

# THH Sublet Registration

If you are registering a sublet for a Tower Hamlets Homes managed property, please take the time to read this document carefully. Incomplete or incorrect forms, failing to provide the correct documents as well as failure to make payment for any fees due will result in the delay of your sublet registration. The THH Sublet registration pack includes the following documents:

1. THH Update Form (Sublets)
2. THH Deed of Covenant – Template & Guidance Notes (Sublets)
3. THH Sublet Registration Instructions & FAQs

Copies of these documents are available on our website. Visit [www.thh.org.uk](http://www.thh.org.uk) and search for '**subletting your property**'. Alternatively you can request copies directly from THH by email at [contactus@thh.org.uk](mailto:contactus@thh.org.uk) or by calling us on **0207 364 5015**.

## **Instructions and guidance on completing the sublet registration form, and documentation requirements**

### ► **If you are subletting your property, you are required to do the following:**

1. Submit a completed **THH Update Form** with your contact details, correspondence address, tenancy details and if any, your Managing Agents details. A copy of this form is enclosed. Please be aware that you **must list the names of your tenants in residence**. We will not accept managing agents or any third party companies as named tenants as they are not physically residing at this address.
2. Attach a copy of the **tenancy agreement/s** that you have with your residing tenants. An agreement must be made with the tenants in residence only and we will not accept an agreement with a managing agent, or other third party. You as the leaseholder are responsible for adhering to the requirements of your lease, including matters related to subletting. If you have appointed a managing agent you must get in touch with them to obtain this information. THH will not contact your managing agent.

Please note that this is to be distinguished from documentation which legally evidences the legitimate parting with possession of the property. If a legitimate parting of possession of the property has taken place and a completed deed of covenant is submitted, the onus of providing tenancy information for the purposes of sublet registrations lies with the managing agent or any appointed company.

3. If the property being sublet has a gas supply, attach a copy of a valid **Gas Safety Certificate**. If you sub-let your home, you must obtain an annual gas safety certificate for your property in line with your duties as a landlord under the Gas Safety (Installation and Use) Regulations 1998. We require a copy of the current valid CP12 Gas Safety Certificate where applicable.

4. Submit a **Deed of Covenant (ONLY to be submitted for new declared tenancies declared that are for a period of 12 months or more; AND where an existing tenancy has already been in place for a period of 12 months or more between agreements)** – This is an agreement between the Council, yourself and your tenants; that you and your tenants will observe all the terms of the lease agreement. A template for the Deed of Covenant is enclosed. Please be aware that e-signatures will not suffice, as the signature must be independently witnessed. Managing Agents may independently witness the agreement, but will not be accepted in place of Tenant signatures.

**A deed of covenant is compulsory, where you are parting with possession of the property.** Please note that your managing agent or any appointed company must be made aware that by signing the deed of covenant they are agreeing to the terms contained in your lease. This includes taking on responsibility for registering all subsequent sublets with THH, as and when they occur.

5. Pay the **£25** administration fee for **each new Tenancy Agreement that is being registered** – A Tenant **renewing a Tenancy Agreement previously registered** with THH **will not incur a charge**. Please issue a **cheque** or **postal order** made payable to "**The London Borough of Tower Hamlets**". Alternatively, you can use our **call back service** to make a payment over the phone. Just select the option on the **Update Form** when it's submitted.

If you have legitimately parted with possession of the property and deed of covenant has been submitted, you must advise the other party that they must register all subsequent sublets with THH and make payment for all payable fees.

► **If you are NOT subletting your property you are required to do the following:**

1. Fill and return the **THH Update Form** and select the option indicating that you are not subletting. Please also take the time to update your contact details if they have changed since you last informed us. The more details you can provide the easier it will be for us to reach you. **No administration fee is required** to submit a declaration that you are not subletting.

If you requiring an alternative correspondence address but are not subletting, please provide a reason as to why this is required under section 2 of the Update Form.

# Frequently Asked Questions

## Why have I received a sublet registration letter?

Tower Hamlets Homes (THH) on behalf of your landlord, the London Borough of Tower Hamlets (LBTH), is required to carry out regular audits of all council owned properties. This includes Leasehold owned properties, and more specifically properties that are being sublet. THH needs to verify and update all records for the property, the leaseholder and in the case of subletting, details of anyone residing in the property.

