

## THE ABBEYFIELD FERRING SOCIETY LTD POLICY & PROCEDURE/GOOD PRACTICE GUIDELINES

Policy Ref:	AF051	Effective date:	March 2019
Owner:	Abbeyfield Ferring Society	Review date:	March 2021

<b>Title:</b>	<b>Rent and Service Charges</b>
1. Background	<p>The Abbeyfield Ferring Society reviews rent and service charges on an annual basis. This is to ensure that the total rent charged is:</p> <ul style="list-style-type: none"> <li>• Affordable to current and potential tenants.</li> <li>• Appropriate to the accommodation and services provided.</li> <li>• Clear and transparent.</li> <li>• Operating in accordance with housing regulatory requirements on rent and service charge setting.</li> </ul>
2. Objectives	<p>Abbeyfield Ferring Society is committed to providing services that enhance the quality of life for older people and developing services that will meet the needs of future generations. This commitment is based on the Mission and Values of Abbeyfield Ferring Society. Abbeyfield Ferring Society complies with all relevant legislation.</p> <p>The objective of this policy is to demonstrate that Abbeyfield Ferring Society has a fair, consistent and transparent approach in the way it sets and varies rent and service charges. Our aims are to:</p> <ul style="list-style-type: none"> <li>• Set rents at a level that reflects the size and facilities of the accommodation being rented and operate in accordance with the Regulator of Social Housing regulatory requirements.</li> <li>• Set service charges that reflect the cost and value of the services being provided.</li> <li>• Provide clear information to tenants on the composition of rent and service charges.</li> <li>• To have in place a process for tenants / residents who may need to use the Abbeyfield Ferring Society complaint procedure on matters relating to the accommodation, services and support included in their total rent charge.</li> </ul>
3. Scope	All Abbeyfield Ferring Society homes, houses and other services provided
4. Policy	
4.1.	<p><b>Rent Setting Introduction</b></p> <p>Rent and Service Charges are reviewed annually and a budget is set based on actual and planned expenditure at each individual house. If a house requires a rent increase, then any such increase will be notified to the tenant at least 4 weeks prior to the increase date of 1<sup>st</sup> November.</p> <p>At Old School House the rent charge is made up of the core rent and other costs which are known as service charges. These other costs, relate to the provision of the services and support, fundamental to the type of accommodation Abbeyfield Ferring Society provides as Sheltered Supported Housing.</p>
4.2.	<b>The Process of Setting of the Core Rent at Old School House</b>

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	<ul style="list-style-type: none"> <li>The core rent is set using the Department for Communities and Local Government's "Direction on the Rent Standard 2014" issued in May 2014. This is to ensure that all registered social landlords apply a consistent approach to the setting of the core rent.</li> <li>From April 2015 (and for the next 10 years) core rent will be set at the formula (or target) rent for 2014/15 with a Consumer Price Index plus 1% uplift applied (published on 1st September by the Office for National Statistics).</li> <li>Where existing residents' core rent is currently below the formula (or target) rent, then any annual increase will be limited to CPI plus 1%.</li> </ul> <p>The core rent is also set to reflect:</p> <ul style="list-style-type: none"> <li>The condition and location of a property – reflected in its value;</li> <li>Local earnings; and</li> <li>Property size (specifically, the number of bedrooms in a property).</li> </ul>
4.3.	<p><b>Service Charges and Support</b></p> <p>Service Charges are set using a budget based, wherever possible, on actual expenditure at each individual house and planned expenditure. Included within the budget is a management charge. The increase notified to tenants may vary from house to house and in some cases will be capped to ensure that the gross rent charge is affordable for the existing tenants.</p> <ul style="list-style-type: none"> <li>There are a number of factors that cause a house to go into an unviable status e.g. running costs of the house rising above inflation, particularly increasing costs relating to gas and electricity. Increase in minor or major works that have not been planned for or that the house is carrying high void levels.</li> </ul>
4.4.	<p><b>Existing Resident Transfers – Old School House</b></p> <p>If the rent account is in arrears Abbeyfield Ferring Society would expect the arrears to be cleared or a payment plan agreement to be in place, prior to the move. This means that the tenant enters into an agreement over a fixed term, paying agreed amount, until the arrears are cleared.</p> <p>Abbeyfield Ferring Society will endeavour to support any individual tenant who has difficulties with the payment of their rent, by ensuring they are properly assessed by the local welfare officer at the benefit office or by directing them to the Citizens Advice Bureau or Age UK.</p>
4.6.	<p><b>Helping Residents with their Benefit Claims at Old School House</b></p> <p>To simplify and help our tenants understand what is and what is not eligible for housing benefits, Abbeyfield Ferring Society breakdown the rent and service charge to align with</p>

