RENT SETTING POLICY

POLICY IMPLEMENTATION CHECKLIST	
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Approved by Director:	27 MAY 2026
Approved by Management Committee	16 JUNE 2026
Effective From:	16 JUNE 2026
Date of Next Review:	JUNE 2031
Diversity compliant:	YES
Equality Impact Assessment:	LOW
Data Protection compliant:	YES
Health & Safety compliant:	YES
Procedure implemented:	YES
SDM system changes made:	N/A
Training Completed:	
Posted on Sharepoint:	
Posted on website:	

CONTENTS

1.0 INTRODUCTION

Garrion People's Housing Co-operative is a registered social landlord established in 1991 to provide housing for social rent.

It operates on a "not for profit" basis and is run by an elected Management Committee consisting mainly of local residents who employ a staff team to manage the Co-operative on a day to day basis.

This policy supports the strategic requirements of the Co-operative's Business Plan and strategies to ensure the level of rents allow us to be financially viable.

Detailed within this policy is our aims, principles and framework on which our rent setting is based and how we will consult with our residents on these charges.

2.0 POLICY AIMS & OBJECTIVES

The aims and objectives of this policy are to:

- Ensure it complies with all relevant legislation and good practice;
- Be clear and easy to understand;
- Consult with tenants on the annual rent increase and take account of their views;
- Ensure all tenants are given at least 28 days' notice to advise them of the annual increase of rent;
- Ensure our income is sufficient to cover the costs of maintaining our properties;
- Reflect the business planning requirements and ensure long term financial viability;
- Ensure the Co-operative is able to continue providing the highest possible standard of service to its tenants;
- To ensure the rent setting process meets the costs of manging our 30 year planned maintenance investment programme;
- Ensure affordable and comparable rents reasonably balanced with the financial viability of the organisation.

3.0 RENT SETTING PRINCIPLES

3.1 Affordability

The affordability of rents to our tenants will be a prime consideration when annual rent increase levels are being considered. Rents should be affordable to tenants on low / moderate incomes.

The Co-operative uses the SFHA measure of affordability to check if rents are affordable to tenants and prospective tenants.

We will ensure that rents and the annual rent increase on average, will not unreasonably exceed levels set by other RSL's working in the same area, where the current rent, the type and specification of the property, the location and the service is comparable.

We will take account of the findings from our tenant satisfaction surveys with our tenants in relation to value for money in respect of rent payments.

We will also have regard for feedback from applicants from surveys on their reasons for the refusal of offers of tenancies, for comments made by new tenants at the settling in visit and the reasons for tenants leaving on their termination forms.

We will actively encourage the maximisation of tenants' income through benefits take up and money / debt advice. We will do this through our AFTAR Project with Citizens Advice Bureau for current and prospective tenants.

3.2 Viability

Viability is another key underlying the principles of the Rent Setting Policy, where we must ensure that our income covers our operating costs. The main costs incurred by the Co-operative are management and maintenance costs, with income lost through vacant properties, non-payment of rent and bad debts.

The annual review of rents will be aligned to the Co-operative's budget setting process. This will ensure that a detailed assessment of all relevant costs are made and that rents will be set at a level to meet these, as well as achieving service delivery and a suitable operating surplus amount.

3.3 Comparability

The Co-operative compares its rents each year with similar and neighbouring social landlords in the area providing similar types and standards of property, and services.

We also benchmark our average rent against the Scottish social landlord average. Overall, the Co-operative's average rent amount compares well with all groups.

3.4 Value for Money

The Co-operative appreciated that tenants as with other services and products that they receive, look for value for money for their rent.

Our objectives in achieving value for money are:

- Affordable rent
- Efficient procurement
- Improving services
- Maximising Income
- Investing for the future

3.5 Methodology

Rent Review

The Co-operative ensures the rents reflects the size, type and amenities of the property, which provides a simple way of ensuring fairness of the system.

Proposed increases are spread proportionately across all property types / sizes, whilst still ensuring individual rents are comparable to neighbouring organisations and our peer group.

Service Charge Review

Incorporated in the rent review process is the service charges at Law View. These charges cover the communal costs associated with the management, maintenance, and operational costs of service and facilities within the complex.

Each year anticipated costs are budgeted, however actual expenditure can vary due to changes in market prices and running costs.

Our Finance Manager will carry out a service charge review in light of actual expenditure recorded for the previous financial year. The review will ensure that service charges remain fair, transparent, and reflective of actual operational and maintenance costs.

4.0 LEGAL & GOOD PRACTICE STANDARDS

4.1 Legislation

Under the terms of the Housing (Scotland) Act 2001, the Co-operative is responsible for setting rent levels for properties within its ownership and for consulting with the tenants involved.

4.2 Social Housing Charter

The Social Housing Charter sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The Co-operative's Rent Setting Policy will take account of and comply with the relevant outcomes contained within the Social Housing Charter as follows:-

Outcome 13 – Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

Outcome 14 – Social landlords set rents and service charges in consultation with their tenants and other customers so that a balance is struck between the level of services, and how far current and prospective tenants and other customers can afford them.

Outcome 15 – Tenants get clear information on how rent and other money is spent, including any details of individual items of expenditure above thresholds agreed between landlords and tenants.

