



CARE HOUSING ASSOCIATION RENT POLICY

Implementation Date	17/05/2022
Created By	Matthew Eddisford (CEO)
Last Committee Review Date	November 2024
Next Review Date	November 2027

1. Purpose

1.1 One of the core activities of Care Housing Association (Care) is the provision of good quality housing. To assist in this aim Care must have a robust rent policy which ensures that we are able to continue to do this within our current business model.

1.2 This policy sets out Care's approach to the setting of rents and service charges, including rent increases and decreases.

2. Background

2.1 Care is a specialised supported housing provider which develops and manages quality and sustainable housing designed to meet the needs of people with support needs. We work in partnership with support providers, Local Authorities and other public bodies to provide supported accommodation predominantly in the North of England.

2.2 This Policy should be read alongside the following linked policies:

- Specialised Supported Housing (SSH) Policy
- Service Charge Policy

3. Legal and Regulatory Framework

3.1 Registered providers (RPs) must set rents from 1 April 2020 in accordance with the Government's Policy Statement on Rents for Social Housing 2019; this is the Required Outcome under the Regulator of Social Housing's (RSH's) Rent Standard 2020.

3.2 Care will also have due regard to the following areas of legislation when setting its rent and making any changes to them:

- Housing and Regeneration Act 2008
- Housing Act 1996
- Housing Benefit (general) Regulation 1987 (as amended)
- Welfare Reform and Work Act 2016
- Landlord & Tenant Act 1985

4. Policy Statement

4.1 The Rent Policy applies to both existing and new stock. The approach to setting rents for both differs which is reflected in this policy.

4.2 Rents for New Properties

Care shall calculate initial rents for new properties to include the following:

- Property cost (i.e. lease or finance costs + a reasonable return on investment)
- Costs of any necessary improvements, adaptations or alterations to meet the needs of a specific client group
- Legal costs, where not covered by the superior Landlord
- Major Repairs fund
- Voids fund
- Repairs and redecoration costs
- Housing management costs
- Service charges

4.3 Rent Reviews for Existing Properties

Care shall undertake the following in respect of rent reviews:

- Increase or decrease rents annually in compliance with RSH regulatory framework and associated policy guidance.
- Give at least 4 weeks' notice of rent changes to all our tenants, and communicate any changes clearly to ensure transparency and understanding.
- Give 4 weeks' notice of rent increases to the relevant housing benefit departments on behalf of our tenants, and communicate any changes clearly to ensure transparency and understanding.
- Calculate service charges as per our Service Charges Policy, Tenancy Agreements, and relevant legislation.
- Ensure rents are calculated in line with our SSH Policy & Procedure.

4.4 When calculating initial rents and rent reviews, Care will give consideration to the specific needs of our tenants and adjusts cost accordingly. For example, where the needs of a tenant or client group is likely to cause an increase in the costs of repairs, this will be reflected in the rent calculation and communicated clearly.

5. Specialised Supported Housing (SSH)

5.1 This policy should be read alongside the Specialised Supported Housing Assurance Policy & Procedure.

5.2. SSH is defined (The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016) as: supported housing—

(a) which is designed, structurally altered, refurbished or designated for occupation by, and made available to, residents who require specialised services or support in order to enable them to live, or to adjust to living, independently within the community,

(b) which offers a high level of support, which approximates to the services or support which would be provided in a care home, for residents for whom the only acceptable alternative would be a care home,

(c) which is provided by a private registered provider under an agreement or arrangement with— (i) a local authority, or (ii) the health service within the meaning of the National Health Service Act 2006(d), **we see this as including private/direct payment arrangements*

(d) in respect of which the rent charged or to be charged complies with the agreement or arrangement mentioned in paragraph (c), and

(e) in respect of which either— (i) there was no public assistance, or (ii) if there was public assistance, it was by means of a loan secured by means of a charge or a mortgage against a property;

5.2 Accommodation which meets the definition of SSH is exempt from the RSH Rent Standard. As Care is a provider of specialised supported housing, we expect that the vast majority of its property portfolio will meet the definition of SSH.

5.3 Where Care believes SSH exemption applies, Care will ensure that there is an evidenced audit trail of compliance as outlined within its SSH Procedure. Care will carry out an annual review to determine which properties meet/continue to meet the definition of SSH. Any accommodation which does not meet the definition of SSH will have its rent set in accordance with the RSH Rent Standard. Any changes will clearly be communicated to tenants, commissioners and partners.

5.4 Care will ensure that any SSH accommodation within its portfolio complies with the requirements of section 69 of the Housing and Regeneration Act 2008, in relation to provision of 'low cost accommodation', and will ensure its core rents are set at below market rate levels. Evidence around comparable market rates will be gathered prior to setting new rents and for existing schemes reviewed every year or whenever Care believes a significant change in the local market has occurred.

6. Equality and Diversity

6.1 Care is committed to respecting diversity in all aspects of our work and we will not tolerate any form of discrimination.

7. Responsibility, Commitment and Review

7.1 The designated officer responsible for implementation and monitoring of this policy will be the Chief Executive. Care will formally review this policy every three years or as necessary in line with changes in legislation and guidance.