



POLICY CHANGE COVER PAGE

Policy Name:	Leasing Policy
Date of Change:	May 2026
Reasons for Changes:	Policy Review
Summary of Changes:	Front page – Dates to Housing Sub Committee have been updated. No other changes have been made to this document.

KNOWES HOUSING ASSOCIATION LTD	
Policy Name	Leasing
Policy Category	Housing Management
Policy Number	HM19
Date to Housing Services Sub-Committee	May 2026
Next Review Date	May 2029
Links to other Policies	HM18 – Homelessness Policy &HM04 Allocations Policy
Consultation	Internal

1. POLICY AIMS

- 1.1** The purpose of this policy is to clearly define the circumstances in which we will lease properties and the organisations we will lease to. The Management Team have delegated authority to enter into leasing arrangements in line with this policy but any proposal to lease which falls outwith the terms of this policy must be referred to the Management Committee or the Housing Management Sub Committee for consideration. This policy should be read in conjunction with Scottish Housing Regulators Guidance Note 2005/05 – “*Section 66 of the Housing (Scotland) Act 2001 – disposals of land or property*”.

2. INTRODUCTION

- 2.1** Our aim is to meet our obligations to promote equalities and contribute to meeting the needs of the wider community. To achieve this we may make a number of properties available to organisations working with people with support needs and to local authorities where appropriate.
- 2.2** Where leasing is found to be the most appropriate option the governing body delegates authority to the Management Team to sign agreements on its behalf.
- In line with the Scottish Social Housing Charter and good practice Knowes Housing Association will only lease properties to a third party on an exceptional basis. Our policy is to provide the most secure form of tenancy compatible with the purpose of the housing. Therefore, wherever possible we will provide direct tenancies for individuals. For example, generally when the accommodation is self contained and long term we do not consider leasing to be appropriate.
 - When we lease property we will ensure the lessee uses the appropriate model leases, tenancy and occupancy agreements currently available.
 - When we enter into a lease where we need to consider a variation on an existing model tenancy or occupancy agreement we will seek legal advice to ensure that we are maximising the security of tenure for the individual. This may arise because of the design of the accommodation or the nature of the client group.

3. MEETING THE NEEDS OF OUR CLIENT GROUPS

- 3.1** To meet our policy objectives we will generally only lease property for use as temporary accommodation. There will be exceptions however where the accommodation is a person's permanent home. Accommodation registered with the Care Commission as a care home, for example, for people with dementia would fall into this category.
- 3.2** We will consider leasing a property on an ad hoc basis and only when we are approached by organisations that are in need of this type of agreement. Generally we would only lease to recognised agencies such as WDC homeless team, but any lease agreement will be considered should we deem it suitable for the Association. All requests need to be agreed by the Housing Management Sub-committee.
- 3.3** We will make every effort to safeguard our properties and the people living in them. In determining an organisations suitability as a lessee we will consider its reputation, including its financial position (consideration of financial viability is relaxed in the case of local authorities).

- 3.4** If organisations not listed want to lease property from Knowes HA, the Chief Executive Officer or Head of Housing will present a report to the governing body making recommendations as to their suitability and requesting either approval or refusal to accept the organisation as a future lessee.

4. COMMERCIAL LEASES

- 4.1** The Management Team do not have the authorisation to enter into commercial leases without the prior authority of the Management Committee or the Housing Management Sub Committee. When considering a commercial lease, a report must be presented considering issues such as financial risk to the Association. The Lease must be compliant with the regulators Guidance Note 2005/05.

5. MANAGING EQUALITIES

- 5.1** Our policy is to ensure fair and open access to our housing and to be responsive to people's individual support needs. We will therefore ensure that appropriate selection and assessment criteria are used by the lessee in allocating the properties.
- 5.2** We undertake to ensure that equal access to appropriate property types and locations across the range of our stock is given to lessees. Properties made available for leasing should not be confined to one particular area.

6. AUDIT TRAIL

- 6.1** We will maintain a clear audit trail showing that we have –
- We will update our Housing Management IT system ensuring that the leased property is identified so that a clear record is kept of the date the property was leased, the leaseholders contact details and the duration of the lease. This record will be updated by the Allocations Officer. A copy of the lease will be archived on the IT system.
 - Examined all other available options in deciding that leasing is the most appropriate arrangement.
 - There is no financial risk associated with leasing a property.
 - Ensured that the lessee has been granted the most secure form of tenure compatible with the purpose of housing.
 - Demonstrated good reason for departing from the terms of any model agreements. This should include where the –
 - I. Lease is for longer than three years;
 - II. Appropriate SFHA model lease is not used;
 - III. Model is used but some clauses are omitted or amended;
 - IV. Appropriate model occupancy or tenancy agreement is not used.

- Managed risks, covered costs and taken steps to ensure sustainability where it is a commercial lease.

7. PERFORMANCE AND REVIEW

7.1 We will review the management of leased properties regularly by holding liaison meetings with the lessee at least every six months or as appropriate to the project.

7.2 We will report annually to the governing body setting out:

- The number of leases;
- The organisations we have leased to;
- The expiry date for the lease;
- Any management issues relating to the conduct of the lease (this should include estate management issues, complaints made and received, financial issues and repairs) and;
- Whether we have renewed leases.

7.3 This policy will be updated as required and reviewed every three years.

8.0 EQUALITIES COMMITMENT

8.1 Knowes Housing Association Ltd is committed to tackling discrimination on the grounds of sex or marital status, racial grounds, or grounds of disability, age, sexual orientation, language, social origin, or of other personal attributes, including beliefs or opinions, such as religious beliefs or political opinions.

8.2 Knowes' seek to embrace diversity, promote equal opportunities for all and eliminate any unlawful discrimination in all areas of our work.