

Market Rent Policy

Originator:	Policy and Strategy Team
OVH Board Approval Date:	July 2024
Review date:	July 2025

1	Introduction
1.1	In addition to the provision and management of ‘Social Rented’ properties, One Vision Housing owns and manages a number of properties that are let at ‘Market Rent’. Market Rents are determined via an independent assessment of comparable properties in terms of size, condition and area in accordance with the Royal Institution of Chartered Surveyors (RICS) methodology.
1.2	This Policy sets out the provisions OVH has in place for the allocation and management of market rent properties, the services it will offer to tenants in these circumstances and the tenant’s rights and responsibilities.
1.3	In operating this Policy OVH will comply with the relevant legislation including: <ul style="list-style-type: none"> • The Housing Act 1988 • The Housing Act 1996 • The Housing Act 2004 • The Localism Act 2011
1.4	In operating this Policy, OVH meets the requirements of the Regulatory Standards for Social Housing adopted by the Regulator for Social Housing (RSH) namely : <ul style="list-style-type: none"> • Registered providers shall offer tenancies or terms of occupation which are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community, and the efficient use of their housing stock • (Registered Providers) shall meet all applicable statutory and legal requirements in relation to the form and use of tenancy agreements or terms of occupation
1.5	Access and Communication
1.5.1	OVH is committed to ensuring that the services it provides are accessible to everyone. OVH will seek alternative methods of access and service delivery where barriers, perceived or real may exist, that may make it difficult for people to work for OVH or use its services.

<p>1.6</p> <p>1.6.1</p> <p>1.6.2</p> <p>1.6.3</p> <p>1.7</p>	<p>Equality, Diversity and Human Rights</p> <p>OVH is committed to ensuring that no person or group of persons will be treated less favourably than another person or group of persons and will carry out its duty with positive regard for the following core strands of equality; Age, Disability, Gender, Race, Gender Identity / Gender Expression, Sexual Orientation, Pregnancy, Maternity, Marital Status and Religion and / or Belief.</p> <p>OVH also recognises that some people experience disadvantage due to their socio-economic circumstances, employment status, class, appearance, responsibility for dependants, unrelated criminal activities, being HIV positive or with AIDS, or any other matter which causes a person to be treated with injustice.</p> <p>OVH will also ensure that all services and actions are delivered within the context of current Human Rights legislation and will make every effort to ensure staff and others with whom OVH works, will adhere to the central principles of the Human Rights Act (1998).</p> <p>The Policy should be read in conjunction with the OVH Shared Ownership Sales and Management Policy.</p>
<p>2</p> <p>2.1</p> <p>2.2</p> <p>2.3</p>	<p>Statement of Intent</p> <p>In providing properties for market rent, OVH will ensure it complies with all legal and regulatory requirements including reporting required under the RSH’s annual Statistical Data Return.</p> <p>Through the delivery of market rented properties and in conjunction with its social housing products and services, OVH aims to promote the creation of sustainable communities with a mixture of tenure types and accessible housing choices.</p> <p>OVH is a not-for-profit housing provider and will ensure all revenues secured through the delivery of market rented housing, above and beyond operating costs are reinvested in the improvement and development of new and existing rented property products and services.</p>
<p>3</p> <p>3.1</p> <p>3.1.1</p> <p>3.1.2</p> <p>3.1.3</p>	<p>Policy</p> <p>Market Rented Properties</p> <p>Allocations and Background Checks</p> <p>When available for letting, OVH’s market rented properties are advertised via a national web-based property sales and marketing site and via on-location information boards and occasionally on websites used for lettings as part of choice-based lettings schemes that OVH is a member of.</p> <p>Applicants that are interested in renting the properties are not required to complete a housing application form, can apply to OVH direct and are not given any priority based on housing need (but would be refused if it would lead to statutory overcrowding). Properties are let following an assessment of ability to pay the required rent level and to sustain the tenancy going forward.</p>

