


Rent Setting

If you have difficulty with sight or hearing, or if you require a translated copy of this document, we would be pleased to provide this information in a form that suits your needs.

 The logo for Glen Oaks Housing Association, featuring the text "Glen Oaks" in a large, bold, dark red font, "HOUSING ASSOCIATION" in a smaller, dark red font below it, and a red icon of a house with three vertical lines representing a chimney or roof structure to the right.	Policy number:	H08
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Our Vision, Mission Statement and Values

Glen Oaks' vision statement '**Where Communities Thrive**' and our mission statement '**Our aim is to provide good quality affordable housing and an excellent service. We will encourage resident participation and work with other agencies to regenerate our community**' provide the foundation for Glen Oaks Housing Association's commitment to its residents and the communities they live in.

This commitment is also demonstrated in the Association's values which were agreed following discussions with the Board and staff. Glen Oaks' values are fundamental to how we carry out our day-to-day activities.

Our values are:

respectful

we trust and respect our customers and each other

dedicated

we will give 100% commitment to our work

transparent

we will be open and honest about what we do

aspirational

we will strive to achieve the best we can for our communities

Equality & Diversity Statement

The Association is intent on ensuring people or communities do not face discrimination or social exclusion due to any of the following protected characteristics: age; disability; sex; marriage & civil partnership; race; religion or belief; sexual orientation; gender reassignment; pregnancy & maternity.

This document complies with the Association's equality & diversity policy.

The Association will regularly review this document for equal opportunities implications and take the necessary action to address any inequalities that result from the implementation of the policy.

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1.0 Introduction

1.1 The aim of the Rent Setting policy is to look in detail at how rents are set by the Association. Rents collected from our tenants help us to continue to provide new and improved housing, deliver neighbourhood services, and to support local partners who are providing services in our communities. When reviewing rent charges we will continue to consult with our tenants, be transparent about our costs and give options to tenants about the services they receive. We will take tenants' views into consideration in decisions that are made.

2.0 Legislation and Compliance with the Scottish Social Housing Charter

2.1 Section 25 of the Housing (Scotland) Act 2001 allows landlords to increase rent (or any other charge payable) under a Scottish Secure Tenancy as long as they give tenants at least four weeks' notice of the increased rent due to be paid. Social landlords must consult tenants and take account of their views when making decisions about proposed rent increases.

2.2 The Scottish Housing Regulator requires that Registered Social Landlords adopt rent policies that take account of affordability, the costs of managing and maintaining properties, and comparability with rents charged by other RSLs operating in their areas. In reviewing this policy, the Association recognises the need to work towards achieving the relevant outcomes as set out in the Scottish Social Housing Charter and in particular:

- 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 provided, the cost of the 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.

3.0 Policy Objectives

3.1 The objectives of the Rent Setting policy are:

- To have a system of setting rents that ensures that they are affordable to tenants. The Scottish Federation of Housing Associations' (SFHA) definition of affordability (2010) states: *For a rent (including service charges) to be affordable, households with one person working 35 hours or more should only exceptionally be dependent on housing benefit in order to pay it.*
- To ensure that Glen Oaks Housing Association strikes a balance between the ability of the tenant to pay and maximising the Association's rental income.
- To ensure that the rent charged reflects the size, type and amenities of the property.
- To ensure that Glen Oaks Housing Association's financial viability is maintained at all times.
- To enable Glen Oaks Housing Association to provide quality services that offer value for money.
- To ensure that the method of calculation is transparent, easy to explain, and can be easily understood by those affected by it.
- We will consult with tenants in developing and reviewing this policy. Including consultation on any proposed rent increases.

4.0 Affordability and Comparisons

4.1 Affordability

4.1.1 Glen Oaks Housing Association aims to strike a balance between the ability of the tenant to pay, in particular those on low incomes who are not reliant upon Housing Benefit, and maximising the Association's rental income. Tenants will be surveyed periodically in an attempt to assess income levels.

4.2 Comparisons

- 4.2.1 The Association will always endeavour to charge an affordable rent, at a level which is fair when compared to other rent levels of similar Registered Social Landlords within our peer group, while at the same time allowing the Association to meet its costs.
- 4.2.2 Glen Oaks Housing Association is a member of a group of 8 housing associations that meet on a regular basis to compare performance and share best practice.

