

Meeting: Cabinet

Date: 17 February 2026

Wards affected: All Wards

Report Title: Rent and Service Charge Policy

When does the decision need to be implemented? April 2026

Cabinet Member Contact Details: Councillor Alan Tyerman, Cabinet Member for Housing and Finance, alan.tyerman@torbay.gov.uk

Director Contact Details: David Carter, Director of Regeneration, david.carter@torbay.gov.uk

1. Purpose of Report

- 1.1. The report seeks approval to adopt an updated Rent and Service Charge Setting Policy, which sets the framework for implementing proposed annual rent increases for Torbay Council's housing stock, to be implemented from 01 April 2026.
- 1.2. The Council, as a social housing landlord, is required to meet the requirements set out in the Government's Rent Standard Guidance. As such, the proposal is to increase rents charged by CPI + 1% for homes owned and let as either social rented or affordable rented housing (it should be noted that Temporary Accommodation does not fall under the Government Rent Standard).
- 1.3. Furthermore, for the Council to update by a maximum of CPI + 1%, for the remainder of the period covered by the current Rent Standard.

2. Reason for Proposal and its benefits

- 2.1. The proposal in this report help us to deliver our vision of a healthy, happy, and prosperous Torbay by ensuring fair rent for the Council's housing stock.
- 2.2. The Council is required to adopt a Rent and Service Charge Policy, which sets the framework for all its housing stock, which manages tenants expectations in respect of annual increases, and gives certainty to the Council for business planning purposes.
- 2.3. The Council is obliged to meet the requirements set by Government in this regard, and so this paper brings our rent policy into line with the national standard and expectation.

3. Recommendation(s) / Proposed Decision

- 3.1 that the Rent and Service Charge Setting Policy set out at Appendix 1 be approved;
- 3.2 that Council on 26 February 2026 be recommended to approve as part of the Revenue Budget Fees and Charges the proposed rent increase for 2026/2027 whereby all Social Housing rents are increased by CPI+1%, equalling 4.8% in total; and
- 3.3 that rent reviews take place on all Service Occupancy properties and those rents be increased up to open market value.
- 3.4 That delegated authority be provided to the Director of Regeneration, in consultation with the Cabinet Member for Housing and Finance, to approve an annual update to this policy, for the remainder of the period covered by the Rent Standard and Guidance (subject to Government Policy continuing to cap annual increases to rent and service charge to CPI + 1%)

4. Appendices

Appendix 1: Rent and Service Charge Policy

5. Background Documents

[Rent Standard and Guidance - GOV.UK](#)

Supporting Information

6. Introduction

- 6.1 Social Housing tenants need to receive at least one month's notice to increase their rent; notices are normally hand delivered the last week in February.
- 6.2 This paper sets out an approach to ensure our Rents and Service Charges remain in accordance with the requirements set by the Government's Rent Standard, published in February 2026 with a simplified mechanism to update in future years, for as long as the current Rent Standard remains in force.

7. Options under consideration

- 7.1 Not applicable

8. Financial Opportunities and Implications

- 8.1 Agreeing a policy that proposes rent increases below what is permitted under the Government's Rent Standard has the potential to create revenue pressures with the management and maintenance of our properties. The proposal as set out reduces this risk and keeps the Council in-step with the national policy position.
- 8.2 Furthermore, any inflationary increase below this amount would severely hinder the Council's ability to deliver any further new social housing, as annual rent increases are essential to fund new long-term borrowing.

9. Legal Implications

- 9.1 This policy is in accordance with the government's stated requirement for landlords of social housing

10. Engagement and Consultation

- 10.1 Not applicable

11. Procurement Implications

- 11.1 Not applicable

12. Protecting our naturally inspiring Bay and tackling Climate Change

- 12.1 Not applicable

13. Associated Risks

- 13.1. Any inflationary increase has the potential to increase the risk of default in respect of payment. However, the Council operates an effective housing management service, who are tasked with working closely with individual tenants to manage this risk appropriately.
- 13.2. Whilst there is a very small risk of default, this is a normal issue for social housing landlords. However, without inflating rents, the Council would be unable to borrow the necessary capital to fund new housing delivery; the impact of this would far outweighs the impact of this inflationary increase and so on balance, officers strongly recommend that this paper should be endorsed in full, to provide fairness and transparency to our tenants, and to ensure we can continue to deliver new affordable homes for local households.

