

Schedule 2
Rent Scheme

SCHEDULE 2

Rent Scheme

This Rent Scheme applies to the Social Rented Homes.

In this Schedule the following words and phrases shall have the following meanings:

RPI means the Retail Prices Index published monthly by the Office for National Statistics or failing such application or in the event of a fundamental change to that index, such other index as the parties may agree, or such adjustments to that index as the parties may agree (in each case with the intention of putting the parties in no better nor worse position than they would have been had the index not ceased to be published or the relevant fundamental change not been made) or, in the event that no such agreement is reached, as may be determined in accordance with clause 26 (Dispute Resolution);

True Void shall have the meaning given to it in the Nomination Rights Deed for Social Rented Homes.

1. Initial Rent

When a Social Rented Home is first let to an Existing Tenant or a New Tenant, the RP shall charge the Initial Rent as calculated in accordance with paragraph 3.

2. Rent on True Voids

When a Social Rented Home becomes available for letting as a True Void the RP shall charge rent set at a Target Rent level.

3. Method for Calculating Rents

The Initial Rent will be calculated in accordance with the formula for setting Target Rents. Rents will be uplifted every March by RPI + 0.5% using RPI as at the preceding September.

4. Change of Law

4.1. If there is any change in law relating to rents which may be set for social housing (being similar to the Social Rented Homes) after the date of this Agreement which impacts on this Rent Scheme the RP may propose a relevant Change relating to this Rent Scheme though the Council shall not be obliged to agree to any such Change unless (and only to the extent that) the relevant change in law would render a rent set under this Rent Scheme unlawful or would place the RP in breach of any guidance with which the RP is required to comply issued by a body which regulates the RP or provides funding to the RP (other than on commercial terms).

4.2. Subject to paragraph 4.1 unless the parties agree otherwise any increase in rents charged to tenants of the Social Rented Homes shall only exceed those which would otherwise be calculated under this Rent Scheme by the amount necessary to prevent those rents being unlawful or would place the RP in breach of any guidance with which the RP is required to comply issued by a body which regulates the RP or provides funding to the RP (other than on commercial terms).