5.0 **Stock Transfers**

5.1 Cartloch

- 5.1.1 The Association purchased 235 properties in the Cartloch area of Pollok on 27 March 1997, following a successful ballot of tenants. Following the transfer, our Board agreed the following:

1997/98 - rent freeze

1998/99 - 2.3% increase (50% of the increase agreed by the Board)

1999/2000 - 1.9% increase (50% of the increase agreed by the Board)

- 5.1.2 From 1999/2000, our Board agreed to restrict rent increases in Cartloch unimproved properties to the rate of inflation only until all properties were improved and the new build had been completed (see Appendix 1).
- 5.1.3 The Association no longer has unimproved properties in Cartloch. Since 2006/2007 all rents for improved/new build properties in Cartloch have been reviewed annually in accordance with this policy.

5.2 Arden

- 5.2.1 The Association transferred stock from Scottish Homes in Arden on 29 January 1999. As part of the transfer, it was agreed that rents for the first 10 years would increase at the rate of inflation plus 1% (see Appendix 1 for details of rent increases applied since 1999/2000).

6.0 Monitoring and Reporting

- 6.1 Rent setting will be carried out in a manner that satisfies the requirements of The Scottish Housing Regulator. Given the range of ways that rent can be set, we will record on our housing software system the methodology used to set the rent of each individual property. Where we discover that a rent has been set incorrectly because it was based on inaccurate data then we will apply the increase from the next available annual rent increase. A decrease will be backdated to the previous annual rent increase.
- 6.2 The Board will approve annual rent increases, and will ensure compliance with the requirements of the Scottish Social Housing Charter. Tenants and stakeholders will be fully consulted with clear information about the proposed annual rent increase and how their rent is set in line with the Charter Outcomes on Communication and Participation. The Association will also actively seek tenants' views on whether their rent provides Value for Money (Charter Outcome 13) through satisfaction surveys, bespoke rent consultation questionnaires, and tenants'/RTO meetings. In addition, the Association will monitor/analyse tenants' views on the quality of services, e.g. through satisfaction surveys and the affordability of rents in line with the requirements of the Charter Indicators on Rents and Service Charges (Outcomes 14 and 15).
- 6.3 The Corporate Management Team, in conjunction with the Board, will measure rental income received against budget projections. Reports will be presented to show the effect of implementation of the increase upon existing Scottish Secure Tenancy rents (Appendix 1).

7.0 New Developments

- 7.1 For new developments, rents will be set as part of the development process, and assessed as part of the ongoing business planning process.

8.0 Shared Ownership

- 8.1 Shared Ownership properties will have their rents calculated in accordance with this policy. Rents are set on the portion of the property to be rented by the Sharing Owner.

9.0 Service Charges

9.1 The Association charges for services like stair-cleaning, bulk pull-through and garden maintenance. Tenants will only be charged for the actual costs of the services provided.

10.0 Rent Review

10.1 Rents will be reviewed each year as part of the annual budget setting process. We try to keep our rents as affordable as we can while still improving our homes and communities and delivering the services which are appropriate to you.

10.2 The review will take account of the rental levels set by other Registered Social Landlords and tenants' views on affordability, and the value for money of rents. The rent review will also consider inflation, using prevailing rates for CPI and RPI and Government forecasts. The inflation figure will also be assessed against past trends and future projections.

10.3 We will consult as widely as possible with our residents on the level of the proposed annual rent increase. Each year every resident receives a rent consultation letter from Glen Oaks Housing Association asking for their views on the proposed annual rent increase. We publicise the rent consultation in the Association's newsletter and information is also made available on our website and Facebook page. Residents are asked to review the consultation information and let us know what they think about our proposals. We invite residents to use any of the following methods to give us their feedback on the rent consultation:

- Complete and return the freepost feedback form sent out with the consultation letter
- Email comments to **go@glenoaks.org.uk**
- Private message us on our Facebook page
- Contact the Association via our website at **www.glenoaks.org.uk**
- Telephone our office on 0141 638 0999
- Call in to our office in person to speak to a member of staff

11.0 Complaints/Appeals

11.1 We accept that despite our best efforts, problems arise from time to time. Should you have a complaint about this policy or any issue in respect of its implementation, then you should use our Complaints procedure. This is a separate document and can be requested from our office or downloaded from our website.

12.0 Links with Other Policies

- Rent Arrears Policy
- Estate Management Policy
- Customer Engagement Strategy
- Equality & Diversity

13.0 Policy Review

- 13.1 The Association will review this policy every 5 years in consultation with tenants and service users, as stated previously. Appendix 1 will be updated by staff on an annual basis and will then be reviewed by the Housing Services Sub-Committee.
- 13.2 More regular reviews will be considered where, for example, there is a need to respond to legislative or good practice guidance.