



## **Annual Rent Review 2022/23 – Have your Say**

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# **Annual Rent Review Proposal 2022:**

## **3.1% – Have your Say**

Each year we have to look at what it costs to give you a high quality housing service. We also need to look to the future and what work we have to do to keep your homes well maintained, modern and affordable.

We would like your feedback on our proposed rent increase and details of how you can tell us what you think can be found at the end of this consultation leaflet.

## **Covid-19 and other challenges**

The past 20 months have been challenging for everyone and has created more financial pressures for some. We are still facing uncertainty in the coming weeks/months with the latest variant of the virus and the potential for various restrictions being reintroduced.

We are fully aware of rising costs including energy, fuel and food costs which are creating further financial challenges for many people. Rosehill is mindful of this and has a difficult decision to make when carrying out the annual rent review and setting the increase to be applied in 2022.

Rosehill is also seeing its costs increase including energy bills, services we receive and supplies and materials. The shortage of labour and materials means our repairs, cyclical and planned maintenance contracts are costing more.

The ongoing challenge for Rosehill is to balance providing good quality homes and services whilst ensuring rents remain affordable. This year that challenge is more difficult than usual.

## **Delivering our 5 Year Business Plan 2021-26**

Over the summer, we consulted you over what our priorities and key activities should be for the next 5 years. The vast majority of those who took part fully supported our proposals.

## **Investing in our Homes**

The restrictions from the pandemic meant a delay to delivering some of

our planned maintenance.

We are planning to get back on track from 2022 and over the course of the next 5 years aim to deliver:

- Radiator replacements to 489 homes
- Kitchen and boiler replacements to 380 homes
- External Door replacement to 181 homes
- Replacement windows to 144 homes
- Bathroom replacements to 313 homes

This covers all our development areas with the exception of our latest new build at Househillwood.

## **Service Provision**

We also need to look at extending some of our services. Since we began providing a garden assistance scheme several years ago, we have increased the number of the places on the scheme from time to time to meet the demands from tenants needing this support. We will be increasing the places on the garden assistance scheme in 2022. This in part is to support tenants, who previously received assistance through Glasgow City Council's service, which has now been withdrawn.

We will establish partnerships and effective working relationships with agencies and organisations to provide advice, assistance and support to our tenants:

- To tackle fuel poverty
- To provide access to digital devices and digital training

## **Our Commitment to You**

Keeping our rents affordable and providing value for money are two important Business Plan objectives. We made a commitment to our tenants that we would limit any rent increases to inflation only for the 5 years of our previous Business Plan. This is important to Rosehill and as such we have continued this commitment into our new Business Plan 2021-2026.

We use the RPI (Retail Price Index) inflation rate for the purpose of capping our rent increases. To recognise the financial pressures a lot of

people were under when Covid-19 hit in March 2020, Rosehill decided to apply a below inflation increase in April 2021 of 0.9% (instead of 1.4%).

Due to the continued challenges many of our tenants are facing, Rosehill has decided to propose another below inflation increase. When considering increases, Rosehill must take account not only of the year ahead but the next 5 years and beyond. It must consider the impact of rent increases on its short, medium and long-term financial position.

Whilst a reduced increase is being proposed it is not Rosehill’s intention to cut back on our investment plans or service provision.

**Proposed Rent Increase 2022/23**

We are proposing a rent increase of **3.1%** which is based on September RPI of 4.9% minus 1.8%. This means that our average weekly rent would be £81.70. The other landlords in the area, Glen Oaks’, GHA and Sanctuary’s rents are typically higher.

**How do we compare?**

**Table 1 – Proposed Rent Increase 2022/23**

<b>Rosehill</b>	<b>Glen Oaks</b>	<b>Sanctuary</b>	<b>GHA</b>
3.1%	Options: 3.5%, 4% and 4.9%	November RPI plus 0.5% but capped at 3%	Options: 1.9%, 2.4% and 2.9%

**Table 2 – Proposed Average Weekly Rents 2022/23**

<b>Rosehill</b>	<b>Glen Oaks*</b>	<b>Sanctuary*</b>	<b>GHA*</b>
£81.70	£97.55	£99.18	£92.31
	£98.02		£92.76
	£98.87		£93.21

\*based on number of lettable properties at 31<sup>st</sup> March 2021

## What would this mean for your rent?

Below is a sample of the proposed new rents across a range of property size and type.

House Type	2021/22 Actual	Proposed 2022/23 3.1%	Monthly Increase	Annual Increase
2 apt semi-bungalow (newb)	£339.01	£349.52	£10.51	£126.12
3 apt semi (rehab)	£296.81	£306.01	£9.20	£110.40
3 apt tenement flat (Nitshill)	£311.70	£321.36	£9.66	£115.92
4 apt mid terrace (rehab)	£335.88	£346.29	£10.41	£124.92
4 apt 4 in a block (rehab)	£325.62	£335.71	£10.09	£121.08
4 apt semi (newb)	£406.62	£419.23	£12.61	£151.32
5 apt semi/end terr (rehab)	£360.59	£371.77	£11.18	£134.16
5 apt semi/end terr (newb)	£447.19	£461.05	£13.86	£166.32

(Please note these rents are only a sample of a range of rent levels across our housing stock. You will receive 28 days' written notice of your new rent and service charge, if applicable, which will run from April 2022 to March 2023).

## What we have to think about when deciding on any rent increase:

- Affordability of rents for our tenants and providing value for money.
- Costs of ongoing management and maintenance of your homes.
- Costs of providing customer services.
- Capital and interest payments on our bank loans.
- Having enough money to replace kitchens, bathrooms, boilers and so on when required to ensure your homes are kept well maintained, modern and affordable.
- How our rents compare with other local landlords.
- Your views about the rent increase.

## Right to Consultation

Under the Housing (Scotland) Act 2001 we have a duty to consult with you on the proposed changes to rents and service charges. This is further supported by Standards 14 and 15 (Rents and Service Charges) of the Scottish Social Housing Charter. These standards require that Social Landlords set rents and service charges in consultation with their tenants. We also think it is very important to get your views.

Therefore before our Management Committee makes a final decision on this year's rent increase you, as a tenant, have the right to comment on the proposal. The Management Committee will take account of any feedback received when making its final decision. If you do have anything you wish to say about the proposed rent increase, you can do so in the following ways:

- Telephone us on 0141 881 0595.
- Email us at [admin@rosehillhousing.co.uk](mailto:admin@rosehillhousing.co.uk) (please include your name/address).
- Text us on 07582 914156 (please include your name/address).
- Write to us at Rosehill Housing Co-operative Limited, 250 Peat Rd, Glasgow, G53 6SA.

Or

- Attend a virtual session via Zoom on Monday 10th January 2022 at 6pm or Tuesday 11th January 2022 at 2 pm. You will be able to have an informal chat with our Housing Services Manager about the proposed rent increase. If you would like to join either of the sessions please email [admin@rosehillhousing.co.uk](mailto:admin@rosehillhousing.co.uk) and the Zoom code will be sent to you.

We will also be contacting a random selection of people by phone to ask for views. This will take place week commencing 10<sup>th</sup> January 2022.

Please note that the consultation period will end on:

**Monday 17<sup>th</sup> January 2022**

**Please remember that our staff will stop for the festive holidays at 2 pm on 24<sup>th</sup> December 2021 and will return on Thursday 6<sup>th</sup> January 2022.**