Homeowner Subletting Policy

Policy ref:	
Policy author /holder	Head of Homeownership
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Approved by:	LiveWest Customer & Place Regional Board
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1 Purpose and anticipated outcomes

1.1 This policy sets out how LiveWest will consider applications from customers to sublet their shared ownership or leasehold home and how it will respond to cases of unauthorised subletting

1.2 The policy aims to:

- Protect public investment in shared ownership homes
- Ensure fairness, transparency and consistency in decision-making
- Ensure compliance with lease terms and relevant legislation.

1.3 Standard shared ownership leases must prohibit subletting in order to protect public funds and ensure applicants are not entering shared ownership for commercial gain.

1.4 Outright leaseholders (including shared owners who have staircased to 100%, open market, Right to Buy and Right to Acquire leaseholders) are generally permitted to sublet, subject to the terms of their lease and any requirement to notify LiveWest and provide an address for service in England or Wales.

1.5 Under no circumstances may shared owners or leaseholders permit the Property to be used for short-term lettings or holiday accommodation (including holiday home swaps), including via Airbnb or similar platforms. The Property must be used solely as a single private residence.

2 Scope and definitions

2.1 This policy applies to residents of homes owned by companies of LiveWest, including:

- Shared Ownership leaseholders who have not staircased to 100%.
- Shared Ownership leaseholders who have staircased to 100% unless their lease states otherwise
- Long leaseholders of LiveWest, including Right to Buy, Right to Acquire and Section 106 leaseholders.

2.2 Definitions

- Lodger: A person who lives in the home with the leaseholder and shares facilities, without having exclusive possession. They normally occupy under a licence agreement.
- Subtenant: A person who has exclusive possession of all or part of the property under a tenancy agreement granted by the leaseholder.
- Subletting: Granting exclusive possession of all or part of the home to another person for any length of time.

3 Policy statement

3.1 Subletting is governed primarily by the terms of the lease, which must always be referred to in the first instance as some leases do not allow any discretion.

3.2 Where LiveWest has discretion, we will consider applications on a case-by-case basis, acting reasonably and proportionately in line with our policy.

3.3 Customers who sublet are legally treated as landlords and remain fully responsible for:

- Compliance with the lease
- Compliance with all landlord legislation
- The actions and conduct of their subtenants and visitors

3.4 Short-term letting (including holiday lets) and commercial use of the home is strictly prohibited.

3.5 Where a Leaseholder or Shared Owner is granted permission to sublet a flat or maisonette, LiveWest and the relevant Fire and Rescue Service must be notified if any occupier has a reduced ability to evacuate the building quickly and safely. In such cases, the Leaseholder or Shared Owner, as the responsible person, must ensure that a **Personal Emergency Evacuation Plan (PEEP)** or **Person-Centred Fire Risk Assessment (PCFRA)** is prepared and maintained where required under fire-safety legislation.

3.6 LiveWest may request a copy of the tenancy agreement and details of the occupiers.

4 Shared owners

4.1 As a general principle, as set out in the lease, shared owners cannot sublet the home. The lease terms should always be referred to in the first instance.

4.2 However, Registered Providers are encouraged to use discretion and not adopt blanket bans where Shared Owners face genuine and unavoidable difficulties as outlined at 4.3.

4.3 LiveWest may agree to subletting arrangements in exceptional circumstances on a case-by-case basis and will take into consideration the following:

- Whether the need to sublet arises from unavoidable personal circumstances rather than financial gain.
- Whether the proposed subtenant would meet Shared Ownership eligibility requirements.
- Whether the subletting is for a fixed and temporary period.
- Whether consent from a mortgage lender is required and has been obtained.
- Whether there are issues such as building safety remediation, lack of EWS1 certification, remortgage restrictions, extensive sale delays, or negative equity which may prevent a sale.

5 Granting permission – Shared owners

5.1 Where subletting is permitted, the Shared Owner must obtain any required consent from their mortgage lender.

5.2 To enable LiveWest to assess a request, the following information must be provided:

- Reason for subletting, supported by evidence where appropriate.
- Proposed length of the subletting (normally up to 12 months).
- Details of property management arrangements.
- Confirmation of continued responsibility for the property.
- Mortgage lender consent (where applicable).
- An address for service in England or Wales.
- For flats and maisonettes, confirmation of whether any proposed occupier has a reduced ability to evacuate the building safely, and details of any Personal Emergency Evacuation Plan (PEEP) or Person-Centred Fire Risk Assessment (PCFRA) required or in place.

5.3 Permission is normally granted for a maximum of 12 months at a time. Requests for extension must be made in advance and will be reassessed.

