

# Rent Policy

LET 9.0

Version: 7.1

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## 1. Our policy statement

- 1.1. This policy aims to provide a framework for how Sage Homes sets and reviews its rents for different tenures in line with our statutory, regulatory, and contractual obligations whilst ensuring that we meet our social purpose to provide affordable housing.
- 1.2. Our approach to setting and increasing rent will vary according to the type of property which is being let; new builds or relets of existing homes.
- 1.3. The rent regimes which apply to the tenancies that Sage offers are:
  - Social Rents (set at the lower of the registered fair rent or target rent for assured tenancies and Assured Shorthold Tenancies (AST))
  - Affordable Rents (80% of market rent or Local Housing Allowance, whichever is the lower).
- 1.4. The rents set by Sage Homes are charged according to the tenant, their tenancy, or the property.
- 1.5. All Sage Homes properties undergo an annual rent review approved by the Sage Homes Board and accompanied by a notice to the customer. The new rent will be determined in accordance with the rules to be applied to the specific housing category type and the rent reduction or rent increase provisions.
- 1.6. Rent changes in the lifetime of the tenancy will be managed in compliance with the requirements of Section 23 of the Welfare Reform & Work Act 2016.
- 1.7. Formula Rents more commonly known as Social Rents are exclusive of service charges (real cost service charges that are charged in addition to the specified rent).
- 1.8. There are certain contractual or tenancy exceptions which, when they apply, have different rules which govern the rent setting and review processes. These can include Decants, Mutual Exchanges, Local Authority Planning Agreements, void and “off-debt” properties.
- 1.9. All customers have the right to appeal to Sage where the rent review has not been applied in accordance with this policy or the rent reduction provisions.
- 1.10. Our policy has been developed in line with the requirements laid out by the Regulator for Social Housing in the Rent Standard, April 2020.

## 2. The scope of this policy

- 2.1. This policy applies to all general needs rented housing tenancies, including new build, and re-let homes.
- 2.2. Sage Homes will comply with the Government’s rent regime, using the 2020 Rent Standard from April 2020. This is following the end of the period covered by the Welfare Reform and Work Act 2016 and the Social Housing Rents (Exceptions & Miscellaneous Provisions Regulations 2016/17).
- 2.3. Sage Homes will offer three forms of tenancy:
  - A periodic starter tenancy for 12 months (Assured Shorthold Tenancy)

- A fixed term tenancy for 6 years (Assured Shorthold Tenancy)
- An assured tenancy.

### 3. Equality and diversity

- 3.1. Sage Homes is committed to making sure all services are accessible to all our residents. Our staff will be trained to ensure they are communicating appropriately with our customers, and they have the relevant information.
- 3.2. This policy will be applied in a way which makes sure we treat all customers with fairness and respect. We recognise our duty to advance equality of opportunity and prevent discrimination or victimisation on the grounds of age, sex, sexual orientation, disability, race, religion or belief, gender re-assignment, pregnancy and maternity, marriage and civil partnership and any other protected characteristics defined within the [Equality Act 2010](#).
- 3.3. On request we will provide translations of all our documents, policies and procedures in various languages and formats including braille and large print.

### 4. Delivery of this policy

- 4.1. This policy is owned by the Head of Lettings who also has the overall responsibility to make sure that the policy reflects regulatory requirements, that Board members are kept informed of any significant changes and that the policy is adhered to.
- 4.2. The effective delivery of this policy including training, guidance and support required by staff for implementation of this policy will be provided by the Rent and Service Charge Team.

### 5. Policy review

- 5.1. We will review this policy at once least every three years to make sure it remains relevant and accurate unless:
  - Legislation/regulation or industry changes require otherwise, making sure that it continues to meet our aims and industry best practice.
  - We identify any problems or failures in this procedure as a result of customer and stakeholder feedback, complaints, or findings from any independent organisations.

Version	Checked by	Amendments	Approved at/by	Date of Approval	Published by	Date of Review
1.0	N/A	2017-2018 Policy	N/A	N/A	N/A	Oct 17
2.0	N/A	Addition of London Living Rents	N/A	N/A	N/A	Aug 18
3.0	Rent and Service Charge Manager	2020 Rent Standard implementation	N/A	N/A	N/A	Mar 20
4.0	Rent and Service Charge Manager	Updated benchmark figures for London Affordable Rent. Updates to miscellaneous wording, formatting, and definitions. Updated valuation validity date. Updates to review details for affordable and social rents, with reference to section 13 (form 4) – of the housing act 1988	N/A	N/A	N/A	Mar 22
5.0	Head of Lettings	Reviewed and rent table updated	N/A	N/A	N/A	May 23
6.0	Head of Lettings	Combined with Approach Policy	N/A	N/A	N/A	Aug 23
7.0	Head of Lettings	Introduction of Procedures to reduce content contained in Policy	Head of Lettings	Sep 23	Office Management	Sep 26
7.1	Lettings & Homeownership Director	Update to 2.3 removing reference to Social Rent levels	Chief Legal Officer	Jan 25	Policy & Service Improvement	Sep 26