3.1.4	Before being accepted for a market rented property OVH will obtain satisfactory references from either a current or former landlord, details of next kin and previous address. OVH will also seek assurances that the prospective tenants can afford the rent and all associated charges via an affordability check.
3.1.5	On a discretionary basis and where no further suitable applicants are available, OVH may allow lettings to individuals with unsatisfactory credit checks where affordability can be supported by documentary evidence.
3.2	Tenancy Deposit and Advance Rent Payments
3.2.1	Applicants who wish to rent an OVH market rent property are required to pay before signing-up for the property a deposit equivalent to one month's rent and the first month's rent in advance.
3.2.2	OVH are registered with the Government backed Deposit Protection Scheme (DPS) which ensures the tenant's deposit is held securely and independently for the duration of the tenancy. OVH will register the deposit with the DPS and provide the tenant with the prescribed information within 30 days of receipt.
3.2.3	On termination of the tenancy, the deposit is repayable to the outgoing tenant, less any costs owed to OVH in respect of: <ul style="list-style-type: none">• Rent owed (inclusive of service charges)• Damages to the property or other rechargeable items• Costs of any enforcement actions by OVH e.g. court applications
3.3	Terms of Tenancy Agreements
3.3.1	Tenants signing up for market rent properties will be issued with an Assured Shorthold Tenancy for a fixed term of six months. At the end of the fixed term unless terminated by either party the tenancy will remain an Assured Shorthold Tenancy, known as a Statutory Periodic Assured Tenancy on a rolling month-by-month basis until terminated by either OVH or the tenant.
3.3.2	As a Statutory Periodic Assured Shorthold tenant, provided there are no breaches of tenancy conditions, OVH may allow the tenant to remain in the property until such time as OVH's approach in respect of market rented properties is reviewed or until such time as OVH decide to seek an order for possession. Should this situation arise, OVH will notify tenants in advance and discuss any future housing options with them.
3.4	OVH Housing Management Functions
3.4.1	OVH will endeavour to provide to market rented tenants an excellent level of service. This will include: <ul style="list-style-type: none">• Carrying out all requests for repairs within published timescales• Providing basic advice and assistance where required in the case of neighbour disputes and allegations of anti-social behaviour (market rented tenants will not be able to access the full range of services available to OVH social tenants in regard to anti-social behaviour management)

- Providing an effective complaints resolution service
- Carrying out an annual gas safety check

3.4.2 Market rented tenants requiring the above services should contact OVH on **0300 365 1111**.

3.5 **Tenant Rights and Responsibilities**

3.5.1 Market rent tenancies are not social tenancies and as such are not entitled to some rights that may be available to social housing tenants, such as 'preserved right to buy' or 'right to acquire', rights to take in lodgers, sublet or assignment (transfer of the tenancy to other parties), unless an assignment is made by an order of the court.

3.5.2 In the event of the death of a tenant the right of 'succession' exists to surviving spouses, civil partners or person living as their spouse. OVH will assess each case on an individual basis, and this may involve revised affordability checks and issuing a new tenancy agreement where applicable.

3.5.3 In the case of joint tenancies the surviving tenant would take over the tenancy under the same terms as the original tenancy agreement.

3.5.4 As per the requirements of the tenancy agreement, in summary, OVH will expect market rented tenants to:

- Pay on time all rent / service charges as required
- To keep the property in a good state of repair including reporting any repairs that are OVH's responsibility, in a timely manner
- To allow OVH reasonable access to carry out repairs and carry out annual gas safety checks
- Use the property as the main and principle home
- To be responsible for the behaviour of all occupants and visitors to the property and not to cause nuisance or annoyance to other residents
- Not to use the property for any illegal purposes
- Not to use the property for the storage of any hazardous materials or use of mobile gas appliances
- To provide not less than one month's notice of intention to leave the property (during the statutory periodic part of the tenancy)
- To leave the property and surrounding areas including any fixtures and fittings supplied by OVH in a good condition

3.5.5 OVH expect all tenants to adhere to the terms of their tenancy agreement and full details of market rent tenants' responsibilities are outlined in the tenancy agreement.

3.6 **Tenancy Enforcement Actions**

3.6.1 If OVH wish to end an Assured Shorthold Tenancy, a possession order must be obtained (unless the tenant has vacated the property and returned the keys).

3.6.2 If there is a breach of the tenancy agreement within the fixed term, OVH may serve a notice requiring possession. OVH will make all reasonable attempts to remedy the breach before serving the Notice.