5.4 The Shared Owner remains responsible for payment of rent, service charges and all other lease obligations.

5.5 Unauthorised subletting, or subletting beyond the permitted period, constitutes a breach of the lease and may result in enforcement action. Shared owners remain fully responsible for the conduct and actions of their tenants and must take prompt and appropriate steps to remedy any breach, nuisance, or anti-social behaviour arising from the tenancy.

6 Renters Rights Act 2025

6.1 Customers who sublet are treated in law as private landlords and are responsible for complying with all landlord obligations.

6.2 From 1 May 2026, this includes compliance with the Renters' Rights Act 2025, including:

- The abolition of section 21 "no-fault" evictions
- The replacement of most fixed-term tenancies with rolling tenancies
- The requirement to rely on statutory possession grounds

6.3 Older subletting permissions referring to assured shorthold tenancies or section 21 do not override current legislation.

6.4 The Renters' Rights Act introduces restrictions on the use of Ground 1 (reoccupation) and Ground 1A (sale), including a requirement that possession cannot take effect within the first 12 months of a tenancy and, in the case of Ground 1A, a prohibition on re-letting within 12 months following possession. A conditional exemption from the post-possession re-letting restriction may apply to Shared Owners, subject to compliance with statutory requirements and any applicable guidance.

6.5 To rely on this exemption, Shared Owners must inform any prospective subtenant in writing, prior to the grant of the tenancy that:

- The landlord is a Shared Owner
- The restricted re-let period may not apply

6.6 By subletting, shared owners take on landlord obligations for their tenant including all matters of health and safety.

6.7 You can seek advice about understanding the legal implications of subletting under the Renters' Rights Act and being a landlord generally from: assets.publishing.service.gov.uk/media/69bc04b8f7b1c24d8e23ce60/The_Renters__Rights_Act_Information_Sheet_2026.pdf

7 Leaseholders

7.1 Leaseholders should refer to their lease. Where consent is required, LiveWest will not unreasonably withhold it.

7.2 Where consent is given:

- It is on the basis that LiveWest retains a direct relationship exclusively with the leaseholder, and not with their agent or any subtenant.
- A formal tenancy agreement must be used.
- The leaseholder remains responsible for all lease obligations.
- An address for service in England or Wales must be provided.

7.3 LiveWest will liaise directly with the leaseholder unless formal written authority is provided appointing a property agent to act on the leaseholder's behalf. Such authority will only be accepted in exceptional circumstances where the leaseholder does not have, and cannot reasonably provide, an address for service in England or Wales. In these circumstances, LiveWest will correspond exclusively with the appointed agent. LiveWest will not engage or communicate directly with any tenant.

8 Taking in a lodger

8.1 Shared Owners and leaseholders may take in lodgers, subject to lease terms.

8.2 Leaseholders and Shared Owners must ensure that any arrangement with a lodger does not grant exclusive possession. A tenancy agreement must not be used. Customers are advised to seek independent advice before taking in a lodger, as arrangements may create legal rights and affect benefit entitlement.

8.3 LiveWest will not liaise or enter into correspondence with any lodger and will deal exclusively with the leaseholder.

9 Home insurance

9.1 Taking in a lodger or subtenant may affect home insurance. Customers are responsible for ensuring appropriate cover is in place.

9.2 LiveWest does not insure residents' home contents.

9.3 Customers letting their property are also advised to obtain appropriate landlord insurance.

10 Holiday lets

10.1 The Property must not be used for holiday letting or any form of short-term or temporary accommodation, including holiday house swaps or listings on platforms such as Airbnb or similar.

10.2 Such use is a breach of lease and treated accordingly.

11 Service standards, monitoring and review

11.1 We have full commitment to this policy and will ensure appropriate training will be given to all relevant staff. This policy will be made widely available to customers and stakeholders via an appropriate range of online and printed communication platforms. This policy will be reviewed every three years or earlier in line with any legislative, regulatory, or good practice changes.

11.2 You may follow our Customer Compliments, Complaints & Feedback Policy process if you are unhappy with how we managed your request or feel we have not followed this policy.

12 Legal considerations

12.1 The following relevant legislation has been considered:

- Renters' Rights Act 2025
- Regulatory Reform (Fire Safety) Order 2005
- Building Safety Act 2022
- Housing Act 2004
- Landlord and Tenant Act 1985

13 Linked / associated policies and other references

13.1 Below is a list of linked or associated LiveWest policies and procedures which our employees, contractors and other individuals are required to comply, as appropriate:

- Homes England Capital Funding Guide – Shared Ownership

Version Control

Version Ref	Date of Change	By Whom?	Reason
1	May 2026	Head of Homeownership	New Policy