Having accurate records involving you and your property means that:

- We are able to contact you in an emergency and are aware of who is residing in the property in emergency situations;
- We have a confirmed forwarding address to ensure you don't miss any important correspondence relating to your property;
- You are reminded of your responsibilities as a Leaseholder in relation to your Tenant and Landlord as per your lease agreement document; and
- If you are subletting, then the insurance department are aware of this so as to not invalidate your insurance

If you have received a letter from us specifically regarding subletting, we would have only written to you if our records gave an indication that you might be subletting, or if you have previously sublet your property and we've had no further updates. We need to verify your subletting status and update our records accordingly.

Under the terms of your lease that you must register all sublets with THH. Whether you are newly subletting your property, continuing to sublet since informing us, no longer subletting or if you are simply just not subletting - you are still required to respond to this letter. Please read the instructions and guidance notes attached to find out which forms you need to complete and correct documentation to submit for your circumstances. Failing to notify THH when you sublet your property constitutes a breach of your lease.

## How do I get consent to let?

Leases issued by your landlord (LBTH) generally allow you the freedom to sublet your THH managed leasehold property. However, this is subject to conditions, including the mandatory requirements of notifying THH and registration of all tenancies offered at the property. This applies to the two main types of leases; GLC and LBTH leases. This may also apply to other variations of leases that you may have. Please check your lease agreement documents.

If you are looking to obtain or change your current mortgage agreement to a non-residential mortgage, your mortgage lender may request confirmation that there are no restrictions on you being able to let your leasehold property. In such circumstances, we advise that you refer them to your lease agreement. Upon request, we can also provide this in writing for the mortgage lender. Please note that you are still required to register all sublets and tenancies offered at your property in the usual manner.

## **Can I sublet to a company, estate agent, managing agent, or any other private group?**

Leases issued by your landlord (LBTH) specify that you may sublet your leasehold property **only as a private residential home to private individuals**. The sublet may be managed privately by you as the leaseholder, and in a management capacity only, through an appointed agent or company. A managing agent or any other company is not automatically recognised as a tenant in a sublet of a THH managed leasehold property - this indicates a change in the nature of the sublet from private residential to that of a business. The exception to this is where a legitimate parting of possession of the property has taken place and can be evidenced by legal documentation.

You must not utilise the property in any way that would be for business purposes, including operating short-term lettings or room-bookings. You may not **sublet** directly to a managing agent or any other company who will utilise the property for business purposes. Failure to comply is considered a breach of your lease agreement.

Please note that a Managing Agent cannot be registered as the tenant on the update form or the named tenant on the tenancy agreement as they are not residing at the property. It is your agreed responsibility as the Leaseholder to be aware of ongoing tenancies and you may be required to obtain tenant information/ tenancy agreement(s) from your managing agent. Where a legitimate parting of possession has taken place this onus of providing this information lies with the managing agent or any other appointed company.

## **What is a Deed of Covenant (for subletting) and why do I need one?**

A Deed of Covenant (for subletting) is a supplemental legal document agreed between you (the leaseholder) and your tenants(s) when subletting your property. A Deed of Covenant ensures that your tenants agree to conditions and rules that mirror those contained in your lease document, as agreed with your landlord (LBTH). You as the leaseholder are responsible for the behaviours of your tenant(s).

A Deed of Covenant must be completed for all tenancies that are for a term of 12 months or more. This also applies if an existing tenant has remained in the property for period of 12 months or more between agreements. Please be aware that e-signatures will not be sufficient for the Deed of Covenant, as it must be signed physically and independently witnessed. Managing Agents may independently witness the agreement, but will not be accepted in place of Tenant signatures.

**A deed of covenant is compulsory, where you are parting with possession of the property.** Please note that your managing agent or any other company must be made aware that by signing the deed of covenant they are agreeing to the terms contained in your lease. This includes taking on responsibility for registering all subsequent sublets with THH, as and when they occur.

## **I don't know how to complete the Deed of Covenant.**

The key information necessary to fill in the Deed of Covenant can found in your Lease Agreement document. Either your solicitor will have a copy of this, or you can request a copy to download from the UK Land Registry website. We also advise that you refer to the guidance notes provided with this letter. If for whatever reason they were not included, or you still have any questions, please contact us by email at [contactus@thh.org.uk](mailto:contactus@thh.org.uk) or by phone on 0207 364 5015.

