



Kennett Community Land Trust

Rent Setting Statement

Kennett Community Land Trust is a Charitable Community Benefit Society registered with the FCA under number 7443, registered office 66 Station Road, Kennett, Newmarket CB8 7QF

Kennett Community Land Trust (KCLT) is committed to working within the guidance contained within or subsequent editions/amendments as applicable:

The Rent Standard 2020 [Rent Standard 2020 - GOV.UK](#)

The Rent Standard 2023

And the Limit on annual rent increases 2025-2026 [Limit on annual rent increases 2025-26 - from April 2025 - GOV.UK](#)

Introduction

The following information describes KCLT's approach to the setting of rents, in accordance with its objectives as a Charitable Community Benefit Society providing Affordable Housing and a prospective Registered Provider of Social Housing.

The Rent Standard shall be applied to affordable housing let by KCLT. It excludes

- Shared ownership low-cost rental accommodation
- Intermediate rent accommodation
- Specialised supported housing
- PFI Social housing
- Temporary social housing
- Care homes

This information and the Rent Setting Policy shall apply to the setting, and changes to, the rents and service charges levied by KCLT.

Context

Affordable Rent

Affordable rents shall be set as follows:

First lets

- Total rent, including service charges, shall be set to no higher than 80% of gross market rent
- 80% of market rent shall be considered an upper limit
- Affordable rent as set shall be no lower than the calculated Formula rent
- Valuations for initial rent settling shall be in accordance with 'Red Book' methodology and be carried out by an RICS charged valuer of good standing with experience and professional knowledge of the local geographic area
- Valuations provided within a scheme may be done on a general unit type basis

Changes to Rent

- Rental increases may be increased from April 1 each year, by the annual CPI index +1%. CPI shall be as per annual CPI as per published UK statistics figure for September of the previous year.
- Annual rent increases shall be on the approval of the Board, and the Board shall be free to consider increases at a lower level or rent freezes, if this is appropriate to market context or affordability.

Re-lets

- On re-letting the property to a new tenant, the rent may be recalculated based on an updated valuation report or where local information is readily available use a desk top review of recent transactions.

Rent Formula

Where it is necessary to establish the Rent Formula for comparison KCLT will use [Policy statement on rents for social housing - GOV.UK](#) to establish the formula as follows:

- 70% of national average rent
- X relative county earnings
- X bedroom weighting

Plus

- 30% of national average rent
- X relative property value

The formula rent shall be calculated according to this equation, using the baseline information provided in the Rent Setting Policy and a 'Red Book' valuation advice as provided formally by an RICS chartered value of good reputation and knowledge of the geographic area of the scheme.

Shared Ownership Rents

Shared ownership rents are subject to compliance with the Capital Funding Guide which states the initial rent should be no more than 3% of the capital value of the unsold equity but it can be less. KCLT will set the shared ownership rent based on 2.75% of the value of the unsold equity for the Garden Village scheme as stated in the section 106 agreement. Service charges are in addition to the rent element.

Resales, where dealt with by assignment, will have the same rent applied as the previous shared owner. Where the re-sale is dealt with by lease surrender and re-grant, and where there is a simultaneous staircasing, the rent applied will be re-set at 2.75% of the current value of any unsold equity remaining.

Shared ownership rents will be reviewed annually in accordance with the terms set out in the respective lease agreement.

Rent Review Period

Unless otherwise specified in the tenancy or lease agreement monthly tenancies will be reviewed on the first day of April

A minimum notice period of one month will be given to all residents to notify them formally of changes to their rent charges.

Related Policies

- Tenancy Agreement
- Voids and Reletting Procedure
- Allocations and Letting Policy
- Rent setting Policy

Policy Review Record

Version Number	Status	Revision Date	Summary of Changes
Version 01	Approved	December 2026	New Statement