

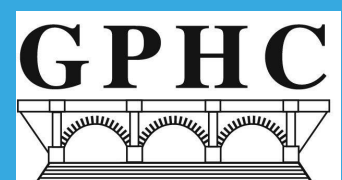
# Rent Consultation 2025/26



**Your Views are Important....**



Garrion Peoples' Housing  
Co-operative Limited



# Your Views are Important

## Rent Increase Consultation 2025/26.....

Each year we consult with you, our tenants, on the rent we are considering charging for the following year.

We listen to and value your views and encourage you to “have your say” on the proposed rent increase.

We want our rents to remain affordable, however, the rising cost of living still impacts greatly on household costs and the financial challenges we face as a landlord.

Increasing rents is not a decision taken lightly and this document outlines why this is the lowest possible rent increase to maintain the current level of service and spend on your homes.

The same factors that affect you, our tenants, such as rising costs has an impact on what we can do as well. The increased costs for materials and contractor costs to carry out repairs, maintenance, investment work and running costs have a massive impact on our budget.

As we are reviewing our budgets, we are facing some difficult decisions. We are looking at how we can balance increasing costs, prioritise what we do, invest in our homes, and manage how to keep our rents affordable to our tenants.

This makes it especially critical that we find the right balance between affordable rents, the need to maintain our services and continue to invest in our homes.

It is very important that we understand what matters to you, our tenants, when it comes to how we invest in your homes and in the housing services we deliver to you.

Every year we ask tenants to give their views on the proposed rent increase from 1st April.

Your feedback is important to us and your views on rent will help us to balance keeping rents affordable, with having enough money to spend on improving homes and services.

We are keen to hear your views on the proposals we have for next year’s rent charge.

# Your Views are Important

## Do rents have to increase?

Every year we review our rent charge in line with our Business Plan projections and budgets for the next financial year. The Co-operative looks at the money spent over the past year and calculates how much we need to invest in our homes and run our services for the coming year while making sure our rents remain affordable.

The Co-operative must set our budget for 2025/26 to ensure that we remain financially viable in the short and longer term while continuing to provide the best standard of service we can for our tenants.

We want our rents to remain affordable and are therefore trying to keep our rent increase as low as we can while ensuring we invest in your homes to keep them in good condition.

## Challenges.....

We appreciate that due to the continued financial challenges any increase in rent will affect household's finances.

Given this, we know that any rent increase will be unpopular, however the rising costs are also continuing to have an impact on the Co-operative's budget and what we can do.

While our 5 year projections allow for an increase of 4%, our Business Plan rent inflation assumptions have been projected at 7% for 2025/26. These projections were forecast when the interest and inflation rates were high.

Historically, when considering a rent increase our Business Plan projections have been set at Consumer Price Index (CPI) plus an additional 1%.

Consumer Price Index (CPI) measures the overall change in the price of goods and services that people typically buy over time.

The Consumer Price Index (CPI) has significantly reduced from last year from 6.7% at October (September) to 1.7% this October (September) and from 4.6% at November last year (October) to 2.3% this November (October).

**Given this, we are proposing to apply this formula to your rent increase for 2025/26 as this option is the lowest increase possible which will allow us to maintain the current level of service and spend required to maintain our homes.**

**Consumer Price Index (CPI) at November 2024 (October) of 2.3% + 1% = 3.3%**

# Your Views are Important

## Are your rents Value for Money?

We are not complacent in this area and are always looking for ways to deliver our services more efficiently to keep our cost down without negatively impacting on the quality of our service.

We use the income from our rents to carry out repairs, invest in our properties and cover the costs of offering our services to tenants. In our most recent Tenant Satisfaction Survey, carried out in November/December 2022, 81.88% of our tenants considered our rents offer good value for money which shows favourable against the Scottish Average of 81.59%.

## How much did the rents increase in previous years?

We remain committed to keeping our rent levels affordable as possible, while continuing to deliver on your priorities and ensuring high levels of tenant satisfaction.

The table below shows rent increases over the past six years compared with neighbouring Registered Social Landlords and the Scottish Average.

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Garrion</b>	<b>3.1%</b>	<b>2.5%</b>	<b>1.7%</b>	<b>3.1%</b>	<b>5%</b>	<b>5%</b>
<b>Trust</b>	<b>1.7%</b>	<b>1.5%</b>	<b>4.2%</b>	<b>7%</b>	<b>7%</b>	<b>7.4%</b>
<b>Abronhill</b>	<b>3.4%</b>	<b>2.5%</b>	<b>1.7%</b>	<b>4.2%</b>	<b>7%</b>	<b>6.6%</b>
<b>Clydesdale</b>	<b>3.2%</b>	<b>2.7%</b>	<b>1%</b>	<b>2%</b>	<b>7.5%</b>	<b>5%</b>
<b>Lanarkshire</b>	<b>3.2%</b>	<b>2.7%</b>	<b>0%</b>	<b>2%</b>	<b>4%</b>	<b>7%</b>
<b>Scottish Average</b>	<b>2.97%</b>	<b>2.49%</b>	<b>1.22%</b>	<b>2.98%</b>	<b>5.14%</b>	<b>6.05%</b>

The table below shows our rent levels for our one bed roomed properties are historically below the average of neighbouring Registered Social Landlords and the Scottish Average.

