



WILLIAMSBURGH
HOUSING ASSOCIATION LTD

Rent and Service Charge Setting Policy

Revision History

Policy	Rent and Service Charge Setting Policy
Reviewer(s)	Louise McDonald
Committee Name	Operations and Performance Sub
Number and Date of Meeting	12th 13 th August 2025
New Policy or Description of Revision	Revision of existing policy
Equality Impact Assessment Complete	14 th April 2025
Data Protection Impact Assessment Complete	14 th April 2025
Health and Safety Risk Assessment Complete	N/A
Consultation Complete	Yes
Next Review Date	August 2028

Contents

1. Introduction
2. Equality and Diversity
3. Legal and Good Practice Standards
4. Aims and Objectives
5. Complaints
6. Monitoring and Review

Introduction

As a locally based provider of quality, affordable, rented housing, our aim is to provide a decent home for all who wish to live in our communities and to maintain and manage our properties to the highest possible standard. In doing so, the rent levels set and applied by the Association are of central importance in achieving this aim as well as ensuring the long-term viability of the Association.

This policy details the aims principles and framework on which our rent and service setting is based and how we will consult with our residents on these charges.

Equality and Diversity

As part of our commitment to equal opportunities, this policy can be made available in large print or audio tape or translated into another language if required. We are also committed to meeting Outcome 1 of the Scottish Social Housing Charter which states that social landlords perform all aspects of their housing services so that: - every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.

Legal and Good Practice Standards

Under the terms of the Housing (Scotland) Act 2001 the Association is responsible for setting rent levels for properties within our ownership and for consulting with the residents involved.

This policy relates to rents set for Scottish Secure Tenancies under the Housing (Scotland) Act 2001.

For the small and reducing number of tenants who have the preserved right for rents to be set by an independent Rent Officer on a three yearly basis – known as a Fair Rent, this will continue to be the case.

Rents should be sufficient to cover the costs of managing and maintaining our properties.

Costs to be covered by rental income include:

- Housing management costs.
- Voids and bad debts.
- Maintenance costs.
- Planned maintenance.
- Loan charges.
- Insurance and overheads.
- Staffing costs and pension provisions.

Social Housing Charter

The Social Housing Charter came into effect in April 2012 and this sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The Association's Rent and Service Charge Policy will take account of and comply with the relevant Outcomes contained within the Social Housing Charter:

Outcome 1 - Every tenant and other customer have their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.

Outcome 13 – Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

Outcomes 14 and 15 – 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 service users can afford them, and
- tenants get clear information on how rent and other money is spent, including details of any individual items of expenditure above thresholds agreed between landlords and tenants.

Good Practice

The SFHA Rent Setting Guidance and Affordability Tool has been taken into account in the development of this policy.

Business Planning

This policy supports the strategic objectives of the Association's organisation's Internal Management Plan and Strategic Objectives.

Aims and Objectives

In formulating this policy, we aim to ensure affordable and comparative rents reasonably balanced with the financial viability of the Association. In addition, the rent levels charged take account of provisions for the management and maintenance of properties, as well as voids, bad debts and sinking funds in respect of major repairs and loan charges.

The principles underpinning the Rent and Service Charges Setting Policy are:

- We will apply a fair and consistent rent structure.
- We aim to charge similar rents for similar properties, in similar locations, with similar services as far as possible.
- Rents will be comparable, in so far as is possible, with those of other landlords and property types, standards and services in the area.

Affordability

We aim to ensure that our rents are affordable to those in receipt of low or moderate incomes and those in receipt of welfare benefits. To do so we have used the 'Affordability Tool' developed by the Scottish Federation of Housing Associations which allows us to test different rent scenarios during the rent setting process.

The tool assumes that residents on a 'moderate' income should not usually pay more than 25% of their income on rent. Where the assessment indicates that a moderate income would be paying 25-30% of their income on rent, this is considered to be on the margins of affordability. A moderate income is one that is just above the eligibility threshold for receipt of Housing Benefit/Universal Credit.

Viability

Rents are our main source of income and are therefore vitally important to the long-term viability of the Association. Sufficient income must be generated to meet all the Association's financial requirements. Given this, the annual review of rent and service charges is carried out in conjunction with the Association's budget setting process. This will ensure that a detailed assessment of all relevant costs is made and that the resulting rents will be set at a level necessary to meet these as well as achieving an acceptable level of operating surplus.

It is prudent to hold a reasonable cash reserve whilst the surplus is reinvested into our properties in future years, through the planned maintenance and development programmes and also to keep borrowing and interest payments down, for the Association as a whole.

Transparency and Fairness

Rents

At each change in tenancy, the rent for the property will be recalculated in accordance with our Rent Calculation sheet (see Appendix 1) and applied.

Our Rent Calculation sheet has been compiled using a base rent figure, together with elements associated with the particular property, and is updated on an annual basis to include any rent increase approved by the Association's Management Committee. The Rent Calculation sheet is also provided to the Association's Management Committee for ratification on an annual basis.

Service Charges

The Association recognises that services may be required. In all cases, we will aim to ensure that their costs are fair and accountable. These services include:

- Close cleaning.
- Communal garden maintenance.
- Landlord services (e.g. electricity within close).

Where service charges are provided and applied by the Association, the charge will be set to meet the actual cost of the service.

Comparability and Value For Money

Rents are broadly consistent with comparable rents charged by other social landlords in the area providing similar types and standards of property and services.

When considering any increases required to our rents, we will compare our rents (excluding services) with those of a number of other locally operating social landlords and the Scottish averages, as provided by the Scottish Housing Regulator (see Appendix 2). Where possible, we will also compare our rents (including services) to other locally operating social landlords. The information collated will be included within the report prepared for our Management Committee's consideration, prior to embarking on a consultation exercise.

Our consultation process will involve contacting all tenants affected by the rent and service charge increases. This will be done via email, text, letter and through tenant participation focus groups. We will provide details of the proposed increase, and how to respond using email, text, our website or through a written questionnaire. In addition, a breakdown of current and revised services charges, together with details of the planned maintenance programme for the forthcoming financial year will be provided.

When considering whether our rents represent value for money, we will take cognisance of the views expressed by our tenants in our Residents Satisfaction Survey and also the feedback received during the consultation process.

Complaints Procedure

Should any tenant be dissatisfied with the implementation of this policy they should submit a complaint to the Association in order to get the matter resolved.

If, after exhausting the Association's complaints procedure (full details of which are available on our website, from staff or located in our reception) a tenant is still unhappy, they should contact the Scottish Public Services Ombudsman (SPSO):

SPSO
Bridgeside House
99 McDonald Road
Edinburgh
EH7 4NS
(if you would like to visit in person, you must make an appointment first)

Their freepost address is:

FREEPOST SPSO
Freephone: 0800 377 7330
Online contact www.spsso.org.uk/contact-us
Website: www.spsso.org.uk

Monitoring and Review

This Policy will be subject to review every three years, or earlier if required by changes in legislation, guidance or informed by practice.