

UTTLESFORD DISTRICT COUNCIL

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19 December 2022

Referrals and Regulatory Enquiries team Regulator of Social Housing Level 2, 7-8 Wellington Place Leeds LS1 4AP

Our ref: PH/sk

Sent via email to: enquiries@rsh.gov.uk

> Please ask for Peter Holt on 01799 510400 email: pholt@uttlesford.gov.uk

Dear Sir/Madam

RENT SETTING – SELF-REFERRAL FOR NON-COMPLIANCE AGAINST THE RENT STANDARD

I am writing to inform you that we have identified that we are non-compliant with the Rent Standard, and to tell you how we intend to put this right.

As part of a comprehensive review of our housing landlord service, we commissioned a full and independent review of rent stetting by Altair. Altair has identified that rents have been incorrectly increased above the maximum allowable limits. In total the rents were increased by 1.7% for 2021/22 and by 4.9% for 2022/23 against the RSH published limits of 1.5% and 4.1% respectively.

We have identified that the error has arisen due to the use of the CPI-H index rather that the correct CPI index for those years. It affects all formula and affordable rent units totalling 2,811 units.

I can confirm that the error is confined to the two years above. We can confirm that prior to 2021, the rents were correctly set, and this has been validated by Altair.

Having quantified the refund due, we have set up a project team to put in place an action plan for:

- 1. Adjusting rent charges to the correct amount as required by the Rent Standard
- 2. Communicating with tenants to inform them of the error and of their new rent charge, along with an explanation of how we intend to refund the overpayments, and the timescale within which we will do this
- 3. Producing a new rent setting policy and rent setting sign off procedure, which will include additional controls to guard against future errors
- 4. Contacting former tenants and locating next of kins in relation to deceased tenants
- 5. Liaising with the Council's housing benefit team to agree the way forward where rent has been wholly, or part paid by housing benefits

Our initial estimate of the refund due is c. £157k over the two years.



We will repay all over payments, plus interest on any overpayments at a rate to be confirmed.

The matter has been reported to our Elected Members who have approved the above actions.

Please let us know whether you would like to discuss this with us, and what further information you would like to see.

Yours faithfully

Pet Holt

Peter Holt Chief Executive