



RENT POLICY

2025 - 2028

Rent Policy

Adopted / Date Reviewed:	December 2025
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Contact Officer:	Daryl Cowan, Rent and Service Charge Manager
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Policy Links:	<ul style="list-style-type: none"> • Service Charge Policy • Tenancy Policy • Lettings Policy • Income Management Policy

Brief Policy Summary:

This policy sets out the principles and practices by which Lincolnshire Housing Partnership will set and annually review rents for all its tenancies. It will comply with the current regulatory guidance and legislation, be affordable for customers, and maintain the stability and viability of the Business Plan.

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Introduction

1. This policy describes how LHP will:
 - Set rents for all new build properties.
 - Set rents for all new tenancies.
 - Increase rents annually for all tenancies.
 - Set and review other charges to customers.
2. Including how we:
 - Ensure compliance with regulatory standards.
 - Ensure compliance with tenancy agreements.
 - Achieve fairness in our charges.
 - Ensure income is sufficient to be able to carry out corporate plans.

Objective

3. The policy objectives are to ensure that we:
 - Set and review rents and other charges in line with regulatory and legal requirements.
 - Maximise income to allow corporate objectives to be met.

Purpose

4. This policy is a key document within LHP's regulatory assurance framework, supporting compliance with the RSH Rent Standard and informing our annual Board assurance cycle on rent setting.
5. To set rents at a level that complies with regulatory guidance as affordable and maintains the stability and viability of the Lincolnshire Housing Partnership (LHP) Business Plan.
6. To follow Government, Regulator of Social Housing (RSH), and Royal Institute of Chartered Surveyor (as far as applicable) methods and guidelines in our approach to setting rents.

7. To treat customers fairly and consistently in our approach to rent setting.
8. If during the period this policy is in place, a need to charge a rent that is not covered by the relevant sections within this document, the Executive Leadership Team (ELT) and/or appropriate Board/Committee will be asked to approve this as a separate issue until the policy is reviewed again, when such a change will be incorporated into it.

Scope

9. This policy covers rent setting for all tenures operated by LHP. Specifically, this policy covers the setting of rents for customers and (where applicable) licensees of the following types of properties:
 - Social Rent
 - Sub-market (Intermediate) Rent
 - Affordable Rent
 - Market Rent
 - Shared Ownership
 - Parking Facilities (including garages and parking spaces sites)
 - Where an occupant does have a licence agreement, “rent” should be read as “licence fee”
 - Rent setting does not relate to service charges, which are calculated separately in accordance with the Service Charge Policy. This policy does however refer to whether service charges are included in or in addition to the rent, where relevant
 - This policy does not apply to commercial properties or leaseholders
 - This policy does not apply to any non-rent charges, such as telecare

Rents – Social

10. The LHP Board will agree the annual rent increase percentage to be charged each year. Changes will be applied annually each April in line with rent review anniversaries.
11. This is the first Monday in April for properties on variable service charge agreements (North), and the third Monday in April for properties on fixed service charge agreements (South).

12. Rents will be set in accordance with the relevant legislation and the RSH Rent Standard in force at the time. Consideration will be given to the desire to keep rents affordable whilst maintaining the stability of the LHP Business Plan.
13. Existing rents will be reviewed annually, in line with the requirements set out in the Rent Standard and individual tenancy agreements.
14. Social rents do not include service charges.
15. For new or re-lets of social housing properties from 01 April 2020, legislation, and regulation permits:
 - Calculation of the “formula rent” for the particular property. This is based on the relative value of the property, relative local income levels, and the number of bedrooms in the property, updated for each year since 2000/2001.
 - A permitted tolerance on the formula rent: this is up to 5% for general needs housing and up to 10% for supported housing.
 - All new tenancies will have rents set at the formula plus tolerance level. Any rents not set at this level, due to demand issues for example, must be approved in advance by ELT.
 - The Regulator for Social Housing sets an annual cap for the maximum level of formula rents, by bedroom size. Rents must not be set at a level higher than this amount. The most up to date caps are for 2025/2026.
 - Formula Rent Caps for 2025/2026:

Number of Bedrooms	Rent Cap for 2025/2026
1 and bedsits	£194.06
2	£205.46
3	£216.87
4	£228.27
5	£239.69
6 or more	£251.10

16. LHP will include the 5% uplift for general needs housing and the 10% uplift for supported housing (including sheltered housing) to ensure the continued viability of the business plan.