<b>Average weekly rent for 1 bedroom</b>	<b>Garrion</b>	<b>Trust</b>	<b>Abronhill</b>	<b>Clydesdale</b>	<b>Lanarkshire</b>	<b>Scottish Average</b>
<b>2023/24</b>	<b>£79.10</b>	<b>£141.69</b>	<b>£89.91</b>	<b>£87.07</b>	<b>£79.81</b>	<b>£87.87</b>
<b>2022/23</b>	<b>£75.33</b>	<b>£127.52</b>	<b>£84.34</b>	<b>£80.80</b>	<b>£76.84</b>	<b>£83.51</b>

# Your Views are Important

The table below shows our rent levels for our two bedroomed properties are historically below the average of neighbouring Registered Social Landlords and the Scottish Average.

Average weekly rent for 2 bedroom	Garrion	Trust	Abronhill	Clydesdale	Lanarkshire	Scottish Average
2023/24	£84.67	£105.28	£94.05	£93.22	£93.60	£90.29
2022/23	£80.64	£97.54	£88.23	£86.53	£90.14	£86.29

It is recognised however, that our three bedroomed newbuild properties are currently slightly above the average of neighbouring Registered Social Landlords and the Scottish Average.

In light of this information, we are proposing to apply a 2.3% (CPI only) rent increase to three bedroomed newbuild properties across our stock. This will help us bring the rent charge more in line with that of other local Registered Social Landlords and the Scottish Average.

## Affordability Measures

We have utilised the Scottish Federation of Housing Associations (SFHA) Rent Affordability Toolkit. This allows the Co-operative to consider our rents using a recognised measure of affordability based on tenant's various income streams/scenarios.

Using these measures, we found the majority of our rents are affordable, with the exception of those who live alone in a three bedroomed newbuild property. These cases are in the minority and where this applies they were classified as "not affordable."



# Your Views are Important



## Proposed Rent Increase

3.3% rent increase for all properties with the exception of 3 bedroomed newbuild properties where it is proposed to apply a 2.3% rent increase from 1 April 2025.

### What does this mean to my rent charge?

A rent increase of **3.3%** will add **£2.90 per week** to the **average rent** across all properties.

A rent increase of **2.3%** will add **£2.70 per week** to the **average rent** for a 3 bedroom newbuild property.

## Proposed Change of your Rent Charge from 4 Weekly to Monthly



We are proposing to change the way we charge your rents from a 4 weekly basis to monthly with effect from 1 April 2025.

This will make no difference to the way you choose to pay i.e. weekly, fortnightly, four weekly or monthly. You can continue to pay the way that's suits you best.

This will result in 12 monthly charges in the year instead of 13 four weekly charges.

We ask for your views on this within the feedback contained in this document. Any feedback will be taken into account when making our final decision.

Should this change take place we will require you to sign a document to alter the terms of your Tenancy Agreement.

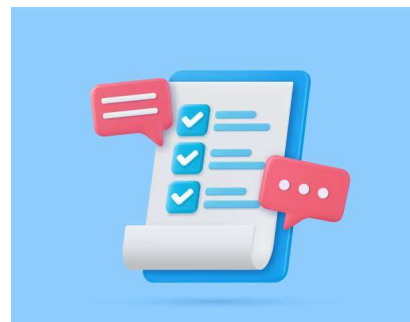
We will keep you informed about this and co-ordinate the requirements to meet this change.

# Your Views are Important

## What happens Next?.....

Please complete the Rent Review Questionnaire sent along with this document by **8 January 2025** about the proposed rent increase and the proposed change of charging your rent from 4 weekly to monthly.

All feedback will be reported to the Co-operative's Management Committee in January.



We will write out to all tenants by the end of February 2025 to advise you what your rent will be from **1 April 2025**.

## What help can we offer?

We recognise that many of our tenants may be struggling due to the continued impact of the cost-of-living with the rising costs for fuel, food etc.

If you are struggling to make ends meet or pay your rent contact Joanna McNally, your Housing Officer as soon as possible at [joanna@gphc.org.uk](mailto:joanna@gphc.org.uk) or phone on **07733 919333**.

We would also urge you to contact the office direct on **01698 687222** if you wish an appointment via our AFTAR Project with Jodie our Income/Money Adviser. She can assist with maximising your income and obtain advice with benefits, finance and budgeting.

Should you wish an appointment with a Client Support Advisor from Social Security Scotland to assist with their benefits, please call **0800 182 2222** and they can arrange one for you.



### Different Formats

If you would like help, including translation, to complete this questionnaire, please ask any member of staff, call **01698 687222** or email [enquiries@gphc.org.uk](mailto:enquiries@gphc.org.uk)

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We Want  
Your Feedback



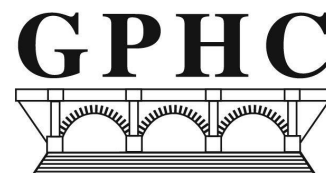
As part of the rent consultation process a Rent Review Focus Group Meeting is scheduled for **Tuesday 14 January 2025** and the feedback will be taken to the Management Committee Meeting at the end of January 2025.

If you are interested in taking part in this Focus Group please contact [elaine@gphc.org.uk](mailto:elaine@gphc.org.uk) for further details.

In addition, you can “*Have Your Say*” by completing the attached Rent Consultation Feedback Form.

All feedback from the consultation process is important and will help the Management Committee make their final decision. You will receive a letter in February advising of their decision with details of your rent charge from 1 April 2025.

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