

Regency (Crown Estates) Portfolio Policy

1. Introduction

- 1.1 The Regency Portfolio offers a sustainable housing option primarily aimed at keyworkers who cannot afford to buy or rent a suitable home on the open market.
- 1.2 This policy sets out how we manage the Regency portfolio. The policy covers who is eligible to live in these properties, how the properties are let, how to transfer between properties, tenancies, furnishing and fees. How the rents are set is covered in the Peabody Rent Setting Policy.

2. Scope

- 2.1 This policy has been written in line with the nominations agreement agreed between Peabody and the Crown Estate. It applies to both eligible and non-eligible key workers living in the Regency portfolio.
- 2.2 The policy does not affect the rights of any existing tenants on former regulated, assured or assured shorthold tenancies.

3. Key terms and definitions

- 3.1 The Regency portfolio properties are the former Crown Estate properties at Millbank (Westminster), Lee Green (Lewisham), Victoria Park (Hackney / Tower Hamlets) and Cumberland Market (Camden) that were transferred to Peabody in March 2011.
- 3.2 The nominations agreement refers to the legal contract between the Crown Estate and Peabody that governs the way the Regency portfolio is managed.

4. Our approach

Choice Based Lettings (CBL)

- 4.1 The CBL scheme is open to former Crown Estate key worker tenants and key workers who have been nominated for housing by an approved nominating body. In cases where we are unable to find an eligible applicant through these routes we will let the available property through an appropriate allocations website.
- 4.2 To be eligible to apply for properties applicants must meet the following criteria:
 - Have a total household income of less than £76,000. (This is based on an income limit of £60,000 from the original nominations agreement, indexed to public sector pay, and figure is as at October 2022).
 - Cannot afford to buy or rent a suitable home on the open market
 - Have an annual household pre-tax income of at least 30 times the monthly rental value of any property they apply for. For example, for a property at £970 per calendar month the household pre-tax income must be £29,100 per annum.
 - Be able to pay rent without sole recourse to public funds such as Housing Benefit or Universal Credit. We can take into consideration applicants who claim these benefits in conjunction with their earnings
 - Be able to provide documentary proof of their current employer
 - Be either a British or EU / EEA citizen or have indefinite leave to remain in the United Kingdom
 - Not own property

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- Be employed on a permanent contract
- Applicants on a temporary contract may be considered if:
 - They are due to remain in employment for a further six months from the date that the tenancy is due to commence
 - The initial term of their employment contract was at least 12 months
 - There is reasonable prospect that the term of the employment contract will be extended as confirmed by their employer.
- Eligible keyworkers are permitted to share their property with non-eligible applicants provided they are declared on the eligible key workers' CBL application form and the household meets the eligibility criteria above. At least one eligible key worker must remain as a tenant throughout the tenancy.

4.3 We will notify the Crown Estate of the lettings made on an annual basis.

Transfers

4.4 Existing tenants may be eligible to transfer to another property within the Regency portfolio (i.e. Millbank, Lee Green, Victoria Park or Cumberland Market) if they require a smaller home or their current property no longer meets their housing needs.

4.5 Tenants who wish to transfer to another property must meet the relevant eligibility criteria and must have been a tenant for a minimum of six months.

4.6 We may consider transfer applications from tenants that do not meet these criteria in exceptional circumstances. Examples include, but are not limited to, a medical condition or disability, caring commitments, domestic abuse or the need to move to alternative accommodation for works to be carried out. These situations will be considered for a management transfer. Transfers will still be within the Regency portfolio, but in exceptional circumstances we may consider a transfer to a property with a similar tenure such as intermediate market rent or other key worker accommodation.

4.7 Applicants must submit a new CBL application form stating the reasons or circumstances for the application.

4.8 Tenants who transfer within the Regency portfolio, including transfers between estates, will retain their tenancy rights and will still pay rent according to the relevant ceiling rent formula as applied to the property they are transferring to.

4.9 Applicants will not generally be able to move into properties which do not reflect their current housing needs except in exceptional circumstances. Households cannot be split across multiple properties when transferring.

Tenancies

4.10 New tenants will be granted periodic assured shorthold tenancies

4.11 Tenants whose tenancy commenced prior to 1 March 2011, have the benefit of the addendum to their tenancy agreement. If the tenant is to transfer, they will continue to have such benefit after they have transferred provided they are entitled to under the provisions of the addendum. Peabody reserves the right to terminate tenancies where there is a breach of tenancy, tenants' no longer meet the eligibility criteria, or we require vacant possession of the property (i.e. for redevelopment).

4.12 If possession is required where there has been no breach of tenancy, Peabody will provide advice on alternative housing options.

4.13 Tenants are not eligible for mutual exchange.

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4.14 Tenants will only have assignment or succession rights if they have a statutory or contractual right as contained in their tenancy agreement.

Properties

4.15 Properties will be let unfurnished and will have the following goods, fixtures and fittings as a minimum:

- Fitted kitchen
- White goods (electric cooker, washing machine, fridge freezer or fridge)
- Fixtures and fittings (fitted carpets or laminate flooring, vinyl flooring to kitchens and bathrooms, window blinds, shower curtains or screen, phone point, TV aerial point, smoke detectors).

4.16 We will make a full listing of the condition of the property at the beginning and end of the tenancy.

References and holding fees

4.17 We will use an independent company to obtain landlord references and undertake an income assessment and credit check. The costs of this will be paid for by Peabody.

4.18 We will require an initial £150 holding fee for all properties to reserve a property and withdraw it from the market (subject to contract). This fee will be deducted from the overall associated costs (first month's rent in advance and deposit) due upon signing of the tenancy agreement or forfeited by the applicant where they withdraw from the process for any reason or do not pass the credit or referencing checks.

4.19 Successful applicants will be required to pay a deposit equivalent to one month's rent, which will be processed in accordance with the requirements of the statutory tenant deposit protection scheme. At the end of the tenancy, the deposit will be processed as stated in the tenancy agreement. Any arrears, damages or repairs for which the tenant is liable will be deducted from the deposit.

Sales and conversions

4.20 As per our agreement with the Crown Estate and to help Peabody manage our portfolio, we retain the right to convert up to 10% of voids to market tenures via sale or market rent.

5. Responsibilities

5.1 The Lettings team are responsible for assessing applicants' eligibility to be included on the CBL register (see 4.1 and 4.2) and allocating available units and issuing tenancies. They are also responsible for compiling the annual return to the Crown Estate.

5.2 The Voids team ensure that empty homes meet the lettable standard as outlined in 4.15

5.3 The Asset Management team apply the disposal and conversion process and keep track of changes (see 4.20).

Approval

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Policy owner	Managing Director London South