EDEN HOUSING ASSOCIATION LIMITED

RENT POLCY

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This policy applies to Eden Housing Association and all its wholly owned subsidiaries

1. POLICY STATEMENT

1.1 Eden Housing Association is committed to the provision of housing at appropriate rents. Against this background, the aim of this policy is to provide a framework, which ensures that rents are set at a level which will:

- Maintain Eden's financial viability.
- Ensure sufficient funding for delivering maintenance and housing services.
- Meeting corporate objectives
- Comply with the regulatory requirements of Homes England.
- Consider tenant priorities.

2. REFERENCES

Internal

- Rents year end procedure
- Secure rent review procedure
- Shared ownership procedure
- Starter tenancy policy

External

- The Regulator for Social Housing - Rent Standard
- Homes England Affordable Homes Program 2015/18 – 2021/26
- Homes England Shared Ownership Affordable Homes Program 2016/21
- Shared Ownership Rent Reform
- Housing Act 1988

3. POLICY CONTENT

3.1 APPLICATION OF THIS POLICY

3.1.1 This policy applies to all the types of property that EHA provides including the following:

- General needs accommodation
- Sheltered and extra care accommodation
- Affordable rent accommodation
- Shared ownership/ shared equity
- Market rental
- Garages

3.1.2 In addition, the policy applies to rents only, (except for affordable rents – see section 4), i.e. the charge for the provision of the property, together with all other facilities/amenities within the property. Other charges including any heating charges or charges for communal areas are included in the service charge policy.

3.2 TYPE OF RENT

3.2.1 The following is a table showing the different types of rent that EHA charges, giving the relevant regulatory and discretionary information in relation to the annual change in charging which would normally apply to each category.

Type of Rent	Applies to	Period charged over	Statutory / Regulatory Framework	Discretion	Our Proposed Policy and Why
Affordable Rent – Newly Developed	Newly developed properties built under the Affordable Homes Program	48/52 Weeks	Increase by September CPI + 1%	To reduce, fix or increase up to CPI +1%	CPI + 1% in line with rent standard
Affordable Rent - Conversions	Existing properties in Penrith, with no service charge where the affordable rent is at least £10 per week more than the social rent	48/52 Weeks	Increase by September CPI + 1%	To reduce, fix or increase up to CPI +1%	CPI + 1% in line with rent standard
Affordable Rent – Starter Tenancies – Newly Developed	As per Affordable Rent – Newly Developed, but are assured short hold tenancies converting to assured after 12 months	52 Weeks	Increase by September CPI + 1%	To reduce, fix or increase up to CPI +1%	CPI + 1% in line with rent standard
Affordable Rent – Starter Tenancies (Conversions)	As per Affordable Rent – Conversions, but are assured short hold tenancies converting to assured after 12 months	52 Weeks	Increase by September CPI + 1%	To reduce, fix or increase up to CPI +1%	CPI + 1% in line with rent standard
Social Rent	General needs, sheltered and extra care accommodation	48/52 Weeks	Increase by September CPI + 1%	To reduce, fix or increase up to CPI +1%	CPI + 1% in line with rent standard
Social Rent – Starter Tenancies	As per Social Rent, but are assured short hold tenancies converting to assured after 12 months	52 Weeks	Increase by September CPI + 1%	To reduce, fix or increase up to CPI +1%	CPI + 1% in line with rent standard
Social Rent – Secure/Protected Tenancies	A Lifetime tenancy which usually started prior to 15th January 1989, a type of tenancy created by the Housing Act 1980	48/52 Weeks	Biennial increase – set by Valuation Officer	To reduce, fix or increase up to Valuation Officer charge	Valuation Officer fair rent
Market Rentals	Properties let under a market rental agreement	Monthly	None	Total discretion	Increased on re-let dependent on current market rental values
Shared Ownership – Grant Funded	Properties built using government grant funding where the resident has bought a share of the property and rents the remaining	Monthly	Increase RPI + 0.5%	To reduce, fix or increase up to RPI + 0.5%	RPI + 0.5% in line with lease agreement

