

## RENT AND CHARGES POLICY AND PROCEDURE

### 1. Purpose aims & objectives of this policy

Our Society sets and reviews rent for our houses annually in April, adjusted as needed to ensure that the rent and charges are affordable to current and potential residents.

The component elements of the rent and charges paid by tenants and subject to review are : the core or basic rent which reflects the accommodation and facilities provided to the tenant : fixed and variable service charges which reflect the services provided to the tenant.

Our aim is for our rents and charges to

: be clear, transparent and appropriate to the accommodation and services provided  
: cover the costs involved in providing these services and provide a secure basis for the future  
: operate broadly in line with Housing Regulatory requirements on rent and charges setting.  
We also aim to adopt a consistent, fair and transparent approach in the way we set and vary the rents and charges in our houses.

Our objectives are to

: Set core rents at a level which reflects the size and facilities of the room(s) being rented  
: Set charges which reflect the cost and value of the services provided.  
: Provide clear information to tenants on the breakdown of rent and charges.  
: Be fair and transparent in explaining the rents and charges in the context of this policy  
: Have a clear process for communicating with tenants and managing any appeals.

### 2. Framework

- We are not a Registered Social Landlord and some years ago ceased to be a member of the now defunct Housing Corporation. When we ceased membership we agreed to act in the spirit of the membership terms and have continued to subscribe to the Ombudsman service. For these reasons, our policy will operate broadly in accordance with the Homes and Community Agency and Guidance (published by the Housing Corporation)
- Housing associations must operate viable businesses, with adequate recourse to financial resources to meet their current and future business and financial commitments:
- Housing associations must set rents which move towards target social rents and are, on average, below those in the private sector for similar properties and which reflect size, property value and local earnings
- Rents are set in accordance with the rent restructuring formula.
- All residents have information about their landlords rent policy and rent levels across the associations stock and the relevant local authority area. All residents have information about their service charges including costs that their charges cover, how charges are budgeted and increases calculated.

### 3. Rent and Charges - Components & Eligibility, Principles for changes and Change Dates

The rent and charges consist of :

- Core rent (eligible for Housing benefit)

- Service Charges (eligible for Housing Benefit)
- Service Charges (ineligible for benefit)
- Council Tax (eligible for Housing Benefit)

Adjustments to these elements will take place in accordance with the following principles:

- HCA guidance on rent increases.
- Ensuring that costs are covered and that the current and future viability of the scheme is positively resourced.
- Rent and charges levels will reflect the size & features of room(s) let and the services provided.
- Clear communication with tenants and their representatives on the new charges, the arrangements for advice, appeal (if chosen) and payment

Rents will be amended with effect from the 1<sup>st</sup> of April each year, excepting for tenants whose tenancy started on or after 1<sup>st</sup> January (and whose charges will have been set in anticipation of the change). Fixed and variable service charges can be appropriately increased subject to the appropriate regulatory requirements (we do not presently make separate service charges).

#### **4. Procedure for Changes in Rent & Charges**

Proposals for changes in rent and charges will be established through planning and consultation. These will be specific to the rooms and services provided and introduced in accordance with the framework and principles set out above.

The charges involved will be agreed by the Board

Details will be provided in individual letters delivered by a House Manager or Committee Member to residents at least 28 days before the increase is due to come in.

Residents will be invited to raise any questions with the Committee Members or Treasurer. The letter will detail the date and amount of the increase, explain the background to the changes and how the increase compares to the permitted increase identified for housing associations. The resident will be reminded to change their standing order / their direct debit will be amended.

For those on housing benefit, we will include an additional copy and identify component parts of the change. Corresponding information and copies will be made available to other residents upon request.

#### **5. External Advice**

If a resident and/or their representative wish to get independent advice on the change in rent and charges they may obtain this from an adviser of their choice. This may include the Citizens Advice Bureau, Age UK or a Solicitor.

#### **6. Appeals Process**

If a resident has concerns about the changes in rent and charges and wishes to appeal against this they are able to appeal to the Board.

#### **7. Changes since last version of this Policy**

Originally introduced in June 2018, this version remains unaltered following review for March 2020