3.6.3	The Notice will inform the tenant of the reasons why OVH is seeking possession and the grounds from the Housing Act 1988 (as amended) that it will rely on in court. The notice period required will depend on which ground(s) OVH is seeking possession. OVH may then apply to the Court for possession of the property once the notice has expired.
3.6.4	Alternatively, OVH may seek possession of the property at the end of the fixed term or during the statutory periodic term by serving a notice under Section 21 of the Housing Act 1988. OVH is not required to specify any grounds for possession. A minimum of 2 months' notice will be given to the tenant (unless otherwise stated by government legislation and instruction). OVH may then apply to the Court for possession of the property once the Section 21 Notice has expired.
3.7	Rent / Service Charges Increases and Notification
3.7.1	OVH will review the rent payable and any service charges on an annual basis and will inform the market rent tenants of any changes in the rent in writing, providing at least a month's notice.
3.7.2	OVH reserves the right to reduce market rents for vacant properties subject to demand and local market analysis. Any decisions to reduce market rents will be approved by the OVH Executive Management Team.
3.8	Ending the Tenancy
3.8.1	The tenant may end the tenancy agreement either at the end of the fixed term or during the statutory periodic term by giving OVH at least one month's notice. If the tenancy is a joint tenancy only one tenant need give notice to end the tenancy.
3.8.2	Where one of joint tenants gives notice to bring the tenancy to an end and the other tenant wishes to remain in the property, OVH may consider creating a new tenancy for the remaining sole tenant, subject to ability to pay and payment of a month's rent in advance and the deposit of 1 month's rent.
3.8.3	At the end of the tenancy, tenants are required to leave the property and surrounding grounds / gardens in a clean and tidy condition with all fixtures and fittings belonging to OVH in place and in good order. OVH may recover any rent / arrears outstanding, costs for any remedial work, including clearing of the property or damaged caused from the deposit or through civil actions as required.
3.8.4	At the end of the tenancy the tenant should approach OVH to discuss the return of the deposit. OVH will check for any outstanding debts and carry out an inspection of the property before completing the necessary forms with the Tenancy Deposit Service (details of this process can be accessed via the Tenancy Protection Website at: https://www.depositprotection.com/agents-landlords/repayments/the-repayment-process .
3.8.5	Following the inspection OVH will look to recoup from the deposit any amounts owing for rechargeable works e.g. not returning internal decoration to neutral colour schemes or any other debt owed to OVH.

3.8.6	Where the amount to be paid back to either party (OVH or the tenant) is in dispute and agreement cannot be reached, both parties can consent to the DPS enacting an Alternative Dispute Resolution (ADR) process where an adjudication will be made based on evidence submitted by both parties. If either party refuses consent to this process the DPS will only release the deposit on an instruction from the courts.
3.8.7	The ADR can also be enacted where there is a dispute between joint tenants as to apportionment of deposit (normally where one party to the tenancy agreement has brought the tenancy to an end).
4	Implementation
4.1	All OVH and Sovini staff need to be aware of the Policy to be able to direct any customer queries that arise.
4.2	The Commercial Housing Team will have responsibility for letting all market rent properties, obtaining references, ascertaining affordability, securing deposits and for any decisions on tenancy enforcement action.
4.3	The Leasehold and Commercial Property Officer is responsible for letting all market rent properties including obtaining references, ascertaining affordability and securing deposits.
4.4	The Commercial Housing Team will also enforce all tenancy breaches including non-payment of rents and reclaiming amounts owed to OVH at the end of the tenancy from deposits and offsetting against rent arrears including taking court action for former tenants.
5	Performance
5.1	<p>OVH will provide annual performance information to the Executive Management Team on the following:</p> <ul style="list-style-type: none"> • Number of market rented lettings within reporting period • Average void (empty property) turnaround times • Performance information on rent arrears and collection rates
6	Consultation
6.1	All OVH staff have been consulted in the development of this Policy and external legal advice has been incorporated. The Tenant Policy Review Group have been consulted about the development of this Policy.
7	Review
7.1	The Policy will be reviewed by the OVH Board annually from or as near to the date of approval as is practical or sooner if required by the introduction of new regulation / legislation affecting market rented properties or as a result of system audits.

8		Equality Impact Assessment	
8.1	Was a full Equality Impact Assessment (EIA) required?	No	
8.2	When was EIA conducted and by who?	An EIA Relevance Test was conducted by the Policy and Strategy Manager and the Quality and Inclusion Officer in May 2024.	
8.3	Results of EIA	The EIA Relevance Test did not identify any differential or adverse impacts for any groups with protected characteristics as a result of operation of this Policy.	
9		Scheme of Delegation	
9.1	Responsible committee for approving and monitoring implementation of the policy and any amendments to it	OVH Board	
9.2	Responsible officer for formulating policy and reporting to committee on its effective implementation	Director of Housing and Customer Services	
9.3	Responsible officer for formulating, reviewing and monitoring implementation of procedures	Director of Housing and Customer Services	
10		Amendment Log	
Date of revision:	Reason for revision:	Consultation record:	Record of amendments:
3 rd August 2022	In line with Review Schedule	See Section 6	<ul style="list-style-type: none"> There are no significant changes to the Policy in this review
24 th July 2023	In line with Review Schedule	See Section 6	<ul style="list-style-type: none"> References to Covid19 restrictions on legal actions have been removed The EIA Relevance Test has been updated
22 nd July 2024	In line with Review Schedule	See Section 6	<ul style="list-style-type: none"> Updated wording to reflect current process included at 3.8.4 and 3.8.5 The EIA Relevance Test has been updated