Type of Rent	Applies to	Period charged over	Statutory / Regulatory Framework	Discretion	Our Proposed Policy and Why
	share				
Shared Ownership – Non-Grant Funded	Properties built **without** government grant funding where the resident has bought a share of the property and rents the remaining share	Monthly	Increase RPI + 1%	To reduce, fix or increase up to RPI + 1%	RPI + 1% in line with lease agreement
Shared Ownership Developed or purchased after 12.10.23	Properties built or purchased after 12.10.23 following shared ownership rent reform where the resident has bought a share of the property and rents the remaining share	Monthly	Increase CPI + 1%	To reduce, fix or increase up to CPI + 1%	CPI + 1% in line with lease agreement
Shared Equity	Properties where the resident has purchased a share in the property but pays no rent on the remaining share	Monthly	As per lease agreement (variable)	No discretion	As per lease agreement (variable)
Garages	Garages owned by EHA that are let to both tenants and owner occupiers	Monthly	None	Total discretion	Fix price to reduce the increase in void garages

3.2.2 As noted in the above table, the Association has some discretion over rent increases applied. This is purely at the discretion of EHA and is dependent upon the financial constraints of the business.

3.3 GENERAL NEEDS, SHELTERED AND EXTRA CARE ACCOMMODATION

3.3.1 For general needs and sheltered accommodation, a review of rent charge is carried out each year with effective from the first Monday in April. We are currently transitioning from a 48 to a 52-week rent year, with approximately 61% of tenants now charged over 52 weeks. From April 2026 until March 2036, an increase of up to CPI plus 1% can be applied. In 2023-24 the rent was capped at 7% due to the cost-of-living crisis, however target rents were still increased by CPI plus 1% in line with the rent standard, causing a variance between new and existing tenancies.

3.3.2 A small number of general needs accommodation have secure tenancies, based on when the tenancy started. The rents for these properties are set on a biennial basis by the valuation office.

3.3.3 When a property is re-let, the target rent is applied. However, there are certain new developments and properties in Penrith that are eligible to fall into the affordable rent category. Where this is the case and the difference between the target rent and the affordable rent is a minimum of £8 per week, then the affordable rent would apply (subject to the agreed maximum set by

Homes England noted in section 5.2), otherwise the target rent would apply.

3.3.4 There is rent flexibility within the rent formula of up to an additional 5% for general needs and 10% for supported housing. EHA have applied an additional 4% to the formulae calculation for both general needs and supported housing, with additional income to be used for additional property improvements.

3.4 AFFORDABLE RENTS

3.4.1 Following a change in the Regulator's Rent Standard, from 01 October 2011, EHA now lets some homes on affordable rents.

3.4.2 Affordable rents can be applied to new homes, as well as to existing properties on re-letting, to an agreed maximum set by Homes England.

3.4.3 An Affordable rent will be fully inclusive of any service charges for the property and can be no more than 80% of the market rent (inclusive of service charges), for an equivalent property for that size and location. A transparent and efficient independent valuation is carried out to calculate and set affordable rents. There are a small number of exceptions to this, with written approval from the Regulator.

3.4.4 From April 2026 to March 2036, Affordable rents can be increased up to CPI plus 1% each year.

3.4.5 When an affordable rent tenancy ends on a new build or newly acquired property that has been designated as affordable rent, the new tenant will be charged the higher of the affordable rent or social rent. The Development Manager will maintain a list of these properties. For other conversions, the affordable rent needs to be at least £8 per week greater than the social rent for the affordable rent to be applied (subject to the agreed maximum set by Homes England noted in section 4.2).

3.4.6 Rents will be set on an annual basis, taking effect from the 1st Monday of April in each rent year.

3.4.7 Now that the Affordable Homes Program 2015/18 has ended, there can be no new affordable rented property conversions in addition to the numbers already designated. There is now a new Homes England Affordable Homes Program 2021/26, however to date EHA have not developed any new homes under this program. New affordable rented accommodation will still be available on new developments where grant has been received as part of the scheme.

3.4.8 Affordable rent conversions apply to properties in Penrith where no service charge is being recovered. Market rent valuations are carried out annually for the different property types and the same value is charged during that financial year. This is carried out annually to avoid additional costs to the Association and delays in letting the properties.

3.5 SHARED OWNERSHIP TENANCIES AND SHARED EQUITY

3.5.1 For shared ownership tenancies, the rent charge is set annually from 1st April.

3.5.2 For shared ownership properties which have been built using government grant, prior to 12 October 2023, the rent increase is based on September RPI +0.5%.

3.5.3 For shared ownership properties which have been built without using government grant prior to 12 October 2023, the rent increase is based on September RPI +1.0%.

