

## **Wandsworth Council Affordable Rent Guidance** **(Updated 1<sup>st</sup> October 2013 – See Paper No. 13-579 for** **Executive Decision)**

Affordable Rents (which are higher than social rents but lower than market rents) can be charged on new build properties and re-let properties that form part of an agreed development programme with the Homes and Communities Agency (HCA) or the Greater London Authority (GLA).

### **Rent levels – General needs housing**

As set out in the Council's Tenancy and Rent Strategy (published June 2012) the Council expects registered providers to ensure that affordable rents in Wandsworth are set with regard to the Affordable Rent levels approved by the Council (which are reviewed annually and set out in the table below) or at such other rent levels as may be agreed with the Council. Any Affordable Rent levels that are set for Wandsworth should be discussed with the Council's Housing Development Manager.

In setting Affordable Rent guidance, the Council has to address two objectives: the need to ensure affordable rents are affordable relative to average incomes in the Borough, taking into account housing benefit and welfare benefit caps, and the ability of registered providers to optimise rent income to support affordable housing delivery in the Borough.

<b>Affordable Rent levels approved by Wandsworth Council (Maximum Weekly Rent and Service Charge)</b>				
	1 bed	2 bed	3 bed	4 bed
<b>Current approved Affordable Rent levels</b> (applicable from 1 October 2013) (approved September 2013 Paper No. 13-579)	<b>£194</b>	<b>£209</b>	<b>£224</b>	<b>£230</b>
Previous levels (approved July 2012 Paper No. 12-350)	£190	£205	£218	£230
Figures for comparison:				
Median private sector rents March 2013	£280	£350	£460	£650
Current approved Affordable Rent levels as rents as % of median private sector rents March 2013	69%	60%	49%	35%
Local Housing Allowance rate July 2013	£234	£294	£347	£408
Current approved Affordable Rent levels as rents as % of Local Housing Allowance Rate July 2013	83%	71%	65%	56%

### **Rent levels – Supported housing (including sheltered housing)**

As set out in the Council's Tenancy and Rent Strategy (published June 2012) due to the complexity of assessing, for benefit purposes, what a reasonable rent (including service charges) is for supported housing, registered providers must agree rents and service charges with the Council.