4.3 Business Planning

This policy supports the strategic requirements of the organisation's Business and Development Plans, Standing Orders and the organisation's strategies.

4.4 Regulatory Framework (Scottish Housing Regulator)

The content of this policy is aligned to Standards 2, 3 and 5 of the Scottish Housing Regulator's Regulatory Framework.

Regulatory Standard 2: The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders and its primary focus is the sustainable achievement of these priorities.

Regulatory Standard 3: The RSL manages its resources to ensure its financial wellbeing, while maintaining rents at a level that tenants can afford to pay.

Regulatory Standard 5: The RSL conducts its affairs with honesty and integrity.

5.0 SCOPE

This policy relates to rents for Scottish Secure Tenancies under the Housing (Scotland) Act 2001.

Rents should be sufficient to cover the costs of managing and maintaining all types of property under its control.

Costs to be covered by rental income can include:

- Housing management costs
- Voids and bad debts
- Maintenance costs
- Major repairs and renewals
- Loan charges
- Insurance and overheads
- Staffing costs and pension provisions

6.0 CONSULTATION

The statutory provisions of the Housing (Scotland) Act 2001, requires all social landlords to take tenants' views into account when formulating key service policies.

Consultation with the community and tenant participation has always been one of the key aspects of the way in which the Co-operative operates.
The Housing (Scotland) Act 2001 (Sections 25 & 54) requires landlords to give each tenant no less than four weeks' notice, in writing, before increasing rents or other charges.

Rents for all properties will be reviewed annually with any increases agreed being applied on the 1st of April of each year. All tenants will be given the opportunity to comment on the proposed annual rent increase. The results of the consultation will be reported to the Management Committee and will be taken into account when the rent levels are set for the following year.

Where a landlord proposes to increase rents generally, it must first consult those tenants who would be affected by the proposal and then have regard to the views expressed by those consulted.

Annually, around December / January, the Co-operative will carry out a thorough consultation exercise with tenants in relation to proposed rent charges for the coming year.

This process will include:

- A rent consultation document being produced and sent to all tenants detailing options, planned expenditure and inviting feedback
- Articles being placed in our newsletters
- Website articles and online surveys
- Feedback can be received by text, in writing, email, website or in person

- Rent consultation documents displayed in our reception area
- Rent review Focus Group
- Resident Satisfaction Survey

The results of this exercise will be presented to the Management Committee for full consideration prior to making a final decision. At least 4 weeks' notice in writing will be given of any proposed change to the rents.

7.0 ANNUAL REVIEW PROCESS

The timescales for this process are as follows:

TIME	TASK	WHO
October	Finance Manager starts preparing budget for next financial year for the Co-operative, with consideration given to Business Plan/Budgets and CPI.	Finance Manager & Director
November	Report to Management Committee on rent review with indicative proposals of a % increase. SFHA Affordability Tool Kit used during this process as well as other landlord proposals.	Director, Finance Manager & Housing Manager
November	Management Committee approve consultation to be sent out to tenants with proposals on % increase.	Director / Housing Manager
November/ December	Consultation document prepared and issued to all tenants giving opportunity to provide feedback on rent review.	Housing Manager
November/ December	Consult with tenants on rent increase / service charge review.	Housing Manager
December /January	Meet with tenants on rent increase to ensure meaningful discussion through Rent Review Focus Group.	Housing Manager
January	Report to Management Committee on feedback from the consultation process and the Rent Review Focus Group.	Housing Manager
January	Management Committee to agree a rent increase / review of service charge (Law View tenants only) effective from 1st April.	Management Committee
February	Rent increase letters to be sent to all tenants incorporate the service charge to Law View tenants only.	Housing Manager/ Housing Staff
February	NLC – Housing benefit & DHP advised of rent increases DWP monitor Portal - Universal Credit.	Housing Officer
April	All rent accounts to be updated.	Housing Officer

8.0 COMPLAINTS

All complaints against our operation of this policy will be processed through the Co-operative's complaints handling procedure.

A copy of our Complaints Policy and summary leaflets is available from our office or to download from our website www.gphc.org.uk.

9.0 CONFIDENTIALITY & DATA PROTECTION

The Co-operative will ensure all information provided by tenants and other parties will only be used for the purpose provided.

We will process information and data contained within the application in accordance with its policies and procedures relating to the General Data Protection Regulations.

Information regarding how data will be used and the basis for processing data is provided in the Co-operative's Fair Processing Notice.

10.0 EQUALITY & DIVERSITY

The Co-operative is committed to promoting an environment of respect, understanding, encouraging diversity and eliminating discrimination by providing equality of opportunity for all.

We will endeavour to ensure a fair and equal service to everyone and that all services are carried out in an undiscriminating manner in line with the Co-operative's Equality and Diversity Policy.

In particular, we will not discriminate on the grounds of age, disability, marriage and civil partnership, pregnancy and maternity, race, religion or belief, gender reassignment, sex and sexual orientation.

We will ensure this Act is adhered to at all times during its management of anti-social complaints and will ensure that all tenants are treated fairly, with support needs being met when required.

We will ensure that everyone has equal access to information and services to meet specific need. Upon request we will make available documents in a range of alternative formats/languages.

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11.0 POLICY REVIEW

This Policy will be reviewed on a 5 yearly basis or earlier if the legislation changes or to ensure that its aims and good practice are being met.