



Rent and Service Charge Setting Policy - Quick Guide (V1.1).

What this policy is about

This quick guide provides a brief overview of the Rent and Service Charge Setting Policy. It explains how rents and service charges are set, reviewed and increased, and how tenants, leaseholders and shared owners are consulted.

Who it applies to

This policy applies to:

- tenants
- leaseholders
- shared owners

It also covers garages, parking spaces and other housing-related charges.

Our approach to rent setting (See policy: Our Approach to Rent Setting p4-6)

We set rents in line with government rules and the Regulator of Social Housing's Rent Standard, ensuring rents are fair, affordable and legally compliant, while supporting a sustainable Housing Revenue Account.

Homes are let at either **social rent** or **affordable rent**, depending on the property and funding.

We do not set rents higher than allowed by law or regulation, and we aim to keep rents affordable while maintaining homes and services.

Types of rent (See policy: Social Rent, Affordable Rent & Shared Ownership p4-6)

- **Social rent** is set using a government formula and is subject to a rent cap.
- **Affordable rent** is set at no more than **80% of the market rent**, including service charges.
- **Shared ownership rent** is set and reviewed in line with the lease.

Rents for new lets or re-lets are set at the maximum level permitted by law and regulation.

Service charges (See policy: Our Approach to Service Charge Setting p.6-8)

Service charges cover the cost of providing services to homes and estates.

- Most tenants pay **fixed service charges**, based on previous costs.
- Leaseholders and some tenants pay **variable service charges**, based on actual costs.
- Charges may differ for houses, flats and sheltered housing.

Service charges are set in line with tenancy agreements and leases.

Leaseholders and residents who pay variable service charges receive information showing how charges are calculated and have the right to question or challenge service charges in line with the lease and legislation.

Garages, parking and other charges (See policy: Our Tenure Offer. p4)

Charges may apply for garages, parking spaces and other facilities.

These are set based on location, demand and whether the customer is a tenant, leaseholder or shared owner.

VAT and rates may apply in some cases.

Annual rent and service charge reviews (See policy: Annual reviews p8)

Rents and service charges are reviewed **once a year** in line with government policy.

We consult tenants, leaseholders and shared owners before decisions are made and consider feedback as part of the process.

Once approved, residents are given **at least one month's written notice** of any changes.

Further information

This is a summary only. For full details about how rents and service charges are calculated, reviewed and consulted on, please refer to the Rent and Service Charge Setting Policy or contact Portsmouth Homes.

Information is available in alternative formats on request.

Link: [Rent and Service Charge Policy](#)

