STATUTORY INSTRUMENTS

2016 No. 390

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

Almshouse accommodation etc. – modifications of Part 1 of Schedule 2

- **13.** The modifications to the application of Part 1 of Schedule 2 to the Act mentioned in regulation 12 are as follows—
 - (a) at the beginning of paragraph 1(4) insert "Subject to sub-paragraphs (4A) and (4B),";
 - (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) after paragraph 1(4) insert—
 - "(4A) In the case of a tenancy beginning before or at the beginning of the first relevant year, the social rent rate in the first relevant year is 105% of the rate found in accordance with sub-paragraph (4).
 - (4B) In the case of a tenancy beginning after the beginning of the first relevant year but before the beginning of the second relevant year—
 - (a) the social rent rate in the first relevant year is 105% of the rate found in accordance with sub-paragraph (4); and
 - (b) if in the first relevant year the rent payable by the tenant was higher than the maximum rent found in accordance with sub-paragraph (4) then in the second relevant year the social rent rate is the amount found by—
 - (i) determining the rate of rent payable by the tenant in the first relevant year when expressed by reference to a period of 12 months, and
 - (ii) making a 1% reduction in the rate.";
 - (d) 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.";
 - (e) 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
- (f) in paragraph 3(2) omit "before or".