## **Why do I need to submit a copy of a gas a safety certificate?**

If you sub-let your home and it has a gas supply, you must obtain an annual gas safety certificate (CP12) for your property in line with your duties as a landlord under the Gas Safety (Installation and Use) Regulations 1998. A copy of this should be provided to your tenants.

THH reserves the right to request a copy of the gas safety certificate in line with our responsibilities as the management agent acting on behalf of your landlord (LBTH). THH will take all reasonable steps to ensure the safety of those living in THH properties and THH blocks in relation to gas/ electric safety and fires.

Please note that we are unable to proceed with the registration of your sublet if you fail to submit a valid gas safety certificate.

## **Can I let my property as a short term let or holiday lets, including using platforms such as AirBnB and Booking.com?**

Under the terms of your lease **you may only sublet your leasehold property as a private residential home to private individuals**. The sublet may be managed privately by you as the leaseholder, and in a management capacity only, through an appointed agent or any other company.

Letting your property as a short term or holiday let, including through platforms such as AirBnB and Booking.com, constitutes a business use of your leasehold property. This is not allowed and will not be considered a legitimate sublet. Such practice constitutes a breach of the terms of your lease. You may not **sublet** directly to a managing agent or any other company who will utilise the property for business purposes.

Please note that by failing to utilising your leasehold property as permitted; as a private residential home let to private individuals, you are in breach of planning regulations. Should you be found to be in breach, you may be subject to enforcement and/or remedial action as imposed by the Council's Planning Service.

## **I'm unable to submit in the timeframe that was stated**

If you are unable to provide the documentation we have requested within the timeframe we've given you, then you must contact us immediately to inform us of the issue, and provide a time for when we can expect the documentation requested.

## **My family member resides at the property with lodgers**

While this may not be subletting, this is not the residing address of the named leaseholders. Regardless of whether or not a tenancy agreement has been signed, in such cases we are still required to register any family members and/or lodgers that may be residing ta this address. Please submit a completed Update Form along with the Administration Fee.

## **Do I have to pay an admin fee just to submit a document for a previously registered tenancy?**

No. The administration fee is paid only to register a new tenancy. If any documentation was outstanding for a previously registered tenancy, then it can be submitted under the fee that was already paid.

If you are using the Update Form to notify THH that the previous registered tenancies are still in place - you are not required to pay a fee. Please note that if the existing tenancy has

now been place for 12 months or more, you are required to complete a Deed of Covenant, if have not already done so.

Submitting an Update Form to declare that you are not subletting does not require a fee either.

### **But I already notified you about my tenancy situation?**

You may have already registered your current tenancy with us, but we may be lacking further information or require additional documentation.

If you have already registered your tenants, you may in some instances be required to re submit some or all of the documents for verification. No further fee payment will be necessary to complete this. This request for subletting information is part of a wider initiative to clarify and verify Leaseholder and Tenancy information, which may involve some overlap with Leaseholders that have registered tenancies in the past.

### **My property is vacant but I intend to let it, should I wait until sending the forms in?**

We advise that you follow the instructions for 'Not subletting' so that we have an accurate reflection of the property's sublet status. Then register the upcoming tenancy as normal within 4 weeks of the agreement commencing.

### **Can't my managing agent take care of this? Please speak to my managing agent**

A Managing Agent cannot be a named party in any agreement. A managing agent must act only in a management capacity in relation to sublets. You as the legal leaseholder of the property are responsible for adhering to the terms of your lease. You must sign all documents as the legal leaseholder.

For the purposes of sublet registrations, your Managing Agent may assist in an administrative capacity. Where tenancies offered at the property have been brokered through a managing agent, you should contact the managing agent to provide copies of the tenancy agreements and/or tenant details. Your managing agent may provide documents to us directly, but you must direct them to contact us, should you wish them to do this. THH will not contact your Managing Agent directly.

Please note that this is to be distinguished from instance where there has been a legitimate parting with possession of the property, evidenced by correct legal documentation. If a legitimate parting of possession of the property has taken place and a completed deed of covenant is submitted, the onus of providing all tenancy information for the purposes of subletting registrations lies with the managing agent or any other appointed company. They should be made aware of this at point of signing the deed of covenant.