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	<p>benefit funding. If a tenant has been assessed by a welfare officer at the local benefit office and is deemed eligible for full or part benefit funding, Abbeyfield Ferring Society will support the tenant by providing a schedule of the breakdown of rent and charges in line with the components below:</p> <ul style="list-style-type: none"> <li>• <b>Core Rent</b> (eligible for Housing Benefit)</li> <li>• <b>Service Charges Eligible</b> (eligible for Housing Benefit)</li> <li>• <b>Support Services</b> (eligible for Supporting People funding when a contract is in place). Where no funding is in place the tenant will fund from their own income.</li> <li>• <b>Service Charge Ineligible</b> (not eligible for Housing Benefit) the tenant will fund this charge from their own income.</li> </ul>
5. Finance	N/A
6. Supporting Appendices	<ul style="list-style-type: none"> <li>• Assured Tenancy Agreement for Supported Sheltered Shared Housing</li> <li>• Rent pack</li> </ul>
7. Linked policies	<ul style="list-style-type: none"> <li>• Allocations and Lettings</li> <li>• Eviction</li> <li>• Home Loss and Disturbance</li> <li>• Move-On</li> <li>• Post Death Repayments</li> <li>• Data Protection</li> <li>• Safeguarding Vulnerable Adults and Visiting Children</li> <li>• Rental Income &amp; Debt Management</li> </ul>
8. Legislation / Regulation	<ul style="list-style-type: none"> <li>• “Direction on the Rent Standard 2014” (published by the Department for Communities and Local Government”).</li> <li>• “Guidance on Rents for Social Housing” (published by the Department for Communities and Local Government”).</li> <li>• Housing Associations must set social rents that are, on average, below those in the private sector for similar properties and which reflect size, property value and local earnings.</li> <li>• Housing Associations must operate viable businesses, with adequate recourse to financial resources to meet their current and future business and financial commitments</li> </ul>
9. Review	Every 2 years, subject to any regulatory or legislative updates.
10. Procedure / Guidance	<b>Procedure for Changes in Rent and Service Charges</b>
10.1.	In line with this policy and its assured tenancy agreement for supported sheltered shared housing, Abbeyfield Ferring Society will increase the rent on the 1st of November.

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10.2.	<p>The Abbeyfield Ferring Society will establish its proposals for changes in rent and service charges through careful planning and budget setting.</p> <p>The rent and service charges proposed will be specific to the accommodation and services provided.</p> <p><b>Consultation Meetings</b></p> <p>Tenants are given 4 weeks notification of any rent increases</p> <p>Tenants who have general questions will be able to ask these either in the meeting or individually of a staff member after the meeting.</p>
10.3a.	<p><b>Rent Pack – Old School House</b></p> <p>An individual rent pack is handed to the tenant at least 28 days before the increase is due for payment on the 1st November.</p> <p>The Rent Pack is made up of various documents:</p> <ul style="list-style-type: none"> <li>• Personalised letter outlining the nature of the proposed changes and the reasons for them.</li> <li>• Two copies of the breakdown of rent &amp; service charges schedule.</li> </ul>
10.3b.	<p>Should a resident require help with funding such as housing benefit, details of this are in the Resident Handbook or available from the House Manager.</p> <p><b>Rent Pack – Cornwell House</b></p> <p>An individual rent pack is handed to the resident at least 28 days before the increase is due for payment on the 1st November.</p> <p>The rent pack consists of a personalised letter outlining the nature of the proposed changes and the reasons for them.</p> <p>Should a resident require help with funding information is available from the House manager or the resident is advised to contact West Sussex County Council Adult Health and Social Care.</p> <p>All this information will be made available in other formats (large print) and in other languages upon request.</p>



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10.4.	<b>External Advice</b> If a tenant/resident and/or their representative wish to get independent advice on the change in rent and service charges they may obtain this from an adviser of their choice. This may include the Citizens Advice Bureau, Age UK or a Solicitor.
10.5.	<b>Appeals</b> If a tenant / resident has concerns about the changes in rent and service charges and wishes to appeal against this they are able to appeal to the Executive Committee.