## STATUTORY INSTRUMENTS

## 2016 No. 390

## The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016

## Supported housing - modifications of Part 1 of Schedule 2

**11.** The modifications to the application of Part 1 of Schedule 2 to the Act mentioned in regulation 10 are as follows—

- (a) in paragraph 1(4)(a) for "the rate of formula rent" substitute "110% of the rate of formula rent";
- (b) for paragraph 1(4)(c) substitute—
  - "(c) (i) at the beginning of the first relevant year, making a 0.9% increase in the rate, and
    - (ii) at the beginning of each subsequent relevant year (up to and including the relevant year in question), making a 1% reduction in the rate.";
- (c) for paragraph 1(5)(c) substitute—
  - "(c) (i) at the beginning of the first relevant year, making a 0.9% increase in the rate, and
    - (ii) at the beginning of each subsequent relevant year (up to and including the relevant year in question), making a 1% reduction in the rate.";
- (d) after paragraph 3(1) insert—

"(1A) If the tenancy begins before the beginning of the first relevant year, the registered provider must secure that the maximum amount of rent payable to the registered provider by the tenant in respect of the first relevant year is the higher of the amounts described in sub-paragraphs (1B) and (1C).

- (1B) The amount found by—
  - (a) determining the rate of the market rent for that social housing when the tenancy began; and
  - (b) determining the amount that is the sum of—
    - (i) 80% of the amount that would be payable in respect of the part of the relevant year that preceded the anniversary of the beginning of the tenancy if that rate had applied during that period, and
    - (ii) 80.9% of the amount that would be payable in respect of the part of the relevant year beginning with the anniversary of the beginning of the tenancy if that rate had applied during that period.

(1C) The amount that would be payable in respect of the first relevant year if the tenant were paying rent at the social rent rate."; and

(e) in paragraph 3(2) omit "before or".