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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Section 23 of the Welfare Reform and Work Act 2016 (“the 2016 Act”) introduces, for a period of 4 years, a 1% annual reduction to the rent payable by social tenants to registered providers of social housing in England. Schedule 2 to the 2016 Act introduces, for a period of 4 years, requirements about the maximum levels of rent for social tenancies beginning after the beginning of 8 July 2015. These Regulations set out exceptions to and circumstances in which exemptions may be given from the rent regime otherwise applicable, make alternative provision for certain excepted categories, and define certain terms used in the 2016 Act.

Regulation 2 defines key terms used in these Regulations.

Regulations 3 and 4 set out the categories of accommodation excepted from the rent reduction regime. Certain exceptions apply only during the first relevant year, others are relevant throughout the full 4 year period.

Regulations 5 to 8 and 14 set out the alternative provisions relating to the level of rent which may be charged which apply during or immediately after the period when certain exceptions under regulations 3 or 4 apply.

Regulations 9 to 13 modify the application of sections 23 of and Schedule 2 to the 2016 Act in situations where certain exceptions under regulations 3 or 4 apply.

Regulation 15 makes provision for directions to be made by the Regulator of Social Housing in respect of private registered providers of social housing and by the Secretary of State in respect of local authorities to disapply or modify the effect of regulations 5 to 14.

Regulation 16 sets out when references to “rent payable” by a tenant includes service charges.

Regulation 17 makes provision for an additional category of exemption for private registered providers, that is when they take over stock from another registered provider and a direction already applies in respect of that stock.

Regulation 18 and the Schedule set out the method for calculating “formula rent” for the purposes of Schedule 2 to the 2016 Act.

Regulation 19 defines “affordable rent housing”.

An impact assessment (“IA”) was published in respect of the 2016 Act. That IA may be accessed at <http://www.parliament.uk/documents/impact-assessments/IA15-006F.pdf>

Copies of documents referred to in these Regulations can be obtained as follows:

*Guidance on Rents for Social Housing*

<https://www.gov.uk/government/publications/guidance-on-rents-for-social-housing>

*Guide to Social Rent Reforms published by the Secretary of State in March 2001*

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/7836/139187.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7836/139187.pdf)

or in writing from:

Department for Communities and Local Government, Fry Building, 2 Marsham Street, London SW1P 4DF

*Rent Standard Guidance 2015*

<https://www.gov.uk/government/publications/rent-standard-guidance>

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

*Rent Standard Guidance 2012 published by the Regulator in March 2012*

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/320618/regulatory\\_framework\\_annex\\_a.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/320618/regulatory_framework_annex_a.pdf)

*Rent Influencing Regime Guidance published by the Housing Corporation in October 2001*

<http://webarchive.nationalarchives.gov.uk/20100113205514/http://www.housingcorp.gov.uk/server/show/conWebDoc.2370/changeNav/440>

*The Rent Standard*

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/419203/Rent\\_Standard\\_2015.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/419203/Rent_Standard_2015.pdf)

or in writing from:

Homes and Communities Agency, Fry Building, 2 Marsham Street, London SW1P 4DF

*RICS Valuation - Professional Standards UK January 2014 (revised April 2015)*

This can be purchased online at:

<http://www.rics.org/uk/knowledge/professional-guidance/red-book>

or in writing from:

The Royal Institution of Chartered Surveyors, 12 Great George Street (Parliament Square), London SW1P 3AD.