**Appendix 1 - Rent & Lettings Policy (Reserved Policy)**

**Policy Statement**

OCHL properties to be let at social, affordable, intermediate or market rents levels will be let to nominees of Oxford City Council under its Choice Based Lettings system, in accordance with Oxford City Council’s Allocations Scheme.

Where an applicant is a Secure tenant of a Local Authority or an Assured (Non-Shorthold) tenant of a Registered Provider, they will be offered an Assured (Non-Shorthold) Tenancy.

Where an applicant is not a Secure tenant of a Local Authority or an Assured (Non-Shorthold) tenant of a Registered Provider, they will be offered a Starter Tenancy which will be an Assured Shorthold Tenancy. Providing that the tenant does not breach any of the conditions of the Tenancy Agreement, after 12 months they will be offered an Assured (Non-Shorthold) Tenancy.

OCHL determines that certain categories of applicant would not be considered as suitable as nominees. Those categories are set out in this policy.

This policy sets out the methodology to be adopted by OCHL with regards to its rent and service charges setting activities across all its rental tenure types.

OCHL will set initial property rent at social, affordable, intermediate or market levels, in accordance with the requirements of the individual development scheme and the OCHL Business Plan. The tenancy agreement sets out the provisions for increasing rent during the term of an Assured Non-Shorthold Tenancy or an Assured Shorthold Tenancy.

This policy supports the strategic requirements of the OCHL Business and Strategic Development Plan.

**Objectives**

The policy ensures that:

* OCHL makes the best use of its housing stock and minimises the risk of excessive rent loss and tenancy failure by making appropriate allocations
* To ensure that properties are let to those in housing need and that the accommodation offered is appropriate to their needs
* Tenants are treated fairly and in accordance with the Equality, Diversity & Customer Care Policy.
* Tenants are fully aware of the rent increase mechanisms that will operate during the course of their tenancy.
* Tenants are fully aware what their rent and service charges will be spent on
* Rents are broadly consistent with comparable rents charged by similar local social landlords in similar circumstances
* Sufficient income is generated to meet all financial requirements including the costs of managing and maintaining the homes and any associated borrowings

## Specific Policy Decisions

**Rent & Rent Review**

Rental periods will be monthly and the rent becomes due on the 1st day of each month. For new lettings, an apportionment of the months’ rent becomes due on the tenancy commencement.

## The rent “review date” means the first day of the month immediately following the first anniversary of the start of the Tenancy and each anniversary of that date. For example, if the tenancy started on 10th September 2017, the anniversary would be 10th September 2018 and the first review date would be 1st October 2018 and 1st October in subsequent years.

## In order to increase the rent, OCHL must serve a rent review notice on the tenant not less than 28 days but not more than 90 days before the relevant review date specifying the percentage by which the rent will increase on the relevant review date and the new rent payable from the relevant review date.

## OCHL will increase the rent on each review date by a maximum of the percentage change in the Consumer Prices Index over the preceding year plus no more than 6%.

## This must be calculated by reference to the last index published before the date on which the rent increase notice is served and the 11 previous indices.

**Service Charges**

OCHL will operate a Variable Service Charge regime.

Service charges will be payable on a monthly basis on the same day as the rent is due. Any reference to rent, rent due or the payment of rent will mean rent and any service charges applicable, as a single entity.

Service charges for the first year of occupation of a property will be estimated and charged on a monthly basis with the rent. Where there is a difference between the estimate for year one and the actual for year one, this will be factored into the year two charges.

Service charges for the second and subsequent years will be based on the actual charges for the previous year.

Service charges will apply if the property benefits from the service and is not dependant on the residents making use of the service.

Service charges will be apportioned equally between the number of properties of a block, regardless of size so if there are 10 properties in a block, each tenant will be charged 10 per cent of the total charges for the block.

OCHL will consult with residents before introducing a new service which will result in a charge. We will take the views of residents into account, however, some services may be required to comply with legislation, regulation or health and safety requirements. The consensus of all residents to introduce new services is not required.

**Allocation of Assured (Non-Shorthold) and Assured Shorthold Tenancies**

Properties will be allocated in accordance with the Oxford City Council Allocations Scheme and the Oxford Register for Affordable Housing (ORAH) Partnership Agreement. Oxford City Council’s Allocation Scheme sets out the criteria for the assessment of housing need and priority for housing.

The priority for housing will be determined by Oxford City Council taking into account a number of factors, including

* Overcrowding
* Homeless/threatened with homelessness
* Health or social and welfare needs
* Unsuitable housing
* Under-occupation
* Decant need

Oxford City Council will confirm the identity and status of all household members on an application, including

* Eligibility (passport/ immigration status)
* Proof of Identity
* Proof of Income/Savings

Oxford City Council will consider how suitable an applicant is for a particular property, taking account of issues such as

* Affordability
* The size and type of the property
* Family pets

OCHL will consider whether an applicant is suitable for an offer of accommodation. The reasons for this could include a history of unacceptable behaviour, such as:

* Rent arrears
* Anti-social behaviour or nuisance
* Housing fraud.

An applicant will also be considered unsuitable if they would not be able to afford to meet the rent payments on the property.

**Reviews and Appeals**

An OCHL appeal panel will consider requests for a review from applicants who have been rejected as unsuitable for a nomination.

Nine months into the Assured Shorthold Tenancy (Starter Tenancy), a review of the tenant’s conduct will be carried out, to determine whether an Assured (Non-Shorthold) Tenancy should be offered at the end of 12 months or whether the tenancy should be ended at the end of 12 months through the service of a Section 21 Notice. The rent payment history and the behaviour of the tenant will be considered as part of the review.

OCHL will ensure that there is an appeals process and that the Appeals Panel will decide the merits of the case and determine whether possession should be sought or whether an Assured (Non-Shorthold) Tenancy should be granted.

**Monitoring**

This policy will be monitored through the regular policy review programme.