

## Governance Information

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<b>Applicable Legislation</b>	<ul style="list-style-type: none"><li>· Commonhold and Leasehold Reform Act 2002</li><li>· Housing and Regeneration Act 2008</li><li>· Landlord and Tenant Act 1985</li></ul>
<b>Regulatory Reference</b>	RSH Rent Standard
<b>Policy Owner</b>	Director of Operations
<b>Approved By</b>	Board
<b>Date approved</b>	12th December 2024
<b>Review date</b>	November 2026
<b>Stakeholders consulted</b>	None
<b>Version Control</b>	V.1

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## 1. Policy Statement

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- 1.1 At the Industrial Dwellings Society (herein known as IDS) we will set our rents fairly and transparently, ensuring they are compliant with Regulatory and Legal requirements. Our aim is to balance affordability for residents while maintaining high-quality services and financial resilience for the organisation.

## 2. Purpose

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- 2.1 This Policy sets out our approach to rent setting. We adhere to the following principles to deliver on our commitment to providing a fair and customer-focussed service:
- **Transparency:** Our rent-setting process is open and clear to ensure residents understand how their rent is calculated.
  - **Affordability:** We are committed to keeping our rents affordable for our residents.
  - **Supportive:** We are committed to helping residents manage their rent payments and will provide support and guidance to anyone who is struggling to pay their rent.

## 3. Scope

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- 3.1 This policy applies to all IDS tenants and shared owners.
- 3.2 This policy covers the setting of rents for all properties owned and directly managed by IDS, and our approved managing agents. Service charge setting is covered in the separate Service Charge Policy.
- 3.3 This policy should be read in conjunction with the following IDS policies: Service Charges; Rent Collection & Arrears; Leasehold & Shared Ownership; Allocations & Lettings; Tenancy; Compensation, and Complaints.
- 3.4 IDS rents will be reviewed and set annually in line with Legislative and Regulatory requirements. IDS Board will approve rent charges each year.

## 4. Social Rents

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- 4.1 At the commencement of a new Social Rented Tenancy our Social rents are set at the Formula Rent, determined by the Rent Standard. This is also known as a Target Rent. Service charges are payable in addition to Social rents.
- 4.2 The Rent Standard permits an additional 5% flexibility (10% for supported housing) on top of formula rent. IDS reserves the right to use this flexibility where it deems it appropriate to do so.

## 5. Affordable Rents

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- 5.1 At the commencement of a new Affordable Rent Tenancy our Affordable rents are set at a maximum of 80% of the local market rent level, or the maximum Local Housing Allowance rate, whichever is the lower amount. Affordable rents are inclusive of any other service charges.

## 6. Fair Rents

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- 6.1 Tenancies which commenced before 15th January 1989 are known as Secure Tenancies and are charged a Fair Rent, as set out in the Fair Rent Regime. Fair rent levels are determined by the Valuation Office Agency and cannot be exceeded, and are reviewed every 2 years. Service charges are payable in addition to Fair rents.

## 7. Intermediate Rents

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- 7.1 Intermediate rents are not regulated in the same way as Social and Affordable rents. Intermediate rents are charged at 80% of the local market rent level. Service charges are payable in addition to Intermediate rents.

## 8. Shared Ownership Rents

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- 8.1 Shared Ownership rents are determined by the individual lease agreement and are linked to the market value of the property at the point of purchase. Shared Ownership rents will be reviewed once a year in line with all other IDS rents.

## 9. Commercial Rents

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- 9.1 Rents for IDS commercial spaces will be set and reviewed in accordance with the individual lease agreements, and in line with local market property values. We may employ a surveyor to assist us with property valuations.

## 10. Definitions

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<b>Formula Rent (also known as Target Rent)</b>	A government formula used to set social rents, that takes into consideration the size, location and relative value of the property, as well as local income levels.
<b>Local Housing Allowance</b>	<p>These are the rates used to work out Housing Benefit for tenants in private rented accommodation. The amounts used are flat-rate allowances based on the size of the customer's household and the area in which they rent their property to decide the maximum level of rent that benefit award is based on.</p> <p>Many social housing providers use this rate to cap affordable rents to help with affordability.</p>
<b>Rent Standard</b>	The standard set out by the Regulator of Social Housing to determine how Housing Associations and Local Authorities should set and manage rents.

## 11. Roles & Responsibilities

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<b>Director of Operations</b>	Overall responsibility for the policy.
<b>Head of Housing</b>	Responsible for implementation of the policy and regular monitoring.
<b>Head of Finance</b>	Responsible for rent setting each year, ensuring all rents are compliant with Rent Standard and Legislation.
<b>Rental Income Officers</b>	Local patch responsibility for rent collection.

## 12. Equality Impact Assessment

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An Equality Impact Assessment has been completed for this policy.

## 13. Policy Review & Monitoring

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- 13.1 We will review this policy every 2 years, or following legislative change, to ensure the Policy remains effective and complies with current legislation and good practice.
- 13.2 All relevant KPI's (key performance indicators) aligned to the management of rents are regularly monitored and reviewed. We will routinely monitor our performance in implementing this policy.