3.5.4 For shared ownership properties purchased or developed after 12.10.23, the rent increase is based on September CPI + 1% following a shared ownership rent reform.

3.5.5 For shared equity properties the charge is based on the lease agreement, which varies per scheme.

3.6 MARKET RENTALS

3.6.1 Rents for market rental properties are set by comparing the market rent for comparable properties in the local area at the time that the tenancy commences and is reviewed by the Housing Manager.

3.6.2 These tenancies are not affected by the Chancellor of the Exchequer's announcement on rents.

3.7 GARAGES

3.7.1 The rents for garages are reviewed on an annual basis taking account of market rents for comparable properties in the local area, and the cost of maintaining the garages.

3.8 NOTICE OF RENTS AND INCREASES

3.8.1 EHA operates a system of offering starter tenancies, which are assured short hold tenancies, usually converting to an assured tenancy after 12 months (see starter tenancy policy for details). For starter tenancies, rents can be increased within 12 months of the tenancy starter date if a calendar months' notice is given. For assured tenancies, the charge cannot be increased within 12 months of the previous charges starting date. If the charge is decreased all relevant tenures will be included regardless of their start date

3.9 RENT CONVERGENCE

3.9.1. The annual rent increase on social rent properties may include an additional amount over and above CPI+1% until the rent charged reaches formula rent level.

3.9.2 The Board will review the option to apply rent convergence, taking into account local factors, circumstances and affordability.

4. RESPONSIBILITIES

- Board - Approve variations to rent on an annual basis.
- Board – Approve Rent Policy
- Director of Finance & Corporate Resources – implementation of Rent Policy
- Management Accountant – calculate new charges in line with above.

- Management Accountant – notify tenants of new charges in line with rent standard.

- Management Accountant – Obtain market rental values to determine new affordable rents.

- Director of Operations/Director of Finance & Corporate Resources – review and confirm new affordable rents.

- Finance Officer – carry out secure rent reviews.

- Housing Manager – determine market rental charges on re-let.

5. EQUALITY IMPACT ASSESSMENT (EIA)

5.1 An EIA has been completed to establish whether any protected groups under the Equality Act 2010 are being discriminated against or disadvantaged because of this policy.

5.2 Although increases in rent will undoubtably impact some tenants more than others, rent increases do not target specific individuals and discriminate against any protected groups.

The EIA form is in Appendix 1

6. TENANT ENGAGEMENT IMPACT ASSESSMENT (TEIA)

6.1 It is important for the Association to consult with our tenants regarding the level at which any increase will be applied and ensure that tenants priorities are met.

6.2 This consultation will involve engaging with as many of our tenants as possible via a variety of methods such as focus group involved with our Scrutiny Panel, newsletter articles and various digital approaches including Facebook.

6.3 Consideration will be given to responses from the tenant engagement when determining what level of increase is to be applied.

7. MONITORING & REVIEW

7.1 This policy will be reviewed annually.

Appendix 1

Equality Impact Assessment (2.7.25)

Question	Response
1. Summary of aims and objectives of the policy/practice/activity	The policy outlines how the Association will set rent levels for the coming financial year.
2. What involvement, consultation, engagement has taken place for the policy/practice/activity (*e.g. relevant groups/stakeholders*)	Consultation on charges was open to all tenants in September 2024, via our website, Facebook and Twitter feeds. Also, with a group of tenants involved with our Scrutiny Panel who joined a video call meeting. Please refer to Tenant Engagement Assessment
3. Who is affected by the policy/practice/activity (consider Armed Forces/Veterans)	Tenants of Eden Housing Association
4. What are the arrangements for monitoring and reviewing the impact of the policy/practice/activity	Policy is reviewed annually by the Management Accountant

Protected Group	Is there a potential for a positive or negative impact	Action to address the impact
Disability: includes physical, sensory, neurodiversity, learning disabilities, mental health conditions / communication methods / range of support needed to participate / hearing loops or interpreters / accessibility – venue, location, transport	No	
Gender reassignment: (transgender) people should be about to disclose their gender identity without fear or prejudice	No	
Marriage or civil partnership: all couples or partners, regardless of gender, should be able to access services	No	
Pregnancy or maternity: consider flexible hours of service or project / is there access to private are for breastfeeding, milk storage etc. / returning to work considerations	No	
Race: includes ethnicity, nationality and GRT communities. Consider the size of the BME communities that your service or project affects / languages spoken and understood / culture such as hygiene, clothing physical activities, mixed gender activities	No	
Religion or belief: consider dates and times of events in relation to religious practices and festivals / the diversity within the communities that your service or project affects / prayer times, meal times, food	No	

