



# YOUR RENT IS CHANGING **RENT RESTRUCTURE**

**We have listened to tenants' comments about how complex and difficult to understand our rent structure is and after consulting tenants last year, we are now changing rents to reflect what you asked us to do.**

Rent is the amount you pay for living in your home. Rents can be different according to the size, type and features of a property.

Our current rent structure is complicated with 99 rent levels across our 490 properties. Some customers living in the same size and types are paying different rents. This is usually caused by the way we originally became the landlord through stock transfer and the complex system of our previous rent setting system.

Over the last year, we have worked closely with tenants and specialist consultants to change differences in our rents. An online questionnaire was sent to all tenants. Tenants could also complete the survey online and were encouraged to complete the survey when they contacted the Association for other reasons.

This booklet explains the changes which will take effect from 1st April 2022.



## WHAT DOES THE RENT MONEY PAY FOR?

We collect around £1.9m in rent each year. We spend most of it delivering direct services including:

- Supporting tenants with a huge range of housing queries and issues
- Providing a high-quality repairs service
- Home improvements such as new windows, kitchens, heating and hot water systems, close upgrades and secure entry systems
- Working to improve and maintain common areas and neighbourhoods
- Keeping properties and neighbourhoods clean and safe
- Expert money, welfare and fuel advice

## DID YOU KNOW

Not all our homes have rents which have been set by Molendinar Park Housing Association.

The ones that do not are:

- Homes transferred from Scottish Homes in 2000
- Homes which were funded by Glasgow City Council in the Moore Street Development

During the rent consultation we had with tenants in 2021, 73 survey responses were received which represents a 15% response rate. Most felt that a rent structure based on property size and type was easier to understand and fairer. You also told us that some relevant property features should be included in rent setting like, size or property, age of property, private garden, type of parking and additional WC.

- 84% of tenants who responded agreed that the rent charged should reflect the number of bedrooms
- 92% of tenants who responded agreed that the rent charged should vary according to the type of property

Your told us that the most popular property types, in order of preference, are:

- |               |                   |                  |
|---------------|-------------------|------------------|
| 1. Bungalow   | 2. Terraced House | 3. Lower Flat    |
| 4. Upper Flat | 5. 4 in a block   | 6. Tenement Flat |

To make rents fairer we have also agreed to take account of how old the property is. When calculating the rent of a newer property of the same type the property it is likely be charged more rent as explained in the age band information table on page 6.



## WHAT WILL THE CHANGES MEAN?

Rent charges for some homes will increase, while others will be frozen at current levels. It will give us a fairer and clearer rent structure with 23 different rent levels, instead of 99.

After considering the above findings, MPHA Management Committee agreed the following at their meeting on 19th January 2022.

- Rent charges will be changed to reflect the property, type, size, age and the relevant property features only (See page 5) – known as target rent figure
- Any increase will be capped, so in any one year, increases are no more that £10.00 per month, (excluding our usual once-a-year increase).

## WHAT WILL THE CHANGES MEAN? (continued)

- We will apply the rent changes gradually and it will take around 9 years before all rent charges reflect the new structure – of the 179 identified as having a rent increase 146 rents will reach “the new rent figure” between year 1 or year 5 with the remainder taking up to 9 years.
- Rent charges for some homes will increase, while others will be frozen at current levels.

Putting in place this model will reduce the number of rent levels from 99 to 23 making our rent structure fairer and easier to understand – tenants in the same size and type of property will now pay the same rent. This does not happen at the moment.

## HOW WILL MY RENT BE CALCULATED?

Base Monthly Rent is 2021/2022 figure:



## PROPERTY SIZE

Figures based on 2020/2021 rent figures:

One Bed



+£35.80

Two Bed



+£71.60

Three Bed



+£107.40

Four Bed



+£143.20

Five Bed



+£179.01

## PROPERTY TYPE

Tenement  
Flat

+£21.48

Lower  
Flat

+£96.66

Flat  
+£64.44

Upper  
Flat

+£85.92

4 in a  
block

+£42.96

Terraced House  
2 Storey

+£118.14

Detached  
Bungalow

+£128.88

## RELEVANT PROPERTY FEATURES

Own Parking  
Space

+£3.58



Additional  
WC

+£3.58



Private  
Garden

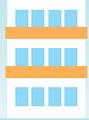
+£3.58



## AGE BAND

Pre 1950	1980 – 1999	2000 onwards
No Extra Charge	+£3.58	+£7.16

**For example, 3 apt 4 – in a block with driveway**

Base Rent	Size	Type	Age	Garden	Parking Space/ Off Street Parking	Additional WC
						
£200	+ £71.60	+ £42.96	No extra charge	+ £3.58	+ £3.58	N/A

### HOW WILL THIS AFFECT ME?

- 311 tenants will have their rents frozen, some for 1 year; others for longer
- 179 tenants will see their rents increase, some between year 1 and 5 and some over 9 years



### ANNUAL RENT INCREASE

This rent restructure is separate from our annual rent setting process. Rents will continue to be reviewed and increased on a once-a-year basis taking account of inflation and the Association's Business Plan. We aim to keep these increases to a minimum.



## HOW WE WILL MAKE THE CHANGES

Rents are usually set at the time a property is first let. Each year, the rent charges increase by an agreed amount to take account of inflation or other cost changes, but the relationship between how high the rents are in different properties generally remains the same. This will now change slowly as the new rent setting policy is applied.

We are making major changes to the rent setting structure and know that some tenants will be directly affected by rent increases. We intend to make these changes over a period of 9 years to make this easier.

We will also reset the rent whenever properties become empty. This will mean that some properties will be reset each year without affecting existing tenants.

## WHAT HAPPENS NEXT

A letter has been sent with this booklet which details your property, size, type and relevant features. If they are not correct, please contact us immediately. We may need to visit you to confirm your details.

If these details are correct you do not need to do anything.



## HOUSING BENEFIT AND UNIVERSAL CREDIT

If you get Housing Benefit or Universal Credit, please note that the Association has notified the Housing Benefit Section and the Department for Works and Pensions of the changes to our rent setting policy.

## NEED HELP WITH PAYING YOUR RENT?

Remember, we can help if you have any concerns of difficulty paying your rent. Just get in touch and a member of our Housing Management Team will help you connect with services who can help you manage your money; claim all of the benefits you are due and help you to save money on your fuel bills.

## FURTHER INFORMATION

We always welcome feedback from our tenants. Therefore if you would like any further information on the rent restructure, please contact us on:

**0141 564 5256** to speak to a member of our team.

e-mail **[admin@molendinar.org.uk](mailto:admin@molendinar.org.uk)**

or write to:

**Molendinar Park Housing Association**  
**3 Graham Square**  
**Glasgow G31 1AD**

