

Committee(s): Enforcement, Environment and Housing	Date: 13 December 2021
Subject: Rent Setting Policy	Wards Affected: All
Report of: Tracey Lilley, Corporate Director (Housing and Community Safety)	Public
Report Author/s: Name: Angela Abbott, Corporate Manager (Housing Needs and Independent Living) Telephone: 01277 312500 E-mail: angela.abbott@brentwood.gov.uk	For Decision

Summary

This report presents the Rent Setting Policy to the Committee for approval.

The policy provides a clear framework for setting and reviewing rent levels for all Council homes. The policy ensures that the Council adheres to legislation and regulations when setting rents for Housing Revenue Account (HRA) properties.

Recommendation(s)

Members are asked to:

R1. To approve the Rent Setting Policy in Appendix A.

Main Report

Introduction and Background

1. The Rent Setting Policy (the Policy) safeguards the income stream needed to meet the commitments in HRA Business plan in managing and maintaining council homes, delivering new homes and servicing debt.
2. Local authority housing is covered by the rent standard issued by the Regulator of Social Housing. In effect, this means that Local authority rents now follow the same process and standards as those managed by private registered social landlords. This policy helps to clarify the position on setting rents.
3. Landlords must follow legislative and statutory guidance when setting social and affordable rents. The rent collected is ring-fenced for the provision of housing in the borough. Council tenants' rents fund the management and

maintenance of current homes, current home and estate improvements and the delivery of new council homes.

4. The Policy applies to all HRA properties that the Council owns and has responsibility to manage and maintain.
5. The Policy has been developed to provide clear guidance on rent setting and includes a process for setting rent for new build council homes, where these are let at a social rent or an affordable rent.
6. The Policy also records that the Council is required to check the rents of Affordable Rent properties whenever a new tenancy is issued or renewed, to ensure that it continues to reflect the market rent for the property.
7. The Policy also enables the Council to charge more than 100% of the target rent should there be a financial need to do so. Please note that any rent changes are brought to members for a decision before they are implemented.

Reasons for Recommendation

8. To ensure that the Housing Department has a policy covering the way that rents and accommodation charges are set, both as part of the annual review process and when new tenancies are let.

Consultation

9. Consultation has taken place with the Tenant Talkback group and their feedback on providing clarity in the policy's wording has been included.

References to Corporate Plan

10. Drive continuous improvement of our housing services.
11. Continue a service improvement programme to ensure our services are delivered efficiently.

Implications

Financial Implications

Name/Title: Phoebe Barnes Corporate Manager – Finance

Tel/Email: 01277 312500/phoebe.barne@brentwood.gov.uk

12. The Rent setting process is completed yearly as per the report, in line with Government guidelines and regulation.

13. By having a clear policy on rent setting this policy will underline the financial assumptions that are built into the HRA 30 year Business Plan and assist with the financial outcomes of the Affordable Development programme

Legal Implications

Name & Title: Amanda Julian, Corporate Director (Law & Governance) and Monitoring Officer

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14. The Council has a duty to set rents in line with statute, having a policy in place that reflects this duty will help to mitigate any challenges that may occur.

Economic Implications

Name/Title: Phil Drane, Corporate Director (Planning & Economy)

Tel/Email: 01277 312610/philip.drane@brentwood.gov.uk

15. There are no direct economic implications. Maintaining a supply of housing for the benefit of local residents is an important feature of local authority contribution to the borough, which includes economic health.

Background Papers

None

Appendices to this report

- Appendix A: Rent Setting Policy