

HRA Rent Setting Report - Rent Summary

Historic Rent Regime Weekly Rents - Formula, Current and Proposed Social Rents

- The Historic Rent Regime levels are slightly lower than Target Formula Rent
- It is estimated that approximately 2000 HRA dwellings are currently paying Target Formula Rents with approximately 400 dwellings per year transferring from the historic rents policy

Number of Bedrooms	2022/23	2023/24	2023/24	
	Historic Rents - Weekly Rent - Averages	Historic Rents - Proposed Weekly Rent - Averages	Proposed Average Weekly Rent 7% (Rent Cap %)	Increase in Weekly Rent 7% (Rent Cap %)
Studio	£66.43	£71.08	£4.65	7.0%
1	£83.73	£89.60	£5.86	7.0%
2	£92.08	£98.53	£6.45	7.0%
3	£104.24	£111.54	£7.30	7.0%
4	£113.71	£121.67	£7.96	7.0%
5	£154.37	£165.18	£10.81	7.0%
Averages Based on all HRA Social Rent Stock	£94.09	£100.68	£6.59	7.0%

Target Formula Weekly Rents - Formula, Current and Proposed Social Rents

- From April 2016 the national rent policy was updated with all NEW Social Rent Tenancies being charged Target Formula Social Rent
- Target Formula rents are applied when a dwelling becomes void and re-let, existing tenancies prior to this policy change continue under the historic rent regime with inflation linked in line with national rent policy

Number of Bedrooms	2022/23	2023/24	2023/24	
	Target Formula Rent - Averages	Target Formula Rent - Proposed Weekly Rent - Averages	Proposed Average Weekly Rent 7% (Rent Cap %)	Increase in Weekly Rent 7% (Rent Cap %)
Studio	£70.03	£74.93	£4.90	7.0%
1	£89.36	£95.62	£6.26	7.0%
2	£98.05	£104.91	£6.86	7.0%
3	£112.29	£120.15	£7.86	7.0%
4	£125.40	£134.18	£8.78	7.0%
5	£170.25	£182.17	£11.92	7.0%
Averages Based on all HRA Social Rent Stock	£100.69	£107.74	£7.05	7.0%

"Warwick" Affordable Rent - Existing Schemes Only from April 2021

- Prior to April 2021 "Warwick Affordable Rents" were charged which was a local policy to charge a mid point between National Affordable Rents and Target Social Rent
- In 2020 Homes England Investment Partner Status was achieved so National Affordable Rents will now apply from April 2021 on all new Affordable tenancies
- Existing tenants will continue to pay "Warwick Affordable Rents" for the remainder of their tenancy to ensure financial hardship is not caused by this policy change
- The average market rent for "Warwick Affordable Rent" Schemes is based on independent valuations prepared upon completion of Sayer Court (2016) and Bremridge Close (2019) by a RICS registered Valuer.
- The average market rent is based on median weekly rents data from Hometrack .
- Affordable rent is calculated at 80% of the market rent
- "Warwick" affordable rent is calculated at the midpoint between affordable rent and target social rent
- Some affordable rents properties are subject to a service charge of £7.39 per week

Number of Bedrooms & Property Type (sc/B denotes different schemes)	2022/23 Rent Per Week	2023/24 Rent Per Week		
	Average "Warwick" Affordable Rent (existing tenancies)	Warwick Affordable Rent *** (existing tenancies Only)	Average Proposed increase for Existing Tenants Only from 1st April 2023	
1 Apartment (SC)	£114.03	£122.01	£7.98	7.0%
2 Apartment (SC)	£138.29	£147.97	£9.68	7.0%
2 Bungalow (SC)	£150.71	£161.26	£10.55	7.0%
3 Bungalow (SC)	£176.78	£189.16	£12.37	7.0%
2 House (B)	£134.92	£144.36	£9.44	7.0%
3 House (B)	£158.37	£169.45	£11.09	7.0%
2 Bungalow (B)	£134.92	£144.36	£9.44	7.0%

National Affordable Rent - New Affordable Schemes from April 2021

- National Affordable Rents Policy will apply to all Affordable Tenancies from April 2021.
- Historic Affordable Housing Stock currently paying "Warwick Affordable" Rents will transfer to the National Affordable rent levels when dwellings become void and are re-let.
- Affordable rent is calculated at 80% of the market rent using the Average Market Rents sourced from Hometrack for the Warwick District area at December 2020

Existing Tenancies

Number of Bedrooms	2021/22 Rent Per Week		2022/23 Rent Per Week			2023/24 Rent Per Week		
	Average Local Market Rent (Hometrack Dec 2020)	Average Affordable Rent - 80% of local Market Rent	Average Affordable Rent - 80% of local Market Rent	Proposed increase for Existing Tenants Only	2022/23 Proposed Average Increase in Weekly Rent 4.1% (CPI 3.1% + 1%)	Average Affordable Rent - 80% of local Market Rent	Proposed increase for Existing Tenants Only	2023/24 Proposed Average Increase in Weekly Rent 7% (Rent Cap %)
1	£159.00	£127.20	£132.42	£5.22	4.1%	£141.68	£9.27	7.0%
2	£196.00	£156.80	£163.23	£6.43	4.1%	£174.65	£11.43	7.0%
3	£259.00	£207.20	£215.70	£8.50	4.1%	£230.79	£15.10	7.0%
4	£350.00	£280.00	£291.48	£11.48	4.1%	£311.88	£20.40	7.0%

New Tenancies from April 2023

Number of Bedrooms	2023/24 Rent Per Week	
	Average Local Market Rent (Hometrack Dec 2022)	Average Affordable Rent - 80% of local Market Rent
1	£173.00	£138.40
2	£219.00	£175.20
3	£300.00	£240.00
4	£392.00	£313.60