



# Rural Stirling Housing Association

## 2020 Rent Consultation

Our mission is to “provide affordable, quality housing and support community aspirations”.

To achieve this, we must have a business plan in place. This involves reviewing our rent levels every year to ensure we can continue to maintain and manage existing homes and build new homes.

In this consultation document we explain:

- our budget for the coming year
- value for money
- the proposed rent increase for 2020/21
- rent increase comparisons with other housing associations
- how the proposed rent increase will affect your rent
- affordability

all returned surveys will be entered into a prize draw for a £25 M&S gift voucher

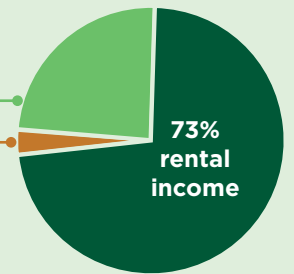
£25  
**M&S**  
EST. 1884



## Income 2019/20

24% grants - new builds & adaptations

3% other income



## 2020/21 Budget

15%

Loan interest = money borrowed to build homes



2% Service costs =

landscaping and close cleaning costs

The proposed rent increase for 2020/21 is 2.4%



19%

Maintenance & improvements = reactive repairs / void repairs



40%

Property management & administration = tenancy and estate management, staffing costs and office running costs

24%

Investment in housing stock = 83 kitchens & 95 electrical storage heating systems will be renewed in 2020/21

We will use some of the money raised to help our ambition to reduce our carbon footprint

## Value for Money

### Where we are doing well

**Emergency repairs** were completed in 2.5 hours on average (RSL average = 2.7 hours ARC 2018/19)

**We collected 99.7% of total rent due** in the year (RSL average = 99.5% ARC 2018/19)

**Rent lost from empty homes** was 0.3% of rental income (RSL average = 0.88% ARC 2018/19)

**We provide a free income maximisation service.** 252 cases were completed in 2018/19. Of those who used the service, 90% felt it was helpful

**We re-let our homes in an average of 13 days** (RSL average 29.5 days ARC 2018/19)

### Where we need to do better

**We completed 88.5% of reactive repairs right first time** (RSL average = 92.5% ARC 2018/19)

**83% of those surveyed were satisfied with the repairs and maintenance service received** (RSL average = 92% ARC 2018/19)

**76% of those surveyed felt their rent represented good value for money** (RSL average = 83.4% ARC 2018/19)

**84% were satisfied with the maintenance of common areas** (2016 survey = 100%)

**Non-Emergency repairs** were completed in 5.7 days on average (RSL average = 5.5 days ARC 2018/19)

ARC (Annual Return of the Charter)

## To address the areas where we need to do better in 2020/21 we will:

- Work with our contractors to improve the number of repairs completed right first time and make sure there is better communication with you.
- Carry out a review of our reactive repairs service and consult you about your priorities for the service. A new repairs contract will be in place by October 2020.
- Carry out customer satisfaction surveys for all planned maintenance works undertaken and share the results with you.
- Invest in our frontline staff to ensure we are more efficient at dealing with your enquiries.
- Ask you how you would like communal areas to be improved and where possible we will carry out improvements.

## Proposed Rent Increase 2020/21

Our Business Plan assumes an annual rent increase of inflation (RPI) plus 0.5%. This enables us to cover our normal operating costs. Additional costs to implement new standards for fire safety, energy efficiency and governance also need to be accommodated.

We appreciate that often household incomes are not increasing at the same rate as inflation. In our recent tenant satisfaction survey, half of tenants interviewed said their rent was just about affordable. For this reason, we have reviewed our costs for the coming year and based on savings in long term borrowing and procurement are able to propose a restricted rent increase of inflation plus 0.3%.

**The proposed rent increase for 2020/21 is 2.4%.**

## How Affordable is your rent?

### We look at:

- other social landlord's rents;
- feedback from tenants (tenant satisfaction surveys);
- tenancies refused or given up because of affordability issues; and
- the sectors rent Affordability Tool.

### What we have found is:

- our rents are lower than the average for all Registered Social Landlords;
- the majority find their rent is affordable, but many find their rent just about affordable;
- no tenancies have been refused or given up because of affordability issues;
- calculations made by the sectors Affordability Tool suggest our rents are affordable.

| Rent Increase Comparisons |      |                          |
|---------------------------|------|--------------------------|
|                           | RSHA | Scottish RSL's (average) |
| 2016/17                   | 1.5% | 2.0%                     |
| 2017/18                   | 2.0% | 2.3%                     |
| 2018/19                   | 3.9% | 3.2%                     |
| 2019/20                   | 3.8% | 3.0%                     |

| Weekly Rent charge comparisons (please note 2019/20 comparison figures are not yet available) |              |                         |                            |
|---|--------------|-------------------------|----------------------------|
| Size of Home  | RSHA 2018/19 | RSL's (Average) 2018/19 | Scottish (Average) 2018/19 |
| 1 bdrm  | £72.49       | £83.06                  | £76.10                     |
| 2 bdrm  | £81.97       | £83.45                  | £77.70                     |
| 3 bdrm  | £89.15       | £91.42                  | £84.44                     |

### Tenant Satisfaction Survey 2019

- 43%** said their rent was easy to afford
- 48%** said their rent was just about affordable
- 9%** said their rent was fairly difficult to afford
- 0%** said their rent was very difficult to afford



### How the Proposed Rent increase will affect your rent

Weekly rent charges (average rents)

|           | 2019/20 | 2020/21 |
|-----------|---------|---------|
| 1 bedroom | £75.24  | £77.05  |
| 2 bedroom | £85.08  | £87.12  |
| 3 bedroom | £92.54  | £94.76  |

# Consultation

## Do you agree with a 2.4% rent increase in 2020/21?

Please let us know your response by **Friday 20th December 2019** You can:

-  Post the tear off slip in the free paid envelope provided
-  Send an email to [enquiries@rsha.org.uk](mailto:enquiries@rsha.org.uk)
-  Phone the office on **01786 841101**

We hope you can also come along to the **Tenants Gathering - Saturday 25th January 2020 at 10am at the Association's office in Doune**. We will be talking about the proposed rent increase & repairs priorities. All managers will be attending.

Yes     No    If not, please tell us why? .....

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Taking account of action we are taking to improve some aspects of our service do you feel your rent represents good value for money?

Yes     No    If no, what changes would make you feel that your rent represented value for money? .....

.....

**In what format would you prefer to receive your rent consultation in the future? (please choose one option)**

I would prefer to receive paper copies

I would prefer to complete a survey on the website and be notified in Rural Matters and by text when this is available

Name: .....

Address: .....

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