SCHEDULES

SCHEDULE 2

FURTHER PROVISION ABOUT SOCIAL HOUSING RENTS

PART 1

PROVISION ABOUT LEVELS OF RENTS

Modifications etc. (not altering text)

C1 Sch. 2 Pt. 1 excluded (1.4.2016) by The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016 (S.I. 2016/390), **regs. 1(1)**, 4

C1 Sch. 2 Pt. 1 modified (1.4.2016) by The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016 (S.I. 2016/390), **regs. 1(1)**, 10(1), 11, 12(1), 13 (with regs. 10(2), 12(2)) (as amended (1.3.2017) by S.I. 2017/91, regs. 1(2), 8(5) and (1.4.2017) by S.I. 2017/91, regs. 1(3), **7**)

C1 Sch. 2 Pt. 1 modified by S.I. 2016/390, regs. 11A(1), 11B (as inserted (1.4.2017) by The Social Housing Rents (Exceptions and Miscellaneous Provisions) (Amendment) Regulations 2017 (S.I. 2017/91), regs. 1(3), **6**)

Tenancy of existing social housing

1 (1) This paragraph applies in relation to a tenant of social housing in England if—

(a) the tenancy begins after the beginning of 8 July 2015, and

(b) the accommodation was social housing during the period starting with the beginning of 8 July 2015 and ending with the beginning of the tenancy.

(2) This paragraph does not apply if paragraph 3 applies.

(3) The registered provider must secure that the maximum amount of rent payable to the registered provider by the tenant in respect of—

(a) the first relevant year, where the tenancy begins before or at the beginning of the first relevant year,

(b) the part of the relevant year falling after the beginning of the tenancy, where the tenancy begins after the beginning of the first relevant year and not at the beginning of a later relevant year,

(c) the following relevant year, where the tenancy begins as described in paragraph (b), or

(d) the relevant year, other than the first relevant year, at the beginning of which the tenancy begins,

is no more than would be payable if the tenant were paying rent at the higher of the social rent rate and the assumed rent rate in respect of that relevant year or that part of a relevant year.

Changes to legislation: *There are currently no known outstanding effects for the Welfare Reform and Work Act 2016, Cross Heading: Tenancy of existing social housing. (See end of Document for details)*

(4) The social rent rate, in relation to the rent payable by a tenant of social housing in respect of the first or a subsequent relevant year, is the rate found by—
- (a) determining what would have been the rate of formula rent for that social housing at the beginning of 8 July 2015,
- (b) determining the rate of that rent when expressed by reference to a period of 12 months (if necessary), and
- (c) at the beginning of each relevant year (up to and including the relevant year in question), making a 1% reduction in the rate.

(5) The assumed rent rate, in relation to the rent payable by a tenant of social housing in respect of the first or a subsequent relevant year, is the rate found by—
- (a) determining the rate of the rent that—
  - (i) was payable at the beginning of 8 July 2015 by the person who was the tenant of that social housing, in a case where 8 July 2015 is the relevant day,
  - (ii) was payable at the beginning of the relevant day by the person who was the tenant of that social housing, in a case where the relevant day falls after 8 July 2015 and the person who was the tenant at the beginning of 8 July 2015 continued as tenant until at least that later time,
  - (iii) is likely to have been payable at the beginning of the relevant day by the person who was the tenant at the beginning of 8 July 2015 if the person's tenancy had continued until at least that later time, in a case where the relevant day falls after 8 July 2015 and the person who was the tenant at the beginning of 8 July 2015 ceased to be the tenant before that later time, or
  - (iv) is likely to have been payable at the beginning of the relevant day by a tenant of that social housing, in a case where there was no tenant at that time and sub-paragraph (iii) does not apply,
- (b) determining the rate of that rent when expressed by reference to a period of 12 months (if necessary), and
- (c) at the beginning of each relevant year (up to and including the relevant year in question), making a 1% reduction in the rate.

(6) If—
- (a) the tenancy comes to an end after part of a relevant year to which sub-paragraph (3) applies has elapsed, or
- (b) sub-paragraph (3)(a), (b), (c) or (d) ceases to apply in relation to the tenancy after part of the relevant year in question has elapsed,

sub-paragraph (3) has effect in relation to the part of the relevant year falling before that time with a proportionate reduction in the maximum amount of rent payable to the registered provider by the tenant.

(7) The Secretary of State may by regulations define “formula rent” and may, in particular, provide that it is a rent set in accordance with a method specified in the regulations.

(8) Regulations under sub-paragraph (7) may, in particular, make provision by reference to—

(a) the standard published in January 2015 by the regulator under section 194(2A) of the Housing and Regeneration Act 2008 (the powers of the regulator to set standards relating to levels of rent),

(b) *Rent Standard Guidance* published in January 2015 by the regulator, or

(c) *Guidance on Rents for Social Housing* published in May 2014 by the Secretary of State.

Commencement Information

I1 Sch. 2 para. 1 in force for specified purposes at Royal Assent, see s. 36(5)

I2 Sch. 2 para. 1 in force at 1.4.2016 in so far as not already in force by S.I. 2016/394, **reg. 4**

Changes to legislation:
There are currently no known outstanding effects for the Welfare Reform and Work Act 2016, Cross Heading: Tenancy of existing social housing.