cultural habit or belief, religious holidays such as Ramadan		
Sexual orientation: consider LGB+ people should feel safe to disclose their sexual orientation without fear of prejudice	No	
Sex (gender): consider the impact on different genders / childcare and dependents care / mixed or single gender groups or activities / timing of services	No	
Age: consider the way younger and older people access services differently / use of technology / childcare or dependents care / transport arrangements / venue location	No	
Rurality: consider if there is a disproportionate impact on tenants living in rural localities	No	

Question	Explanation	
Is it possible the proposed policy/practice/activity could discriminate or unfairly disadvantage people?	No	
Decision	**Tick the relevant box**	**Include any justification required**
1. No barriers identified and no change required – **proceed**	✓	
2. Barriers identified towards one (or more) protected groups – **adapt or change** the policy/practice/activity to remove any barriers. This will better advance equality and/or foster good relations.		
3. Barriers identified towards one (or more) protected groups – **stop**. There are adverse effects which cannot be prevented / mitigated.		
4. Barriers identified towards one (or more) protected groups – no proportionate way to amend the policy/practice/activity so		

proceed with caution.		

Action (To be completed as required)

If the evaluation has resulted in Decision 4, complete a risk assessment and record on Operational Risk Register	**Date Completed:**

Tenant Engagement Assessment – is engagement with tenants necessary?
(1.7.25)

Impact	Tick relevant box	Note any details / justification
No Impact on current tenants – you can proceed without engagement, explaining why.		
Direct or indirect impact on current tenants. **Stop!** Identify who will be affected i.e. all tenants or a specific group.	YES	All tenants

Influence	Tick relevant box	Note any details / justification
No influence for tenants – i.e. wholly legislative – you can proceed without engagement, explaining why.	✓	The policy is mainly legislative. Areas deemed 'discretionary' are dictated by budgets and required spend, as opposed to customer influence – the Association would not be able to change this during any form of consultation. The EIO recommended a clear explanation be included in the policy to clarify what discretion is used to avoid confusion.
Possible influence on areas of policy/ practice/ activity impacting on tenants – **stop. Arrange engagement with EIO**		There is potential for garage rents to be influenced by tenants. However, after discussion with EIO and DOO, it was agreed this will be carried out as part of a wider consultation of EHA's garage stock.
Best place for influence is the practical delivery of the policy – through procedure. Please summarise approach for procedure review		Procedures in relation to this process are reviewed every three year or amended when necessary if changes to processes occur before review date

Summary of engagement (To be completed as required)

Tenant group impacted and engaged (i.e. all/ sheltered)	All
Consultation method	Via focus groups involved with Scrutiny Panel, newsletters articles and various digital approaches including Facebook.
Summary of engagement	Consultation on charges was open to all tenants in September 2024, via our website, Facebook and Twitter fees. Also, with a group of tenants involved

	with our Scrutiny Panel who joined a video call meeting.
Key themes/ implications	The increase to be applied to rent and the impact this would have on tenants and also on EHA's ability to provide the services that are required.

If you would like some assistance to work through this engagement assessment, please contact Jenny Webb – EIO.

Health & Safety Policy Review Assessment

Question	**Additional information**	
Does this policy/practice/activity address any Health & Safety practices?	NO	
What is the key legislation related to this policy?		
Is the policy a control of a corporate or operational risk register? (if yes name risk)		
Tick groups/ departments who require knowledge of this policy.		
	All staff	
	ICT	
	Finance	
	Housing Options	
	Housing	
	Customer Services	
	Property	
	HR	
	Governance	
	Assisted Living	
	Contractors	
	Tenants	
Risk to tenants	**Tick the relevant box**	**Additional Information**
1. Are there additional measures required to reduce risk level to tenants.	No	
2. Has that risk been assessed?		
3. No Health & Safety implications		
4. Does it require tenant visibility?		If yes – upload to website

All assessments completed by:	Author: Julia Monkhouse Date: 15th January 2026
All assessments reviewed by:	Reviewer(s): Guy Johnson Date:19 January 2026
Will these assessments be published?	Completed assessments are appended to each policy. Any appropriate public related policies are uploaded to the EHA website