14. Equality Impact Assessment

Protected characteristics under the Equality Act and groups with increased vulnerability	Data and insight	Equality considerations (including any adverse impacts)	Mitigation activities	Responsible department and timeframe for implementing mitigation activities
Age	<p>18 per cent of Torbay residents are under 18 years old.</p> <p>55 per cent of Torbay residents are aged between 18 to 64 years old.</p> <p>27 per cent of Torbay residents are aged 65 and older.</p>	<p>Safe, secure and affordable accommodation is vital to ensure wellbeing. This is key as people tend to experience increased fragility as they age.</p> <p>It is recognised that paying fees and charges may be difficult for some pensioners due to high levels of poverty within this demographic. Furthermore, some pensioners may difficulty accessing financial wellbeing information due to the societal shift to 'digital first' models of service delivery.</p> <p>Safe, secure and affordable accommodation is also important for children and young people to ensure that they can reach their potential.</p>	<p>We will work in a person centred and trauma informed manner alongside other Council departments to ensure that individual needs are met.</p> <p>Information about charges and fees will be clearly communicated to tenants in a format and manner that is accessible to them. The service will also signpost service users to partner agencies where additional support is required.</p> <p>This signposting will supplement the information about the cost-of-living crisis</p>	<p>Pride in Place</p> <p>Rent Arrears and Debt Recovery policy promotes a payment culture, early intervention when arrears occur and signposting to relevant agency.</p>

			<p>which is provided by Torbay Council.</p> <p><u>Help with the cost of living - Torbay Council</u></p>	
Carers	<p>At the time of the 2021 census there were 14,900 unpaid carers in Torbay. 5,185 of these provided 50 hours or more of care.</p>	<p>Safe, secure and affordable accommodation is vital to ensure wellbeing.</p> <p>It is recognised that paying fees and charges may be difficult for some carers due to higher levels of poverty within this demographic.</p> <p>However, it is recognised that people with caring responsibilities are more likely to experience financial hardship.</p>	<p>We will work in a person centred and trauma informed manner alongside other Council departments to ensure that individual needs are met.</p> <p>Information about charges and fees will be clearly communicated to tenants in a format and manner that is accessible to them. The service will also signpost service users to partner agencies where additional support is required.</p> <p>This signposting will supplement the information about the cost-of-living crisis which is provided by Torbay Council.</p> <p><u>Help with the cost of living - Torbay Council</u></p>	Pride in Place

Disability	<p>In the 2021 Census, 23.8% of Torbay residents answered that their day-to-day activities were limited a little or a lot by a physical or mental health condition or illness.</p>	<p>Safe, secure and affordable accommodation is vital to ensure wellbeing.</p> <p>It is recognised that people with disabilities and in particular learning disabilities face increased vulnerabilities when compared to the wider population.</p> <p>It is recognised that paying fees and charges may be difficult for some people with disabilities due to higher levels of poverty within this demographic.</p> <p>It is also recognised that those with some mental health conditions may find applying for financial support daunting.</p>	<p>We will work in a person centred and trauma informed manner alongside other Council departments to ensure that individual needs are met.</p> <p>Information about charges and fees will be clearly communicated to tenants in a format and manner that is accessible to them. The service will also signpost service users to partner agencies where additional support is required.</p> <p>This signposting will supplement the information about the cost-of-living crisis which is provided by Torbay Council.</p> <p><u>Help with the cost of living - Torbay Council</u></p>	Pride in Place
Gender reassignment	<p>In the 2021 Census, 0.4% of Torbay's community answered that their gender identity was not the same as their sex registered at birth.</p>	<p>There is no differential impact anticipated.</p>	<p>Not applicable</p>	<p>Not applicable</p>

