

RENT REVIEW **FAQs**

WHY HAS MY RENT INCREASED?

Back in April 2016, the Welfare Reform and Work Act 2016 required social housing to reduce their rents by 1% each year for four years. Unless you had an increase in your service charges, your gross rent will have reduced.

However, due to changes in government policy, from 1 April 2020 annual rent on both social rent and affordable rent properties, can now be increased by the value of the Consumer Price Index (CPI) plus 1%, for at least five years. This is something that many Housing Associations are doing.

WHAT ARE MY SERVICE CHARGES FOR?

Service charges are amounts payable for services, repairs, maintenance, improvements, insurance or the landlord's costs of management. A breakdown of your service charges (if applicable) will be provided in your rent review letter, which you will receive by March 2020.

HOW ARE MY SERVICE CHARGES CALCULATED?

We set a budget based on the estimated costs of providing services for the forthcoming financial year. At the end of each financial year, the actual costs incurred are compared to the estimated budget, which will then show whether we spent more than, or less than, estimated. This new figure then goes on to inform the setting of the budget for the next financial year, and so on.

HOW AND WHEN DO I NOTIFY HOUSING BENEFIT OF MY RENT CHANGES?

If you are in receipt of Housing Benefit, it is your responsibility to notify the Housing Benefit department of your new rent and service charge. It is best to notify them as soon as you receive your rent review letter but no later than **one calendar month after the date of change**. You should do this by providing a copy of your rent review letter to your local Housing Benefit office.

HOW AND WHEN DO I NOTIFY UNIVERSAL CREDIT OF MY RENT CHANGES?

It is your responsibility to notify the DWP of your new rent and service charge **on, or as soon after, the 6 April 2020**, as possible. You should do this by completing the “To-Do” via your UC Journal. The To-Do will be entitled “Update your Housing Costs”.

WHAT IF I DON'T HAVE AN ONLINE JOURNAL OR IF I AM UNABLE TO ACCESS IT?

You should contact Jobcentre Plus and request an appointment with your work coach. Don't forget to take your rent review letter with you so that they can take a copy and update your account.

WHAT WILL HAPPEN TO MY DIRECT DEBIT?

If you pay by Direct Debit, we will automatically update the value to reflect the new rent amount.

WHAT IF I HAVE ARREARS?

We will only automatically increase your Direct Debit payment to the new rent cost. We **will not** include an additional amount towards the arrears unless there is a pre-existing agreement or court order.

If there is no agreement in place, we will work with you to set up a repayment plan and amend your Direct Debit accordingly, once this agreed and in place.

WHAT IF I ONLY PAY PART OF MY RENT THROUGH DIRECT DEBIT AND MY BENEFIT COVERS THE REST?

If your Direct Debit covers a non-dependent deduction, under-occupancy deduction, overpayment recovery or ineligible service charge, we will amend your Direct Debit accordingly.

If we are unable to calculate what your Direct Debit needs to be, we will await to receive notification of your new benefit entitlement. It is important that you notify us as soon as you receive your notification letter so that we can adjust your Direct Debit without delay.

WHAT IF I AM IN CREDIT?

We **will not** reduce your Direct Debit to deplete the amount of credit on your account. All refunds will be dealt with through the normal process.