

Rent Review 2025

To provide services for tenants and customers and to maintain properties, the Association needs to generate income to pay for these.

The Association's income comes from the rents that tenants pay for the home they live in. This income needs to cover the day-to-day costs of the Association and also needs to allow funds to be set aside for current and future cyclical maintenance works (such as painterwork, gas servicing, electrical safety) as well as current and future replacement and improvement works (such as replacement kitchens, bathrooms, windows, roofs).

Over the past few years, the costs of operating have increased dramatically. This is largely due to the increase in the cost of labour and materials. This has resulted in increased direct costs and increased costs for our suppliers / contractors which then get passed on to us when we buy services and works.

Cost increases in spend being experienced by the Association are a lot higher than inflation, especially in repairs and maintenance costs.

The Association reviews its rental charges every year to make sure we have enough income for the costs as mentioned above. We aim for our rental charges to be as affordable as possible for customers whilst covering our costs.

The Association would normally consider using the September inflation rate for consumer price index inflation (CPI) to determine rent increases. However, as explained above, the rent charge affects what the Association can do and our costs have increased considerably above CPI.

During the last few years Pineview has applied below inflation rent increases to help tenants during the cost of living crisis.

Rent Increases for the previous 4 years:

2024 – 5% (September 2023 CPI less 1.7%)
2023 – 3% (September 2022 CPI less 7.1%)
2022 – 2.6% (September 2021 CPI less 0.5%)
2021 – 0.7% (October 2020 CPI)

We now need to base our rent increase on what is required to ensure that we are able to continue to invest in our properties and services without stocking up problems for the future that could result in high rent increases.

As part of our annual review, we also compare our rents with other social landlords – we consider average private sector rents, but these are always greatly higher, as you can see in the table below.

The Scottish Housing Regulator (SHR) collects average rents from all social landlords and publishes them through their website - <https://www.housingregulator.gov.scot/landlord-performance/>

The Association compares our rents with those published by the SHR and from our benchmarking group SHN (Scottish Housing Network), along with the other Housing Associations/Co-operative in Drumchapel – Drumcog (made up of Cernach HA, Drumchapel HC, Kingsridge Cleddans HA and Pineview). The latest published figures for SHR and SHN relate to rents from 2023/24 and are compared below.

2023/24 Average Weekly Rents:

Size	PHA	Drumcog Average	SHN Average	Scottish Average	PHA cheaper than Scottish Average by	Glasgow private rents average
2 apt	71.18	77.01	81.26	87.87	-19%	178.38
3 apt	81.76	84.12	89.55	90.29	-9.15%	233.77
4 apt	91.66	97.11	99.30	98.30	-6.76%	288.69
5 apt	101.07	105.29	108.80	108.27	-6.65%	503.54

Drumcog 2024/25 Average Weekly Rents

Size	PHA	Drumchapel Housing Co-op	Cernach Housing Association	Kingsridge Cleddans Housing Association
1 apt	N/A	N/A	51.17	N/A
2 apt	74.75	93.22	74.62	78.87
3 apt	85.87	93.74	85.34	87.73
4 apt	96.31	110.23	103.15	98.01
5 apt	106.15	120.53	107.15	108.34
Total Average	88.51	98.68	88.78	93.24

The Association begins the rent review work in Sept/October each year. This includes reviewing past spend, considering future budgets (for the year ahead and the 30 years ahead for longer term planning), and consulting with tenants on proposed rent changes, which would be applied from 1 April.

The Association's Committee of Management has considered all these matters and decided the consultation process to commence for rent charges due from 1 April 2025.

The Management Committee absolutely understand that an increase, no matter how big or small, impacts on our tenants and with that in mind we have worked hard to keep the proposed increase as low as possible.

However, with a focus on our tenants, the Management Committee have sought to find a balance between any proposed increase against affordability and the need to maintain and invest in our properties and services. As such, the Management Committee have decided to consult with you on a proposed increase of 4.5%.

Any increase would be applied to the base rent within our rent setting structure and then calculated through to the chargeable rent. Below, we have illustrated the impact on average weekly and average monthly rents.

Impact of proposals on the average rent charges:

Property Size	No. Units	2024 Current average weekly rent	Average weekly increase amount	New average weekly rent	2024 Current average monthly rent	Average monthly increase amount	New average monthly rent
2 apt	157	74.75	3.37	78.12	323.94	14.58	338.52

3 apt	389	85.87	3.87	89.74	371.91	16.73	388.64
4 apt	225	96.31	4.33	100.64	417.33	18.78	436.11
5+ apt	81	106.15	4.78	110.93	460.00	20.70	480.70

Service charges are charged separately – our tenant service charges only relate to 3 properties for specialist door services.

Your opinion matters – please let us know your thoughts

Before deciding on the increase, the Association is seeking the views of our tenants – the law requires us to do this every year.

We will be sending out rent consultation correspondence to every tenanted home during December in order to ask your views on this.

Please can you take the time to consider the proposed increase and let us know your opinion **by 4pm on Friday 10th January 2025.**

Following this, the Management Committee will consider the consultation responses (all responses will be reported anonymously) and decide on charges to apply from 1 April 2025. The outcome will be advised to everyone by the end of February 2025.

To let us know your views:

- Complete an online survey at <https://www.pineview.org.uk/customer-consultation/>
- email: mail@pineview.org.uk
- Text: 0741 834 7038.
- Call the office on 0141 944 3891 and speak to a member of staff to give your view.

Prize Draw - All responses will be entered into a prize draw with 10 chances to win £20 vouchers.