



**RENT SETTING POLICY
(Social Rented Stock)**

Approver	Board of Management
Policy	Rent Setting (Social Rented Stock)
Date Last Revised	July 2017
Policy revised by	Richard Tucker
Policy monitored by	Nazar Al-Khalili
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Related Documents	Service Charge policy 2017
Location of Hard Copy	Finance Department

Signed:

Chief Executive:

Julia Ashley

On Behalf of the Board of Management

1. INTRODUCTION

- 1.1. C&C's Board of Management expects rents to be set which are fair to residents whilst ensuring C&C's financial position is protected.
- 1.2. Both the setting and annual review of social rent levels is closely regulated by the government.

2. PURPOSE/STANDARD REQUIRED

- 2.1. The purpose of this policy is to ensure that C&C maintains a proper and consistent approach to rent setting that is in line with current legislation and regulation.
- 2.2. The statutory standards required for setting and reviewing social rents from April 2016 are that they should be compliant with the statutory obligations set out in the Welfare Reform and Work Act 2016 and related amendment regulations.
- 2.3. Assured periodic tenancy rent reviews will (where necessary) also meet the standards required by the Housing Act 1988 section 13(2), as amended by the Regulatory Reform (Assured Periodic Tenancies) (Rent Increases) Order 2003.
- 2.4. Secure tenancy rent reviews will where necessary also meet the standards required by the Rent Act 1977 Section 67, as amended by the Housing Act 1980.
- 2.5. The regulatory standards for setting and reviewing social rents prior to April 2016 are set out in the Homes & Community Agency Rent Standard April 2015. These regulations do not currently directly apply – being over-ridden by the statutory standards until 2020/21. However the current statutory standards do in some part rely upon the regulatory standards.
- 2.6. The contractual standards for setting and reviewing social rents are defined by the terms and conditions stated in the current tenancy of each C&C resident.

3. SCOPE

- 3.1. This policy applies to all C&C's properties on which a social rent is charged. It does not relate to service charges that are calculated separately in accordance with the Service Charges Policy.
- 3.2. This policy does not cover fee setting at any of C&C's care homes.
- 3.3. This policy does not cover market rents.
- 3.4. This Policy applies to all employees, volunteers and Board and Committee members. It also applies to those employed by agencies under agreements with C&C. All of these will be referred to as 'Workers' in this policy
- 3.5. Failure by any Worker to comply with this Policy may lead to disciplinary action being taken against them. Any disciplinary action will be dealt with in accordance with the Disciplinary Policy

4. RESPONSIBILITIES

- 4.1. The annual review of social rents and the setting of social rents for new properties will be managed by the Service Charge & Rent Setting Manager.
- 4.2. The Head of Finance has responsibility to oversee the annual review of social rents and the setting of social rents for new properties.
- 4.3. All new rents and changes to existing rents must be approved by both the Director of Finance and the Board before implementation.

5. POLICY

5.1 Formula Rents

- 5.1.1 C&C sets a formula rent for every social housing property based on the Homes & Community Agency Rent Standard in the regulatory framework. The database of formula rents is maintained by the Rents & Service Charge Manager.
- 5.1.2 All C&C social rents for sheltered housing and supported housing conform with the pattern produced by the rents formula set out in the Rent Standard, namely that no net rent will exceed 110% of the formula rent, subject also to the maximum rent levels specified in Rent Standard rent caps.
- 5.1.3 All C&C social rents for general needs housing conform with the pattern produced by the rents formula set out in the Rent Standard, namely that no net rent will exceed 105% of the formula rent, subject also to the maximum rent levels specified in Rent Standard rent caps.
- 5.1.4 All new social rent tenancies for all stock types are let using the maximum permitted net rent stated in 5.1.2 and 5.1.3.

5.2 Rent Reviews

- 5.2.1 C&C applies an annual review of the net rent charged for all social rented stock in accordance with the statutory requirements of Welfare Reform and Work Act 2016 and related amendment regulations.
- 5.2.2 Annual rent reviews are take place on the first Monday in April
- 5.2. All new social rented tenancies will have their initial net rent review on the first Monday in April following the start of the tenancy and thereafter on the first Monday in April of each subsequent year.