

Report of the Portfolio Holder for Housing**RENT SETTING POLICY****1. Purpose of Report**

To seek approval for an updated rent setting policy.

2. Recommendation

Cabinet is asked to RESOLVE that the updated rent setting policy be approved.

3. Detail

The rent setting policy outlines how the Council will calculate rent for the housing stock that it owns and manages within the Housing Revenue Account.

Previously rent increases have been calculated based on CPI + 1%, and the current policy states this. For 2023/24 a cap of 7% was introduced, and it is likely that rent increases in future years may be subject to a similar cap or different method of rent calculation. The policy has been updated to reflect this change.

The use of Affordable Rent, rather than Social Rent, has been clarified. Particularly in regards to charging Affordable Rent so that section 106 schemes are viable. This change to policy is required to ensure that we make best use of the options available for rent settings and that the Council's targets outlined in the Housing Delivery Plan and Corporate Plan are met.

The Policy is attached as appendix 1. Some minor amendments have also been made to policy wording for clarity. A table showing all amendments made is included in the appendix 2. An Equality Impact Assessment is also included as appendix 3.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no additional financial implications at this stage of the policy setting process. The recently agreed budget setting process for the Housing Revenue Account (HRA) included an increase in housing rents of 7% in 2023/24, which is in line with the 'rent cap'. Whilst the rent increase is below the current rate of inflation, it will help to maintain and enhance HRA related services and support further investment in repairs and maintenance.

The ability to charge Affordable Rents, where appropriate, for a number of capital schemes within the Housing Delivery Programme will ensure that the business cases for the respective new build schemes remain viable.

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

Under Section 21 of the Housing Act 1985, the general powers of management, regulation and control of Council houses is vested in and shall be exercised by the Council. Section 24 Housing Act 1985 gives the Council power to review its rents, provided due regard is given to any relevant standards set for them under s.193 Housing & Regeneration Act 2008. The Council's discretion to determine rent levels is limited by Section 76 of the Local Government and Housing Act 1989 which requires the Council, during the months of January and February immediately preceding the relevant year, to formulate proposals relating to (a) income from rents and other charges and (b) the expenditure on repairs, maintenance, supervision and management of its houses. Since 1 April 2020 the Council is under a duty to set its rent in accordance with the Rent Standard 2020.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

There were no Unison comments in relation to this report.

8. Data Protection Compliance Implications

There were no Data Protection Compliance Implications.

9. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

10. Background Papers

Nil