

2025/2026 Rent Options Consultation



**This newsletter explains
rent increase plans for 2025-2026
from 1st of April 2025**

**Please read this consultation newsletter then tell
us about your views on our rent increase plans.**

Rent increase options for 2025/2026

We have two rent increase options for tenants to consider and provide feedback on:

Option 1

3.7%

Although general inflation rates have been at or around 2% for some months we are proposing a higher increase this year. This is needed to help us recover from the financial gap caused by below-inflation rent increases and above-inflation cost pressures over the past three years – getting the Association on a stronger financial footing. In 2025/26, this will mean we can protect our highly valued repairs & maintenance service and invest over £2 million on heating, window, door and bathroom replacements – delivering on our tenants' top priorities.

Option 2

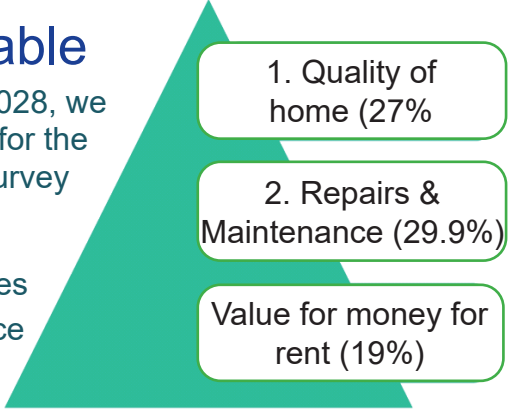
4.7%

Increasing rents at this higher level would allow us to contribute more towards the future cost of renewing and maintaining heating systems we have replaced and plan to replace in the near future – we need to save now so that we can do this work in the future.

Tenant priorities and keeping rents affordable

Ahead of starting our business planning for the period from 2025 to 2028, we surveyed tenants to ask them what they think our priorities should be for the future (36% of tenants responded to our survey). The results of the survey showed that tenants' priorities have not changed much:

Similar to previous surveys, tenants told us that their top three priorities for the future are: the quality of their homes; the repairs & maintenance services we provide; and, ensuring that the rent you pay represents value for money for the services we provide.

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- 1. Quality of home (27%)
 - 2. Repairs & Maintenance (29.9%)
 - Value for money for rent (19%)

Our 2022 tenant satisfaction survey showed that there are high levels of satisfaction against all of these priorities:

	Clydesdale Housing Association	All Scottish Housing Associations 2023/24
Satisfaction level with the quality of your home	94%	85%
Satisfaction level with value for money	87%	82%
Satisfaction with the repairs & maintenance service	90%*	87%

**Based on 2023/24 survey results*

Keeping the rents at a level tenants can afford to pay is one of our top priorities. Although general inflation levels have stabilised in recent months, we know that some tenants continue to face household budgeting pressures that can make our rents more difficult to afford.

When we consider the possibility of increasing rent levels, we use an industry tool to check on how affordable those higher rents will be for different household types. **The testing we have carried out for next year's rent increase options shows that they pass this affordability standard.**

Knowing your views on the proposed rent increase options provides us with good guidance on what future rent levels should be. We will always be committed to balancing the quality of the services we provide and the investment we make in the quality of tenants' homes with keeping rents affordable to tenants.

How our rents compare with others

The table below shows how our average weekly rents (excluding service charge) compare against the average for all Scottish Housing Associations and for the Rural Peer Group determined by the Scottish Housing Network.

	Average weekly rents 2023/24				
	2 Apt	3 Apt	4 Apt	5+ Apt	Total
Clydesdale HA	87.07	93.22	102.07	120.93	93.70
Our Peer Group	93.70	101.98	111.29	120.75	102.11
All Scottish Housing Associations	96.27	97.65	107.46	118.63	99.70

How we plan our finances

As a Registered Scottish Charity, we need to plan our finances carefully. We do this to make sure we can fund our services and keep investing in the quality homes we provide.

We need to consider the finances for the year ahead, the next few years and the long-term as far as 30 years in advance!

We prepare detailed budgets for the year ahead to plan for the short-term. This considers everything we expect to spend as well as what income we will need to fund it.

We also use the information we have on the condition of our homes to estimate the timing and cost of work that will keep them to a high

standard. Estimating costs is a difficult thing to do. It involves looking at what it has cost in the past to do things, how costs in different areas are changing and looking at the overall economy and the forecasts that financial experts make.

On the income side, we check the affordability of the rents we charge to tenants using industry recognised methods and through listening to the feedback our customers provide.

Once we have a clear idea of our financial plans we consult with tenants before making a final decision on what we will do – this newsletter explains our proposals.

Last year's rent increase

The annual rent increases are based on the preceding September Consumer Price Index (CPI) figure and have regularly included an additional percentage uplift to protect the Association's financial viability. However, future rent increases may not always be based on inflation measures and will increasingly be required to take account of the need to balance financial viability and rent affordability for tenants.

The 2024-25 rent consultation asked tenants to consider 2 options:

- 8.7%. - The September 2023 CPI rate was 6.7% + 2% uplift,

- 5% - Below the September 2023 CPI rate of 6.7%

Our Management Committee reviewed the results of the rent option consultation that took place between November 2023 and January 2024. The results showed that 93.7% of tenants who responded (327 tenants) opted for a 5% increase. Management Committee also looked at the forecasts that reductions in CPI may occur in the remainder of the 2023-24 financial year.

Our Management Committee valued the tenants' opinions and recognised the slowing inflation rate and agreed to limit the 2024/2025 rent increase to 5% so to balance financial viability and rent affordability for tenants.



Have Your Say

Choose how you want to take part in this rent consultation using one of the methods below

Make sure to provide your feedback by **4.00pm on Monday the 27th of January 2025**

- Complete the consultation form in this newsletter and return it to us in the pre-paid envelope provided.
- Reply to our text/email survey
- Phone us on 0808 175 6288
- Email us at mail@clydesdale-housing.org.uk
- Online on our website at www.clydesdale-housing.org.uk/contact-us/
- Write to us at
Clydesdale Housing Association, CHA Community Hub, 39 North Vennel, Lanark,
ML11 7PT

If you are using a method other than the consultation form, please write or quote the reference number that can be found at the top right of the consultation form.

We speak our customers' language

If you would like help, including translation, to complete this questionnaire, please ask any member of staff, call 0808 175 6288 or email us on mail@clydesdale-housing.org.uk

