



## **Annual Rent Review 2024/25 – Have your Say**

**250 Peat Rd, Glasgow, G53 6SA**

**Tel: 0141 881 0595**

**Email: [admin@rosehillhousing.co.uk](mailto:admin@rosehillhousing.co.uk)**

**Website: [rosehillhousing.co.uk](http://rosehillhousing.co.uk)**



# Annual Rent Review Proposal 2024: 6.7% – Have your Say

In the next few pages, we set out the basis for the proposed rent increase and what the increase will mean for your rent.

## We want to hear from you...

You can share your views using one of the following options:

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

We will be at the Breakfast Club held in The Hall, Peat Road on the following Tuesday mornings, if you want to come along and chat to us:

12<sup>th</sup> December 2023

19<sup>th</sup> December 2023

9<sup>th</sup> January 2024

Drop-in sessions will be held at our office on the following dates. This will give you a chance to speak with staff and one of our Committee Members, who are also tenants.

Wednesday 13<sup>th</sup> December from 5 pm to 6:30 pm

Thursday 14<sup>th</sup> December from 10:00 am to 11:30 am

Tuesday 9<sup>th</sup> January from 3:00 pm to 4:30 pm

We will also be contacting a random selection of our tenants by phone to ask for their views. This will take place the week commencing 8<sup>th</sup> January 2024.

**Please note that the consultation will run until 4 pm on Monday 15<sup>th</sup> January 2024**

**Please note that our office will be closed for the festive holidays from 2 pm on 22<sup>nd</sup> December 2022 until Thursday 4<sup>th</sup> January 2024.**

## Getting the right balance

The last few years have proved challenging for everyone; we recognise that many of our tenants have experienced financial hardship, firstly because of covid-19 and then more recently the cost of living crisis. Whilst Rosehill does not wish to put any additional financial pressure on tenants, where possible, we have seen our costs steadily increase.

As our contractors and suppliers' costs have risen, they have subsequently increased the prices we have to pay. We reported last year that planned works put out to tender had seen costs rise 30% - 40% higher than normally expected.

To help illustrate this we have set out below what some planned works would have cost pre Covid/Cost of Living Crisis and what we will be paying now.

	<b>Pre Covid/Cost of Living Crisis</b>	<b>Now</b>	<b>% Increase</b>
Boiler	£1916	£2550	33%
Kitchen	£1728	£3319	92%
Heating	£1508	£2560	70%

### Short-term versus Long-term

We understand that tenants need support now to cope with the cost of living crisis but Rosehill also has a responsibility to consider the longer-term position. Decisions made today can have a significant impact on the financial health of Rosehill in the longer term. We need to balance helping our tenants now with protecting Rosehill in the medium to long-term to ensure we can continue to provide homes and services to our tenants in the future.

Rosehill first made a commitment in its Business Plan 2016-21 to cap rent increases to inflation only. This commitment was carried forward into our current Plan 2021-26. However, in response to the financial hardship first caused by Covid-19/lockdown and more recently the Cost of Living Crisis we have set rent increases below inflation for the last 3 years – 0.9%, 3.1% and 5%. The increase of 5% which came into effect from 1<sup>st</sup> April 2023 was significantly lower than the inflation rate of 10.1%. Not keeping our income in line with our costs has quite an impact on our longer-term financial position.

### Reaching a decision

When the Management Committee began the annual rent review process, the September inflation rate was available which was 6.7%. This compares favourably to last September when it was 10.1%.

Taking account of the needs of our tenants and our business needs, the Management Committee is proposing to cap the rent increase to inflation only - **6.7%**.

This will enable us to continue to deliver our normal services, some of which are essential services in these challenging times, e.g. our welfare benefits service. It is also our intention to continue to roll out our planned maintenance programme where possible, however, this will be dependent on the tender costs received which have increased by as much as 30% to 40% and even higher. In the coming year we are aiming to deliver:

- Replacement windows and doors to 58 properties;
- Bathroom refurbishments to 37 properties;
- Full flat refurbishment of 6 properties.

In the following 4 years (2025/26 – 2028/29) we aim to deliver:

- Replacement windows and doors to 76 properties;
- Bathroom refurbishments to 287 properties;
- Heating upgrades to 186 properties;
- Kitchen replacements to 440 properties;
- Boiler replacements to 440 properties.

Along with these planned works we will continue to roll out our cyclical programme across our stock which will include gas servicing, gutter cleaning, external painter work, electrical inspections and open space maintenance.

### **What does the proposed increase mean for your rent?**

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

<b>House Type</b>	<b>2023/24 Actual £</b>	<b>6.7% £</b>	<b>Monthly Increase £</b>	<b>Annual Increase £</b>
2 apt semi-bungalow (newb)	367.00	391.59	24.59	295.07
3 apt semi (rehab)	321.31	342.84	21.53	258.33
3 apt tenement flat (Nitshill)	337.43	360.04	22.61	271.29
4 apt mid terrace (rehab)	363.60	387.96	24.36	292.33
4 apt 4 in a block (rehab)	352.50	376.12	23.62	283.41
4 apt semi (newb)	440.19	469.68	29.49	353.91
5 apt semi/end terr (rehab)	390.36	416.50	26.15	313.84
5 apt semi/end terr (newb)	484.10	516.53	32.43	389.22

(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 2024 to March 2025).

**How do our rents compare?**

Every year we submit a return to The Scottish Housing Regulator which contains a range of performance information and includes our average weekly rents. The last return was submitted in May and covered the year 2022/23. Once all the information is published by The Regulator, we can compare our results with other landlords.

The following table shows how our rents compare with other landlords who have homes in the local and surrounding area.

Table 1a Average weekly rents 2022/23 by apartment size

Apt Size	Rosehill	Barrhead H.A.	Glen Oaks H.A.	Sanctuary Scotland H.A.	Wheatley Homes Glasgow	Scottish Average
1 apts	<b>61.35</b>	72.34	N/A	67.55	74.51	78.26
2 apts	<b>72.88</b>	82.83	87.23	84.05	85.22	83.46
3 apts	<b>82.61</b>	95.46	92.44	97.31	91.28	86.28
4 apts	<b>81.93</b>	104.37	100.48	106.88	105.90	93.96
5 apts+	<b>87.17</b>	125.33	123.98	114.65	115.99	103.72

The above shows that our average rents for all apartment sizes are lower than the other 4 landlords and the Scottish average. The above also highlights that our average weekly 4 apt rent is lower than the average weekly 2 apt rents for the other 4 landlords and the Scottish average. Our 5 apt average weekly rent is lower than the 3 apt average weekly rents for the other 4 landlords.