

# Rent Policy

<b>Title</b>	<b>CDS Rent Policy</b>
<b>Date Approved</b>	<b>29 January 2018</b>
<b>Next Review Date</b>	<b>January 2021</b>
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<b>Approver</b>	<b>Board of Management</b>
<b>Applies to</b>	<b>General Needs Social Tenanted Shared Ownership Garages</b>

The aim of this policy is to provide a framework for how CDS set and review rents for different tenures in line with our statutory, regulatory and contractual obligations.

## 1 Introduction

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- 1.1 From 2016, registered providers like CDS were required to reduce social housing rents by 1% a year for 4 years from 1 April 2016 through the 2019/20 financial year.
- 1.2 In October 2017, the Government announced that social housing rents would be allowed to increase from 1 April 2020 by the Consumer Price Index (CPI) plus 1% for five years, through March 2025.
- 1.3 Only our social rented properties are subject to these rules.

## 2 Rent Reviews

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- 2.1 All CDS social rented and shared ownership properties undergo an annual rent review, as do the garages we let which are not attached to tenancies.
- 2.2 Our social housing rents will move in line with legislation, applying the maximum increase allowed.
- 2.3 The rent element for shared ownership properties will be increased by the amount stipulated in the lease. Where a lease allows for a “reasonable” increase, we will apply the Retail Price Index (RPI) from the previous November plus 1%.
- 2.4 Existing garage lets will be increased annually by CPI.

## 3 Relets

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- 3.1 For all relets, we will seek to move rents to the maximum allowable level under government guidance or legislation.
- 3.2 Our strategy is to maximize rents from garages and commercial properties.

3.2.1 Garages will be relet at comparable commercial garage rental rates for the area.

## **4 Monitoring and Compliance**

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- 4.1 Each year, the CDS Board of Management maintains oversight of rents, approving the rent changes required by the policy.
- 4.2 Rent setting and review calculations are validated by a Finance Manager to ensure the formula has been correctly applied to a sample of accounts and ensure that the service charge is being pulled through correctly to the rent notices.
- 4.3 The Board reviews the whole rent policy at least once every 3 years.

### **Version control**

Date	Amendment	Version control
<i>January 2018</i>	<i>Reformatted and added specific rent increase amount in section 2.1.2 for shared owners where their lease does not specify percentage.</i>	<i>v.1.0</i>