apply to any Local Space temporary accommodation. Eligibility to remain will rely on any on-going homelessness duty to another member of the household and will be decided by the nominating local authority.

### **Mutual Exchange**

- 50. We support mutual exchanges for our customers as Local Space does not have a transfer list and we recognise that sometimes customers need to move and council waiting lists can take years for a suitable offer to be made.
- 51. Subject to approval, customers are eligible for mutual exchange. Local Space are members of HomeSwapper, a mutual exchange service with homes across the country, and customers can register and advertise their home via this service, enabling customers to swap homes with other families living in social housing. Once the customer finds a match, Local Space will carry out checks to ensure the property the person is moving into is suitable and affordable. We reserve the right to refuse a request to swap if we have concerns about affordability and suitability. In respect of our Key Worker scheme, any applicant coming into Key Worker accommodation must meet the scheme criteria in full.
- 52. Occupants in Temporary accommodation<sup>1</sup> provided by Local Space are not eligible for mutual exchange.

### **Tenancy Fraud and unauthorised occupation**

- 53. Local Space is committed to maintaining the quality, safety, and condition of our homes. We carry out regular property inspections and visits as part of our tenancy management responsibilities. These visits may be conducted to assess the condition of the property, ensure compliance with tenancy agreements, identify any support needs, and check for signs of unauthorised occupation or anti-social behaviour. Customers will be given reasonable notice in advance of any planned visits, in line with legal requirements, except in cases where immediate access is required due to an emergency or serious concern. Our aim

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<sup>1</sup> Temporary Accommodation: This is accommodation subject to a nomination agreement with a local authority for letting as temporary housing accommodation to homeless households.

is to work in partnership with tenants to promote safe, well-maintained homes and sustainable tenancies.

54. Unauthorised occupation refers to situations where a property is occupied by someone who does not have the legal right to reside there, such as individuals who remain in the property after a tenancy has ended, or those who have moved in without the landlord's consent. We will take prompt action to investigate and address any suspected unauthorised occupation, including cases of abandonment, subletting without permission, or unlawful succession. Where necessary, legal action may be taken to recover possession of the property. Our approach aims to ensure that homes are available for those in genuine housing need, protect the integrity of our housing stock, and uphold fairness within our communities.
  55. We take tenancy fraud very seriously and actively encourage residents to report suspected tenancy fraud. We use the tenancy sign up process to accurately and electronically record all members of the household.
  56. We will use our tenancy audit process to proactively identify any fraudulent activity. This may include not occupying the premises as the only or principal home, as described in the tenancy agreement, or obtaining a tenancy by making false statements or claims or using false documentation.
  57. Local Space is committed to undertaking regular tenancy audits to maintain accurate and up to date tenancy records and to engage with our customers.
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58. The tenancy audit visit will allow us to confirm legal occupation and proactively identify incidents of unauthorised occupation, overcrowding, under-occupation and identify tenancies where additional support is needed.
  59. Where access to the property is refused or denied, Local Space will take appropriate legal action to ensure access is gained to carry out the audit.
  60. Sub-letting of part of the premises is only permitted with the written consent of Local Space. Sub-letting of the whole of the premises is not permitted at all and may constitute a criminal offence. Tenants who take in lodgers are required to seek permission which will not be unreasonably withheld, however we will request that tenants advise us of the name, age and gender or any lodger or intender lodger.
  61. When tenancy fraud is identified, we will take appropriate and necessary action including criminal prosecution.

## **Tenancy sustainment**

62. Local Space is committed to supporting customers who may have vulnerabilities and may need help to sustain their tenancy. Prevention is key to this. We undertake pre tenancy checks for every new tenancy. Where appropriate, we will make referrals on the customers behalf to partner agencies and build strong working relationships with these organisations to promote successful customer outcomes.
63. The appropriate level of support for tenants is expected to vary by tenure. For example, support provided for Intermediate rent customers, or that we refer customers to access, is most likely to be for financial advice. Some customers in our Social and Affordable rent tenures may on occasion need more intensive support. Local Space will be proactive in supporting vulnerable customers where necessary.

## **Vehicles and Parking**

64. Customers are required under the terms of their tenancy agreement with Local Space that they will not park any untaxed or un-roadworthy motor vehicle, commercial vehicle, caravan, boat, trailer etc on the landlord's land. The customer will comply with any parking conditions issued by the landlord or its agents and not obstruct access to other property or highway.

## **Bankruptcy**

65. In cases where a tenant becomes bankrupt, if the tenant is able to pay the rent voluntarily, they will be allowed to do so, provided they have the means. However, if the tenant is already in arrears and it is believed that further arrears will be accrued, we may choose to evict the tenant under the Section 21 possession procedure. In that case, the possession order will be mandatory, and the bankruptcy will not offer the tenant any protection against this. Alternatively, if the tenant is already in at least two months' of rent arrears, then we may seek possession of the property using the Section 8 procedure.

## **Pets**

66. A pet is a tame animal, fish, insect or bird kept as a companion. Many of our homes are in buildings owned by a third party, and therefore it is not always the decision of Local Space whether a customer will be able to keep a pet in the property. For this reason, we ask the customer to contact us before they bring a pet into the home, so we can check whether it is allowed. Customers **are** allowed to have small pets in their home where Local Space is the freeholder of the building or in a building where we are acting as the freeholder on behalf of Newham Council, or where the building owner allows it.

67. Having a pet is subject to the animal not disturbing and causing a nuisance to neighbours. If the pet does cause a nuisance, we would treat this as anti-social behaviour and enforcement actions could follow (which, in extreme cases, could lead to the customer losing their home). We are also mindful of the space the customer has, and for this reason we can permit smaller pets only.

### **Monitoring and Review**

68. Local Space has followed the actions required in our Tenant Involvement Strategy by involving the Tenant Policy and Scrutiny Panel in the preparation and development of this Policy.
69. This Policy will be monitored annually for any changes in legislation, business or sector developments and formally reviewed every three years to consider changes in operational and best practice developments.
70. Local Space will monitor the impact of this policy as part of its continuous improvement including the recording of:
- Total number of tenancies granted each year, broken down by tenancy and property type and equalities characteristics
  - Number of fixed term tenancies reviewed during the year, broken down by equalities characteristics
  - Number of fixed term tenancies not renewed on review, broken down by reason, whether alternative housing was offered, and by equalities characteristics
  - Reasons for termination of tenancy

### **Risk**

71. Acting unlawfully / in breach of regulatory expectation, with costs and/or possible fine/compensation and loss of reputation if not remedied in a timely manner.

### **Value for Money**

72. Effective rent setting will assist in maximising rental income for Local Space to support our purpose of providing new homes and a fair deal for existing tenants.

### **Review Period**

73. The policy will be reviewed every two years.