17. LHP will communicate with customers in a timely manner, ensuring customers receive one month's notice of their rent review, as per their tenancy agreement. This correspondence will be provided by an outsourced data management company, and letters will be dispatched via second-class post to remain financially viable. This correspondence will also provide all relevant information for customers to access financial support, through either Housing Benefit or Universal Credit, and signpost to any support provided by LHP.

Rents - Affordable

18. Rents will be set in accordance with the relevant legislation and RSH Rent Standard in force at the time.
19. Affordable Rents, inclusive of Service Charges, will be set at a maximum of 80% of market rent, subject to any conditions within the Section 106 agreement.
20. A new valuation will be obtained when an Affordable Rent property is either let for the first time, or upon a change of tenancy, subject to any policies which retain the right of existing rent (for example mutual exchange/succession).
21. Valuations for rent setting will be undertaken in accordance with a Royal Institute of Chartered Surveyors (RICS) recognised method and will follow any guidance issued by the RSH on valuation for Affordable Rent tenancies.
22. Affordable Rent annual rent increases will comply with the Rent Standard and/or any other relevant legislation.
23. During the first year after the tenancy start date, it is permitted to vary the rent once only by giving the customer one months' notice in writing. This will ensure that all annual rent changes are brought in line and change in April of each year.
24. Annual rent reviews will take place in April. Rents for current tenancies will

be uplifted by the equivalent of the Social Rent uplift.

25. New affordable rent properties will be let on a 52-week basis.

Rents - Intermediate

26. Intermediate Rents, excluding Service Charges, will be set at a maximum of 80% of market rent, subject to any conditions within individual development agreements.
27. Intermediate rents are not subject to the RSH rent standard.
28. A new valuation will be obtained when an Intermediate Rent property is either let for the first time, or upon a change of tenancy, subject to any policies which retain the right of existing rent (for example mutual exchange/succession).
29. Valuations for rent setting will be undertaken in accordance with a Royal Institute of Chartered Surveyors (RICS) recognised method and will follow any guidance issued by the RSH valuation for Intermediate tenancies.
30. During the first year after the tenancy start date, it is permitted to vary the rent once only by giving the customer one months' notice in writing. This will ensure that all annual rent changes are brought in line and change in April of each year.
31. Annual rent reviews will take place in April. Rents for current tenancies will be uplifted by the equivalent of the Social Rent uplift.
32. New intermediate rent tenancies will be let on a 52-week basis.

Rents - Market

33. Market Rents will be set at 100% of market rent for an equivalent property of that size and location.

- 34. Market rents are not subject to the RSH rent standard.
- 35. A new valuation will be obtained when a Market Rent property becomes vacant and there is a change of tenancy, subject to any policies which retain the right of existing rent (for example mutual exchange/succession).
- 36. Annual rent reviews will be effective from 01 April annually.
- 37. For current tenancies, Rents will be uplifted by the equivalent of the Social Rent uplift.
- 38. Market rents will be charged monthly.

Shared Ownership

- 39. Initial rent for shared ownership homes are set at a percentage of the unsold equity of the property in line with Homes England guidance. This is typically 2.75%, with an absolute limit of 3%.
- 40. Service charges are not included in the rent charge.
- 41. The rent for shared ownership homes will be reviewed periodically in line with the lease agreement. Typically, this will be annually in April.
- 42. The rent will be increased in line with the requirements of the Lease, typically this is an increase of RPI or RPI + 0.5%.

Parking Facilities

- 43. Parking facilities will be charged at a flat monthly rate (VAT will be applied where applicable i.e., non LHP customers).
- 44. Parking facilities will have an annual increase, effective from April. Rents will be uplifted by the equivalent of the Social Rent uplift.
- 45. The Board reserves the right to vary the standard charge as required in relation to levels of demand.

