

Annual Rent Review 2024



Frequently Asked Questions

Please read this in conjunction with the 2024 Rent Consultation Information leaflet.

Q: What does my rent pay for?

We receive grant funding from the Scottish Government to cover part of the initial costs of building/acquiring our homes. But once built we have to meet all costs involved in their ongoing management and maintenance. That includes:

- Repayment of loans taken out to part-fund the initial building costs.
- Day- to- day property repairs, servicing and cyclical maintenance.
- Staff required to deliver our services and provide essential back-up services.
- Office, insurance and other necessary business costs.
- Major repairs and improvements to our homes to keep them to modern standards.

We have to cover these costs whilst aiming to make sure that our rents remain affordable to those in low-paid employment.

Q: How do SHA rents compare with those of other landlords?

Our rents compare favourably with those of other housing associations/RSLs in Scotland, as can be seen from the table below. This refers to average weekly rents, including service charges, at 31st March 2023.3.23 (the most recent available).

	Overall	2apt	3apt	4apt	5apt
Shettleston HA	£85.03	£78.02	£86.56	£97.04	£121.23
Scottish RSL Average	£96.60	£90.92	£92.67	£102.24	£113.15
Peer Group Average	£93.81	£83.57	£93.16	£103.81	£116.16
Community-based RSLs (in Glasgow and the surrounding area) Average	£89.90	£81.94	£90.10	£99.98	£114.46
Wheatley Homes Glasgow Ltd	£111.75	£98.45	£106.35	£114.01	£124.21

Our average rents are generally lower than the averages for RSLs as a whole and in Glasgow. That's good news for our tenants but means that each 1% of an annual rent increase provides us with less extra income than it does for the average housing association - yet we face the same costs as these other landlords.

Recent research indicates that re-let rents for one bed properties in the private rented sector in Glasgow are currently averaging £204 per week.

Q. Why do SHA rents vary?

To some extent this is inevitable: all landlords set higher or lower rents for homes depending on the number of bedrooms, house type and other property features. Another factor however is that, like many other social landlords, we have built /acquired our properties at different times and in different ways over the years. The ways in which the rents were historically set has varied as a result. For example, where we have acquired homes through stock transfer we have inherited the rents set by the previous landlord. That means that two similar properties can have quite different rents.

Since 2015 we have re-let all properties on the basis of the same rent-setting structure. However, that still leaves around a half of homes where the level of rent has been set on earlier basis. We would like to address this by “harmonising” our rent structure in the coming year and aim to start consulting tenants on this later in 2024.

It's important to note in the meantime that all rents have been validly set in accordance with the rent policy applicable at the time and your tenancy agreement. If you have any other questions about this please speak to your housing officer.

Q. Why is SHA proposing variable rent increases this year instead of just a flat rate 5.5% increase for everyone?

For most tenants (around 80%) we are proposing a 5.5% increase in rent. However, because of the way in which rents can vary, as described above, we think it would be fair to vary the rent increase (lower or higher) for those who are currently paying at least £40 more or less than the average for their particular property type and size. These tenants will have increases ranging from 2.5% up to 8.5%. Overall this will still generate the 5.5% increase in overall rental income that we need to cover costs. It will also be a small step towards our “rent harmonisation” objective.

Q. What are the average SHA rents for different property types and sizes?

Our current average monthly rents (including service charges) are:

Property size/typeType	Current average monthly charge	What a 5.5% increase would add
1 bed Flat	£354.57	£19.50
1 bed Four in a block flat	£363.57	£20.00
1 bed bungalow	£418.22	£23.00
2 bed Flat	£391.45	£21.53
2 bed Four in a block flat	£415.20	£22.84
2 bed House	£411.68	£22.64
3 bed Flat	£397.15	£21.84
3 bed Four in a block flat	£469.73	£25.84
3 bed House	£489.70	£26.93
4 bed Flat	£445.39	£24.50
4 bed House	£564.00	£31.02
Overall average	£ 391.27	£21.52

(Note that these figures include service charges with the exception of non-standard charges for such as: the Retirement Housing Service, common heating charges and the Private Garden Maintenance Service).*

Any other questions?

Please let us know if you have any other questions. As well as answering you direct, we may add it to this list.

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