

Rural Matters

SPECIAL EDITION

Rent and Service Charge

REVIEW



SPECIAL EDITION / NOV 2025

News for our tenants

A message from our CEO

Dear tenants,

Welcome to this special edition of Rural Matters. In this edition we will be sharing the outcomes of an important review we undertook during 2024/2025 regarding how we set rents and service charges across our homes.

This review was carried out by independent consultants, Arneil Johnston, with the aim of ensuring our rent structure is fair, transparent, and fit for purpose. Background to the review and a summary of the outcomes is detailed below.

We are very grateful to all tenants who participated in engagement events and focus groups

throughout the review process. Your feedback played a vital role in shaping the final structure, which has now been approved by our Board of Management.

The new rent structure will come into effect from 1 April 2026 at the same time as the usual annual rent increase. For most tenants, the new rent structure will mean that there will be little change to their current rent, before the annual rent increase is applied.

However, some tenants will see more of an increase in their rent. To minimise financial hardship, any increases will be phased in gradually over a few years.

If you are affected by an increase in rent because of the new rent structure, we will contact you to discuss what this means for you and how we can support you through the transition.

Please note that this review is not related to the annual cost of living rent review. There will be a separate consultation on this.

If you have any questions or concerns, please don't hesitate to get in touch with your Housing Services Officer or email us at enquiries@rsha.org.uk
We are here to help.
Warm regards,
Donna Birrell
CEO



Background

In May 2024, we commissioned Arneil Johnston to conduct an independent and comprehensive review of our approach to rent and service charge setting.



The purpose of this review was to create a fair and easy-to-understand system for charging rent for the homes we provide. The aim was to ensure that the same set of rules applied to all tenants, ensuring that no one paid more or less than they should for the property that they live in and the services that they receive.



The core components of the review were to:

Develop a rent and service charge setting model which is transparent, fair and simple to maintain and administer.

Engage with RSHA tenants on what a fair and consistent set of rules for rent and service charge setting would look like, taking into account property characteristics that should be considered when calculating rents.

RSHA owns and manages just under **700 homes**. In reviewing our rent structure Arneil Johnston found that there were **over 100 different rent levels**. In other words, there was a different rent level for every six RSHA homes. It was clear that our existing rent

charges were not fair or transparent. They also highlighted that we had four different service charges in place. A key recommendation from the review was to reduce the complexity of the rent structure by reducing the number of attributes used for rent setting and to move most service charges into the rent rather than charging separately.

At the beginning of the review exercise a survey was issued to all tenants. We followed this up by inviting tenants to a series of workshops hosted by Arneil Johnston. At the workshops, Arneil Johnston explained our current rent setting structure, which was based on a large number of property characteristics. The workshop sessions also explored with tenants what they felt should be taken into account when setting rents.



The key outcomes from the tenant consultation are summarised below:

Property Size/Type



There was overwhelming support from both the tenants' survey and workshops for the use of property size and property type when setting rents. These were the two highest ranked characteristics by tenants.

Ranking of Property Types



The property type structure overall from lowest to highest was as follows:

- flat common access (including maisonette flats),
- flat own door (including 4 in a block),
- house/cottage/bungalow to be split by mid, end, semi and detached.

Energy Efficiency



This was an important factor in the consultation events and tenants felt that those living in less energy-efficient homes should pay less rent.

Parking



There was a lot of discussion around the issue of parking, and it was agreed that this could only be used in the rent structure in a highly simplified way with no parking or private off-street parking being the two characteristics used.

Location



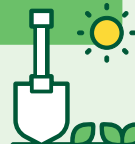
Location was also discussed at length. Tenants stated that we all live in 'rural Stirling', however it was also recognised that there are some locations that would be classed as remote/very remote rural and that these properties should be charged less rent due to the higher costs of living in such areas.

Shared Stairwell



This was not agreed as a rent attribute during the tenant discussions. When service charges were discussed in more detail it was agreed that stair cleaning should be absorbed into the rent with tenants who receive this service paying an agreed charge as part of their rent.

Garden Space/Additional toilet/Dining room



These attributes were all discussed at length during the tenant consultation and there was varying support for each. It was agreed that these should not be individual factors in setting rents but part of the justification for adding a premium to property type i.e., a house is more likely to have these attributes rather than a flat.

Service Charges



The outcome from both the tenants' survey and workshops was that service charges, e.g., stair cleaning and communal landscaping, should be included in the rent as far as possible.

Implementation



The majority of tenants who responded to our survey expressed a preference to restrict the impact of rent increases for those affected as much as possible by phasing in changes over a period of time.

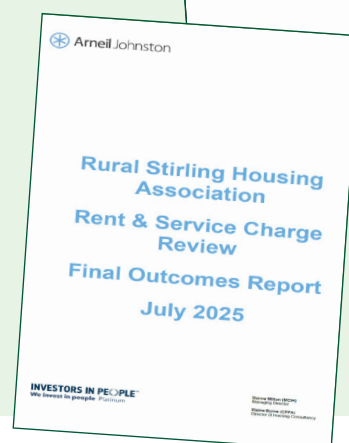
We will write to you and let you know what your new rent will be from 1 April 2026. If your rent is higher because of the new rent structure we will let you know as soon as possible and will explain the support available to help you with this change.

We believe that our new rent setting structure will ensure;

- that rents are fair to all tenants.
- that our tenants have had a say in how rents are set.
- that the methodology used to determine how rents are calculated is fit for purpose both now and in the future.
- that the rent setting framework is easy-to-understand, manage and administer.

We wish to thank all tenants who engaged with us during the review process for your time and input, your feedback has been invaluable.

If you would like to receive a full copy of the Arneil Johnston Final Outcomes Report or the Tenant Consultation Outcomes Report, please contact us and these will be made available.



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(Normal working hours are 9am – 5pm Mon to Thur and 9am – 4pm Fri)
Our office is open to the public on Tuesdays, Wednesday afternoons and Thursdays.

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Property Factor No. PF000330

Letting Agent Registration No's LARN 1907004



Rural Stirling
Housing Association



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