Collection Periods and Non-Collection Weeks

- 46. Social rents are charged over a 48-week period, with two rent free weeks at the end of December and two at the end of March.
- 47. The exact rent free weeks will be notified to customers annually in their rent review letter.
- 48. Affordable, intermediate and market rents will normally be charged on a 52-week basis,
- 49. Shared ownership rents are charged monthly.
- 50. Parking charges are charged monthly.

Monitoring

- 51. The Board and Chief Executive are responsible for ensuring that this policy is implemented.
- 52. The Executive Director of Finance & Resources is responsible for preparing rent calculations and ensuring that these comply with the requirements of this policy.
- 53. Annual Rent Reviews for all properties that are required to comply with the Rent Standard are externally validated.

Lincolnshire Housing Partnership (LHP) Equality and Quality Impact Assessment (EQIA)

Title of Policy/Event/Decision: Rent Policy

Lead Officer(s): Katie North, Corporate Head of Finance

Date of EQIA: 22/08/2025

Scope and Purpose	
Briefly describe the policy/event/decision being assessed	This policy sets out the parameters and guidance LHP will use in setting and reviewing rents, parking charges, and maintaining compliance with regulatory standards and legal requirements.
What is the aim or purpose of this policy/decision?	The aim of this policy is to set out how LHP will set and review rents and parking charges for all its tenancies, how it will comply with regulatory standards, is affordable and fair for customers, and maintains the stability and viability of the Business Plan.
Which departments or groups will be affected by this policy/event/decision?	All LHP customers who pay rent for either a property or a parking garage or space, except for leaseholders. Internally, our Finance Team, Income Management Team, Allocations Team, Leasehold Team & Customer Service Team will be involved.
Data Collection and Evidence	
What data or evidence have you used to identify how different groups may be affected? (e.g., customer demographic data, service	<p>Government regulation, enforced through the RSH rent standard, determines how we set rents and how these are reviewed on an annual basis. This is set in relation to the property type, size, and location.</p> <p>We have looked at data relating to Disability, as well as Race and Socio-Economic Status, and have listed mitigation/enhancement actions in the below RAG Ratings.</p>

usage statistics, consultation feedback)	
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What does this data tell you about the potential impacts on different equality groups?	<p>In relation to Disability, we are aware that 45% of our customers have disclosed themselves to have a disability. This is higher than the proportion of people dislocating disability in Lincolnshire (19%), across England and Wales (18%) and living in Social Housing (28%). 57.5% of customers who disclosed having a disability reported a high daily impact on their lives. Common impairments are medical conditions (24.7%), mobility (24.2%), and mental health (19.2%), with fewer reporting learning (7.4%), hearing (3.8%), or vision (2.6%).</p> <p>In relation to Race (Specifically focusing on Language and Communication), among customers with a non-English preferred language (1.57%), we found that Polish (27.4%) and Lithuanian (26.9%) are the most common. Smaller numbers identified Latvian (14.9%), Russian (11.4%) and Portuguese (4.0%). A small group reported using British Sign Language. We are also aware that there are twenty-six different preferred languages based within our customer base.</p> <p>In relation to Socio-economic status, the customer base shows higher than average indicators of socio-economic disadvantage. We are also aware that 53.44% of our customers currently apply for Universal Credit (UC).</p>				
RAG Impact Assessment on Protected Characteristics					
<p>Use the RAG system to assess the level of potential impact for each protected characteristic:</p> <ul style="list-style-type: none">• Red (High Risk): Significant potential for negative impact requiring immediate action to mitigate.• Amber (Medium Risk): Some potential for negative impact, which can be mitigated with changes.• Green (Low or No Risk): Little to no negative impact identified. <p>Ensure that you state reasons (the why) for your justifications.</p>					
Protected Characteristic	Impact (Positive, Negative, Neutral)	RAG Rating	Description of Potential Impact	Mitigation/Enhancement Actions	Responsible Officer
Age	Neutral	Green	N/A	N/A	N/A
Disability	Negative	Amber	N/A	LHP currently have a separate communications EQIA currently in place, which covers translation/language sheets. This also covers our updates last year of ensuring that every letter sent out has	Daryl Cowan

