



PR / Market Rent Policy

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TWO RIVERS HOUSING

PRS / Market Rent Policy

1. Introduction

- 1.1 In addition to the provision and management of 'Social Rented' properties, Two Rivers Housing (TRH) owns and manages a few 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 Institute of Chartered Surveyors (RICS) methodology.
- 1.2 This policy sets out the provisions TRH 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 TRH will comply with the relevant legislation including:
- The Housing Act 1988
 - The Housing Act 1996
 - The Housing Act 2004
- 1.4 This policy meets the requirements of the Regulatory Standards for Social Housing adopted by Homes England namely:
- 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 TRH 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.

2. Allocations and Background Checks

- 2.1 When available for letting, TRH's market rented properties are advertised via TwoCan.
- 2.2 Applicants that are interested in renting the properties are not required to join the Choice Based lettings system and apply directly to TRH through TwoCan. Applicants are not given any priority based on housing need and allocations are let on a 'first come - first served basis', and at the discretion of the Head of Homeownership and Sales.
- 2.3 Before being accepted for a market rented property TRH will seek satisfactory references from either a current or former landlord and will seek assurances

that the prospective tenants can afford the rent and all associated charges via a credit check.

3 Tenancy Deposit and Advance Rent Payments

- 3.1 Applicants who wish to rent an TRH 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 TRH 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. TRH will register the deposit with the DPS and provide the tenant with the prescribed information within 30 days of receipt.
- 3.3 On termination of the tenancy, the deposit is repayable to the outgoing tenant, less any costs owed to TRH in respect of:
 - Rent owed (inclusive of service charges)
 - Damages to the property or other rechargeable items
 - Costs of any enforcement actions by TRH e.g. court applications

4. Terms of Tenancy Agreements

- 4.1 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 TRH or the tenant.
- 4.2 As a Statutory Periodic Assured Shorthold tenant provided there are no breaches of tenancy conditions, TRH may allow the tenant to remain in the property until TRH's approach in respect of market rented properties is reviewed or until TRH decide to seek an order for possession. Should this situation arise, TRH will notify tenants in advance and discuss any future housing options with them.

5. TRH Housing Management Functions

- 5.1 TRH will endeavour to provide to market rented tenants an excellent level of service. This will include:
 - 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 TRH social tenants in regard to anti-social behaviour management).
 - Providing an effective complaints resolution service.
 - Carrying out an annual gas safety check.

5.2 Market rented tenants requiring the above services should contact TRH on 0800 3160897.

6 Tenant Rights and Responsibilities

6.1 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.

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

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

- Pay on time all rent / service charges by direct debit
- To keep the property in a good state of repair including reporting any repairs that are TRH's responsibility, in a timely manner
- To allow TRH 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 28 days' 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 TRH in a good condition

6.4 TRH 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.

7 Tenancy Enforcement Actions

7.1 If there is a breach of the tenancy agreement within the fixed term, TRH may serve a Notice under Section 8 of the Housing Act 1988, requiring possession. TRH will make all reasonable attempts to remedy the breach before serving the Section 8 Notice.

7.2 The Section 8 notice will inform the tenant of the reasons why TRH 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) TRH is seeking possession for. TRH may then apply to the Court for possession of the property once the Section 8 notice has expired.

7.3 Alternatively, TRH 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. TRH is not required to specify any grounds for possession. A minimum of 2 months' notice will be given to the tenant. TRH may then apply to the Court for possession of the property once the Section 21 notice has expired.

8 Rent / Service Charges Increases and Notification

8.1 TRH will review the rent payable and any service charges on an anniversary basis and will inform the market rent tenants of any changes in the rent in writing, providing at least a month's notice.

8.2 The rent increase shall not exceed the higher of - the percentage change in RPI over the preceding year or 5 percent.

8.3 TRH 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 TRH Executive Management Team.

9 Ending the Tenancy

9.1 The tenant may end the tenancy agreement either at the end of the fixed term or during the statutory periodic term by giving TRH at least one month's notice. If the tenancy is a joint tenancy only one tenant need give notice to end the tenancy.

9.2 Where one of joint tenants gives notice to bring the tenancy to an end and the other tenant wishes to remain in the property, TRH 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.

9.3 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 TRH in place and in good order. TRH 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.

9.4 At the end of the tenancy the tenant should approach TRH to discuss the return of the deposit. TRH will check for any outstanding debts and carry out an inspection of the property before releasing any deposit.

9.5 Where the amount to be paid back to either party (TRH 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.

10. Responsibilities

- 10.1 The Home Ownership Team will have responsibility for letting all market rent properties, obtaining references, ascertaining affordability, securing deposits and for any decisions on tenancy enforcement action.
- 10.2 The Policy will be reviewed every three years from 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.

11. Equality, Diversity and Human Rights

- 11.1 TRH 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, Transgender, Sexual Orientation, Pregnancy, Maternity, Marital Status and Religion and/or Belief.

Version	Date	Author	Change description	Approved by	Date approved
1	24/06/19	JE	Creation of Policy	Leadership Forum	June 2019
2	27/03/23	JE	Reviewed but no changes	JE	March 2023