	This proportion is similar to the Southwest and is lower than England.			
Marriage and civil partnership	Of those Torbay residents aged 16 and over at the time of 2021 Census, 44.2% of people were married or in a registered civil partnership.	There is no differential impact.	Not applicable	Not applicable
Pregnancy and maternity	Over the period 2010 to 2021, the rate of live births (as a proportion of females aged 15 to 44) has been slightly but significantly higher in Torbay (average of 63.7 per 1,000) than England (60.2) and the South West (58.4). There has been a notable fall in the numbers of live births since the middle of the last decade across all geographical areas.	There is no differential impact.	Not applicable	Not applicable
Race	In the 2021 Census, 96.1% of Torbay residents described their ethnicity as white. This is a higher proportion than the South West and England. Black, Asian and minority ethnic individuals are more likely to live in areas of Torbay classified as being amongst	It is recognised that people who are from black, Asian or minority ethnic backgrounds are more likely to experience financial hardship.	We will work in a person centred and trauma informed manner alongside other Council departments to ensure that individual needs are met. Information about charges and fees will be clearly communicated to	

	<p>the 20% most deprived areas in England.</p>		<p>tenants in a format and manner that is accessible to them. The service will also signpost service users to partner agencies where additional support is required.</p> <p>This signposting will supplement the information about the cost-of-living crisis which is provided by Torbay Council, this includes links for benefit and finance advice, housing and homelessness.</p> <p><u>Help with the cost of living - Torbay Council</u></p>	
Religion and belief	64.8% of Torbay residents who stated that they have a religion in the 2021 census.	There is no differential impact.	Not applicable	Not applicable
Sex	51.3% of Torbay's population are female and 48.7% are male	It is recognised that families and households headed by females are more likely to experience financial hardship and be on lower income and thus, experience homelessness.	We will work in a person centred and trauma informed manner alongside other Council departments to ensure that individual needs are met.	Pride in Place

		<p>Information about charges and fees will be clearly communicated to tenants in a format and manner that is accessible to them. The service will also signpost service users to partner agencies where additional support is required.</p> <p>This signposting will supplement the information about the cost-of-living crisis which is provided by Torbay Council.</p> <p><u>Help with the cost of living - Torbay Council</u></p>		
Sexual orientation	In the 2021 Census, 3.4% of those in Torbay aged over 16 identified their sexuality as either Lesbian, Gay, Bisexual or, used another term to describe their sexual orientation.	There is no differential impact		Not applicable
Armed Forces Community	In 2021, 3.8% of residents in England reported that they had previously served in the UK armed forces. In Torbay,	Veterans often suffer complex physical and/or mental medical conditions resulting from their service experiences.	We will work in a person centred and trauma informed manner alongside other Council departments to ensure	Pride in Place

<p>5.9 per cent of the population have previously served in the UK armed forces.</p>	<p>Torbay Council is committed to working with Veterans under the Localism Act.</p>	<p>that individual needs are met.</p> <p>Information about charges and fees will be clearly communicated to tenants in a format and manner that is accessible to them. The service will also signpost service users to partner agencies where additional support is required.</p> <p>This signposting will supplement the information about the cost-of-living crisis which is provided by Torbay Council. Help with the cost of living - Torbay Council.</p> <p><u>Help with the cost of living - Torbay Council</u></p> <p>We will also signpost to appropriate organisations providing support to the armed forces community.</p>	
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Additional considerations				
Socio-economic impacts (Including impacts on child poverty and deprivation)		Torbay Council set rents under the Rent Standard set by the Government. Rents are capped at the Local Housing Allowance rate.	That we take steps under this policy to support this.	Pride in Place
Public Health impacts (Including impacts on the general health of the population of Torbay)		There is no differential impact anticipated	Not applicable	Not applicable
Human Rights impacts		There is no differential impact anticipated	Not applicable	Not applicable
Child Friendly	Torbay Council is a Child Friendly Council, and all staff and Councillors are Corporate Parents and have a responsibility towards cared for and care experienced children and young people.	There is no differential impact anticipated	Not applicable	Not applicable

15. Cumulative Council Impact

15.1. None

16. Cumulative Community Impacts

16.1. None