				a template that includes a paragraph of support in each language that we are aware of is required. This also includes our offering of audio CDs to customers where required. We are also working with our EDI team to understand the impact on neurodivergent customers and colleagues, and best approaches to support this.	
Gender Reassignment	Neutral	Green	N/A	N/A	N/A
Marriage and Civil Partnership	Neutral	Green	N/A	N/A	N/A
Pregnancy and Maternity	Neutral	Green	N/A	N/A	N/A
Race	Negative	Amber	Potential impact for those with English as second language	We offer translation options on letter, as well as advising on LHP website link which may assist if a customer's phone is set to their own language, they can open website in their preferred language.	Daryl Cowan
Religion or Belief	Neutral	Green	N/A	N/A	N/A
Sex	Neutral	Green	N/A	N/A	N/A
Sexual Orientation	Neutral	Green	N/A	N/A	N/A
Socio – Economic Status	Negative	Amber	Potential negative impact based on	- Rent costs eligible for Housing Benefit & Universal Credit support. LHP also	Daryl Cowan & Income Management Team

			possibility of rent increasing.	provide information so that customers can update/renew any benefit claims, as well as offering a money support service. - Rents are set and increased in line with government rent standard to ensure affordability for customers within the Social Housing Sector.	
Mitigating Negative Impact					
What actions will you take to reduce or mitigate any identified negative impacts? Provide specific mitigation measures for each characteristic where a negative impact (Red or Amber rating) was identified.	Disability – We will continue to ensure that all letter templates offer information in other languages that provide support/clarification for customers to access assistance if required. We will also continue to offer an Audio CD service where required, with these actions also falling under a separate EQIA, as well as looking to provide a braille service where required. Race – For those who may be impacted by having English as their second language, we will continue to provide information in their own preferred language on each letter that is dispatched. We also signpost them to our website, which if the customer’s phone/laptop is set accordingly, can lead to the website opening in their preferred language. We will also look to build internal frameworks so that we are able to support customers further, depending on their requirements. Socio-Economic Status – LHP offer a money support service that can assist our customers, with this being especially prominent once they receive their annual rent review correspondence. This includes signposting on any benefits that customers may be entitled to, as well as offering assistance if accounts are in arrears. Comms – We currently offer further information on our website and letter templates and offer further information on other languages if required.				
Who is responsible for implementing these actions?	Disability – Joint responsibility between Rent and Service Charge Team and the Communications Team. Race - Joint responsibility between Rent and Service Charge Team and the Communications Team. Socio – Economic Status - Joint responsibility between Rent and Service Charge Team and the Income Management Team.				
Consultation and Engagement					
Have you consulted	Yes, this policy has been reviewed by the Customer Forum on 03/09/2025, as well as an internal working group, with no changes or				

<p>any stakeholders or equality groups? If so, who and how?</p>	<p>amendments proposed.</p>
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What feedback have you received, and how has this influenced your assessment?	No feedback that affected the one specific element of policy that we are putting forward to amend (removal of LHA cap within rent calculations).
Decision Making	
How has this EQIA informed or influenced the final decision?	No impact on final decision
Were any changes made to the policy/decision as a result of the EQIA?	No changes made
Monitoring and Review	
How will you monitor the actual impact of the policy/decision once it is implemented?	<p>As per mitigation factors, we could also look at monitoring the amount of money support referrals relating to our annual rent review, as well as monitoring any requests for second language support.</p> <p>LHP will analyse arrears trends post-rent increase and segment by vulnerability markers (e.g. disability, UC status, language need) to understand the impact and refine future mitigations.</p>
When will the policy/decision be reviewed?	<p>Customer Scrutiny Panel 03/09/25</p> <p>Leadership Team 22/10/25</p> <p>Operations Committee 19/11/25</p> <p>Board 10/12/25</p>
Sign-Off EQIA Completed By: <i>Lead Officer(s)</i> <i>Name(s):</i> <i>Date:</i>	<p>Daryl Cowan</p> <p>Rent and Service Charge Manager</p> <p>03/09/2025</p>

Approved By: <i>Approval</i> <i>Name:</i> <i>Date:</i>	<i>Abigail Iyaho</i> <i>Diversity and Inclusion Manager</i> <i>03/09/2025</i>
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