

# OPS031 - Rent Setting Policy

<b>MONITORING FORM</b>	
Department	Housing Management
Department Director [Title]	Operations Director
This policy is applicable to	Housing Management
Author	Operations Director
Original Version approved by & date	June 2020
Date of last review	New Policy
Version number	V1
Reason for modification	n/a
Date of minor modification	n/a
Modification carried out by	n/a
Approved by	Board
Period of Review	3 Years
Date of next review	June 2023
Internal /external consultees (if required)	

## **1. INTRODUCTION**

Weslo will set rents for both new and existing properties using the principles of affordability, fairness and transparency. It will ensure that the rent is calculated in a consistent way dependent on the original funding of the property and in line with the regulatory requirements of the Scottish Housing Regulator.

## **2. SCOPE**

This policy outlines how the rent element of the total charge made to residents is calculated. Some residents will also be charged a service charge for services they receive. It also sets out the principles for the annual rent increase.

## **3. OBJECTIVES OF THE POLICY**

- a. Ensure Weslo can meet its financial obligations by maximising income
- b. Ensure Weslo can properly maintain its housing and meet government requirements in relation to the Scottish Housing Quality Standard (SHQS) and Energy Efficiency Standard for Social Housing (ESSH)
- c. Set rents at a price which is affordable to our tenants and is value for money
- d. Maintain rents which are comparable to other local landlords

## **4. LEGAL AND REGULATORY FRAMEWORK**

There is no national policy which covers rent setting in Scotland, however tenants must be consulted over proposed changes and given 4 weeks' Notice of any change in their rent and service charges.

- a. Housing (Scotland) Act 2001
- b. Scottish Social Housing Charter

## **5. POLICY**

### **5.1 Rent Setting**

Rents for new and existing social housing are set with the aim of maximising the rental income for each property, while staying within confines of good practice and regulation.

Rents are set using several factors, these include location of property, type of property (flat or house), number of bedrooms, SHQS and ESSH compliance.

### **5.2 Annual Rent Increases**

The underpinning principle of rent increases is affordability for tenants while considering the requirement for investment in Weslo's housing stock and services to customers.

Social rents increases are set by Weslo's Board annually following statutory consultation with tenants and tenants' groups.

New Housing Partnership rents will be increased by the contractual amount agreed with partner Local Authorities.

All rent and associated charges will be applied through the rent ledger (property database) as a control.

## **6. EQUALITY & DIVERSITY**

This Policy will always be carried out in accordance with Weslo's Policy of Equality & Diversity which aims to promote diversity, fairness, social justice and equality of opportunity by adopting and promoting fair policies and procedures.

## **7. PUBLICISING & AVAILABILITY**

This policy is available on the Weslo website, to Board and staff members and any other key stakeholders. Copies are available free of charge. A summary of this policy can be made available in other formats and languages.

## **8. MONITORING & REPORTING**

This policy will be reviewed regularly to ensure compliance with applicable legislative changes, changes within the organisation and best practice

## **9. COMPLAINTS**

Anyone wishing to make a **formal** complaint about the services provided by the organisation should do so as per our complaint's procedure.

## **10. OTHER RELEVANT POLICIES AND PROCEDURES**

This Policy relates to:

Financial Regulations and Schedule of Delegated Authority

And these must be read in conjunction with this Policy.