



Rent Setting Policy

Version: 2025.1

Review Date: July 2026

Approved By: Board

Applies To: Tenants, Staff and all houses managed by Aves Housing

1. Purpose

This policy sets out the principles and procedures for determining rent levels across all Supported Housing and General Needs Housing stock managed by [Housing Association Name]. It ensures:

- Compliance with the Regulator of Social Housing's Rent Standard
- Affordability and transparency for tenants
- Financial sustainability for continued service delivery
- Operational clarity for staff and stakeholders
- Alignment with the enhanced support model typical of specified accommodation providers

2. Legal & Regulatory Framework

This policy is governed by the following legislation and guidance:

- Housing Act 1988 & 1996
- Rent Standard 2020 (Regulator of Social Housing)
- Welfare Reform and Work Act 2016
- Local Housing Allowance (LHA) rates
- Exempt Accommodation Guidance (DWP/HB circulars)
- Homes England Capital Funding Guide
- Chartered Institute of Housing (CIH) best practice

3. Scope

Applies to all Supported Housing and General Needs Housing units owned or managed by [Housing Association Name], including:

- Self-contained and shared accommodation
- Properties with housing-related support services
- Schemes operating under exempt accommodation status

4. Rent Categories

| Category | Description |
|------------------------|--|
| Social Rent | Set using the Rent Standard formula, applicable to General Needs Housing |
| Supported Housing Rent | May exceed LHA rates if justified by enhanced services and exempt status |

5. Rent Setting Principles

- Regulatory Compliance: All rents will be set in accordance with the Rent Standard and relevant funding conditions.
- Affordability: Rents will be benchmarked against LHA rates and local income data.
- Transparency: Tenants will receive clear breakdowns of rent and service charges.
- Consistency: Rent setting will follow a standardised methodology across all schemes.
- Justification: Higher rents in supported housing must be demonstrably linked to enhanced housing management or support services.
- Utility Exclusion: Personal gas and electricity costs are excluded from rent and paid directly by tenants.
- Support Integration: Rent levels reflect the cost of tenancy sustainment, concierge services, and structured support planning.

6. Annual Rent Review

- Social Rent (General Needs): Increased annually by CPI + 1%, unless otherwise directed by government.
- Supported Housing Rent: Reviewed annually based on actual service costs and exempt accommodation criteria.
- Notification: Tenants will be given at least 28 days' written notice of any rent change.

7. Service Charges

Service charges will be separated from core rent and must be:

- Reasonable and transparent
- Based on actual or estimated costs
- Reviewed annually with tenant consultation
- Auditable and compliant with Housing Benefit rules

Personal Heat and Light (gas/electricity) is excluded from rent and service charges. Tenants pay these directly to their utility providers.

8. Headline Components of Rent

| Component | Description |
|-----------------------------------|--|
| Core Rent | Base rent for the dwelling, excluding services and support |
| Personal Heat and Light | <i>Excluded</i> — tenants pay directly to utility providers |
| Communal Cleaning & Rubbish | Cleaning of shared areas and waste disposal services |
| Pest Control & Garden Maintenance | Routine pest control and upkeep of communal gardens |
| Fire Equipment | Servicing and maintenance of fire safety equipment |
| Health & Safety Total | Statutory compliance costs (e.g. legionella, asbestos checks) |
| Renewal & Furnishing | Replacement of furnishings and fittings in communal areas |
| Repairs & Maintenance | Responsive and planned maintenance of the property |
| Admin Fees | Administrative overheads linked to tenancy and property management |
| Pre-Tenancy Management | Costs incurred prior to tenancy start (e.g. void works, assessments) |
| Concierge Service – GLETS | Enhanced concierge/security services specific to GLETS schemes |
| Concierge Service – Aves | Enhanced concierge/security services specific to Aves schemes |
| Staff Cost | Salaries and on-costs for tenancy sustainment and support staff |
| Office Cost | Operational costs of offices supporting the housing scheme |
| Data Management | Systems and software used for tenancy, compliance, and support data |
| Telephones and Postage | Communication costs related to tenancy and support services |

| Component | Description |
|---|--|
| Printing, Publication & Office Supplies | Stationery, printing, and materials used in housing operations |
| Rates & Other Charge Total | Council tax (if applicable), water rates, and other property-related charges |

9. Supported Housing Considerations

- All supported housing rents must be reviewed in line with:
 - Exempt Accommodation rules
 - Housing Benefit eligibility
 - Service delivery costs and contracts
- Rent levels must reflect the intensity and nature of housing-related support
- Internal controls must ensure rents are not inflated beyond reasonable cost recovery
- Support services must be documented via risk assessments, support plans, and staff logs

10. Governance & Monitoring

- Rent setting decisions will be approved by the Executive Team and reported to the Board
- Internal audits will verify compliance with Rent Standard and exempt accommodation rules
- Annual benchmarking against peer organisations and market data will be conducted
- Rent setting will be integrated with financial planning and risk management processes

11. Tenant Engagement

- Tenants will be consulted on changes to rent-setting methodology or service charges
- Feedback mechanisms include:
 - Tenant Panel involvement in rent reviews
 - Live satisfaction tracking and surveys
 - Transparent communication of rent breakdowns and service value