

RENT CHARGING POLICY



Document Control

Document Owner: Director of Operations

Author: Compliance & Housing Management Team

Purpose: This policy sets out RGS Properties' approach to the setting, review, and management of rents across all property types managed by the organisation. The policy ensures that rents are charged fairly, consistently, transparently, and in accordance with relevant legislation, tenancy agreements, lease agreements, contractual obligations, and recognised good practice.

Version History

Version	Date	Review Date	Description
1.0	11 June 2026	11 June 2029	Initial Policy

Company Details

RGS Properties

Registered Name: **RG SERVICES PROPERTY LTD**

Company Number (CRN): **16848920**

Address: **167–169 Great Portland Street, London, England, United Kingdom, W1W 5PF**

Telephone: **+44 7400 054023**

Email: info@rgsproperties.co.uk

Website: www.rgsproperties.co.uk



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1. Introduction

RGS Properties provides and manages accommodation across a range of housing tenures including:

- Market Rent
- Affordable Housing
- Supported Accommodation
- Temporary Accommodation
- Shared Ownership
- Leasehold Properties
- Intermediate Rent
- Commercial Premises
- Garages and Parking Spaces

This policy establishes the principles and procedures used by RGS Properties when setting, reviewing, increasing, or varying rents and associated charges.

The policy aims to ensure compliance with:

- Tenancy Agreements
- Lease Agreements
- Housing Legislation
- Regulatory Requirements
- Local Authority Contract Requirements
- Government Funding Conditions
- Good Practice Guidance

2. Policy Aims

The aims of this policy are to:

- Ensure rents are fair, reasonable, and transparent.
- Apply rent-setting principles consistently across all property types.
- Maintain affordability for tenants wherever possible.
- Support long-term business sustainability.
- Ensure compliance with legal and contractual obligations.
- Provide clear information to tenants and leaseholders regarding rent reviews and increases.
- Protect the interests of tenants, residents, leaseholders, and stakeholders.





3. Policy Statement

RGS Properties is committed to operating a fair and transparent rent charging framework.

The organisation will:

- Set rents in accordance with tenancy agreements and leases.
- Review rents annually unless contractual arrangements specify otherwise.
- Provide appropriate notice of any rent increase.
- Ensure all rent calculations are supported by evidence.
- Maintain records of rent-setting decisions and supporting information.
- Communicate rent changes clearly and in writing.

No tenant shall normally be subject to more than one rent increase within any twelve-month period unless required by law, contractual arrangements, or exceptional circumstances.

4. Social and Supported Housing Rents

Where RGS Properties manages social or supported housing accommodation under local authority or government-funded schemes, rents will be charged in accordance with the applicable funding agreement, contract, or regulatory framework.

4.1 New Accommodation

When setting rents for new accommodation, RGS Properties will consider:

- Funding conditions.
- Local authority requirements.
- Property type and location.
- Market evidence.
- Affordability considerations.

4.2 Rent Reviews

Rents will normally be reviewed annually.

The review may consider:

- Consumer Price Index (CPI).
- Retail Price Index (RPI).
- Operating costs.
- Service delivery costs.
- Funding requirements.
- Market conditions.



Tenants will receive written notification of any changes in accordance with contractual and legal requirements.

4.3 Re-Lettings

Where a property becomes vacant and is re-let, the rent may be reviewed and adjusted to reflect:

- Current market conditions.
- Contractual obligations.
- Funding requirements.
- Local housing demand.

5. Affordable Housing Rents

Affordable Housing rents will be determined in accordance with any applicable funding conditions and local authority requirements.

5.1 New Affordable Accommodation

Initial rents will be determined using:

- Independent valuation evidence.
- Market rent comparisons.
- Funding restrictions.
- Affordability assessments.

5.2 Rent Reviews

Affordable Housing rents will normally be reviewed annually.

Any increase will be implemented in accordance with:

- Funding agreements.
- Government guidance.
- Tenancy agreements.

5.3 Re-Lettings

Where an Affordable Housing property is re-let, the rent will be reviewed against current valuation evidence and affordability considerations.



6. Fair Rents

Where Fair Rent protections apply, RGS Properties will comply with relevant legislation and determinations made by the Valuation Office Agency or relevant tribunal.

6.1 Rent Reviews

Fair Rents will be reviewed in accordance with applicable legislation and regulatory requirements.

6.2 Appeals

Tenants have the right to challenge rent determinations through the appropriate statutory process.

