



## PRS Rent Setting Policy

<b>Responsible Manager</b>	Managing Director/Finance Director
<b>Approved by:</b>	CDL Board
<b>Date Approved</b>	16 <sup>th</sup> August 2023
<b>Date for Review</b>	August 2026
<b>Version Number</b>	1.1

## **1. Purpose of this Policy**

This policy sets out CDL's approach in relation to rent setting and rent review for tenants of its private rented properties.

## **2. Aims and Objectives**

The aim of this policy is to provide a framework that ensures rents are set at a level that:

- Are set in line with regulatory and statutory guidelines.
- Maintain CDL's financial viability.
- Deliver an economic return to CDL sufficient to sustain the delivery of high quality housing and maximise financial return to the Shareholder

## **3. Legislative and Statutory Framework**

3.1 This policy is governed by regulations and statutory law including, but not limited to:

- Housing Act 1988
- Housing Act 1988 as amended by the Regulatory Reform (Assured Periodic Tenancies) (Rent Increase) Order 2003.
- Housing Act 1996
- Housing Act 2004

## **4. Rent Review**

4.1 Rents will be reviewed prior to re-letting a property and at other times to track current market conditions.

4.2 Rents will be increased based on current local market rates.

4.3 CDL will give the tenant a minimum of 2 months' notice prior to the rent increase via a Section 13 Notice (Form 4) in line with Section 13(2) of the Housing Act 1988 as amended by the Regulatory Reform (Assured Periodic Tenancies) (Rent Increase) Order 2003.

4.4 Once the Section 13 Notice has been served, the tenant has until the date of the rent increase to challenge it. If the tenant doesn't respond to the Notice, then the rent will automatically increase and the tenant will be unable to dispute the rent increase.

4.5 If the tenant wants to dispute the level of rent increase, they will need to apply to the First-tier Tribunal (Property Chamber).

## **5. New Lets**

5.1 Rents for new properties will be set by the CDL team based on current market rates, ensuring viability is maintained.

## **6. Re-lets**

6.1 On each occasion that a property is re-let, the rent will be reviewed based on current market rates.

## **7. Implementation**

7.1 The Managing Director and Finance Director are responsible for ensuring the implementation of this policy.

## **8. CDL's Responsibilities**

8.1 CDL is responsible for ensuring that a Section 13 Notice (Form 4) is served on the tenant prior to increasing rent and that the appropriate written notice is provided.

8.2 CDL is responsible for ensuring that rent increases are fair and realistic, in line with average local rents.

## **9. Equality and Diversity**

9.1 CDL will ensure that this policy is applied fairly and consistently to all our customers.

## **10. Policy Review**

This policy will be reviewed every 3 years from the approval date, or in-line with impacting corporate, legislative, or regulatory change requirements.