Information regarding appeal rights will be provided where applicable.

6.3 Re-Lettings

Upon re-letting, the rent applicable will be determined according to the relevant legal framework and tenancy type.

7. Other Rent Categories

7.1 Shared Ownership

Shared Ownership rents will be calculated in accordance with:

- Lease provisions.
- Homes England guidance.
- Funding conditions.

Rent will normally be based upon a percentage of the unsold equity.

7.2 Leasehold Arrangements

Any rental element payable under leasehold arrangements will be reviewed in accordance with lease terms.

7.3 Intermediate Rent / Rent to Buy

Intermediate Rent properties will normally be charged at below-market levels while remaining financially sustainable.

Rent reviews will follow the terms of the tenancy agreement and any funding requirements.

7.4 Market Rent

Market Rent properties will be charged at market levels determined through:

- Local market evidence.



- Letting agent advice.
- Comparable property analysis.
- Independent valuations where appropriate.

Market rents may be reviewed annually and adjusted to reflect prevailing market conditions.

7.5 Commercial and Business Rent

Commercial property rents will be set at full market value.

Reviews will be undertaken in accordance with lease agreements and applicable legislation.

7.6 Garage and Parking Space Charges

Charges for garages, parking spaces, and storage facilities will be reviewed periodically and benchmarked against local market rates.

VAT may apply where required by legislation.

8. Rent Review Approval Process

Annual rent review recommendations shall be approved by senior management before implementation.

Factors considered may include:

- Inflation.
- Operating costs.
- Market conditions.
- Regulatory changes.
- Service charge forecasts.
- Affordability assessments.
- Business sustainability.

No rent increase will be implemented without appropriate approval.

9. Data Quality and Assurance

RGS Properties recognises the importance of accurate rent data.

The organisation will:

- Maintain accurate rent records.
- Undertake regular audits.



- Review rent calculations.
- Retain supporting evidence.
- Correct errors promptly when identified.

Appropriate controls shall be maintained to minimise risks associated with rent setting and rent collection.

10. Equality, Diversity and Inclusion

RGS Properties is committed to ensuring that all policies and procedures are applied fairly and without discrimination.

The organisation will comply with the Equality Act 2010 and ensure that protected characteristics are considered when implementing this policy.

11. Statutory and Regulatory Framework

This policy is informed by relevant legislation and guidance including:

- Housing Act 1988
- Housing Act 1996
- Housing Act 2004
- Housing and Regeneration Act 2008
- Landlord and Tenant Act 1985
- Equality Act 2010
- Consumer Rights Act 2015
- Relevant Homes England Guidance
- Applicable Local Authority Requirements
- Data Protection Legislation

12. Complaints and Appeals

Any tenant who believes their rent has been incorrectly calculated may submit a complaint through the RGS Properties Complaints Procedure.

Complaints will be investigated promptly and fairly.

Where a legal right of appeal exists, tenants will be advised of the appropriate route.



13. Policy Monitoring and Review

This policy will be reviewed every three years or sooner where:

- Legislative changes occur.
- Regulatory requirements change.
- Business needs require amendment.
- Significant operational changes arise.

Appendix 1 – Formula Rent Guidance

Where formula rents apply, calculations shall be undertaken in accordance with applicable government guidance and regulatory requirements.

RGS Properties will maintain evidence supporting all calculations and reviews.

Appendix 2 – Shared Ownership Rent Calculation Example

Example:

Property Value: £250,000

Customer Share: 40%

Unsold Equity: 60%

Unsold Equity Value: £150,000

Annual Rent Percentage: 2.75%

Annual Rent:

$£150,000 \times 2.75\% = £4,125$

Monthly Rent:

$£4,125 \div 12 = £343.75$

Appendix 3 – Glossary of Terms

Affordable Rent – Housing offered below market levels in accordance with applicable funding arrangements.

Business Rent – Rent charged for commercial premises.

CPI – Consumer Price Index.



Fair Rent – Rent determined under applicable statutory provisions.

Leaseholder – A person holding a leasehold interest in a property.

Market Rent – Rent charged at prevailing open market rates.

RPI – Retail Price Index.

Shared Ownership – A housing arrangement where the resident purchases a share of the property and pays rent on the remaining share.

Tenant – A person occupying a property under a tenancy agreement.

Policy Approved By: Director

Policy Owner: RGS Properties Compliance Team

Review Frequency: Every 3 Years

Next Review Date: June 2029

