



"Offering our community more than a home"

Rent Policy 2026/27

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CHA Objectives:

- To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.
- To manage the houses provided, in a professional and cost effective manner, for the benefit of our local community and the environment.
- To provide a first class maintenance service which offers value for money and ensures the comfort and safety of our residents while achieving high levels of satisfaction
- To ensure local decision making and community control, we will encourage our tenants and other customers to influence our policy and participate in decisions, which may affect them.
- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.
- To promote social inclusion by applying principles of equality and diversity to everything we do.

Regulatory Standards:

- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these objectives.
- The RSL manages its resources to ensure its financial well-being while maintaining rents at a level that tenants can afford to pay.
- The governing body bases its decision on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
- The RSL conducts its affairs with honesty and integrity.
- The governing body and senior officers have the skills and knowledge they need to be effective.

Any breach or non-compliance with legislation/regulatory requirements in relation to this Policy constitutes a Notifiable Event and the Regulator will be informed via the SHR Portal.

This policy can be made available on request in a variety of different formats, such as on tape, in large print and translated into other languages.

Equalities commitment

The Association aims to be non-discriminatory in its policies and practices. We aim to promote equal opportunity by the prevention, elimination or regulation of discrimination between persons on grounds as laid out in the 2010 Equality Act. We recognise the nine groups as laid out in the act and full details can be found in our Equal opportunities Policy.

Clydebank Housing Association seeks to embrace diversity, promote equal opportunities for all and eliminate any unlawful discrimination in all areas of our work.

A full equalities impact assessment was carried out as part of this policy review and can be found at the end of the policy.

CLYDEBANK HOUSING ASSOCIATION
RENT SETTING POLICY 2026/27

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1. General Principles To Be Applied In Rent Setting

In formulating the Association's rent policy, the following principles were applied:-

- 1.1 The rent policy should be fair. It should be capable of being applied to all properties and able to reflect the different amenities and facilities that each dwelling offers (page 7).
- 1.2 The rent policy should set rents at a level that covers the Association's costs and allows it to carry out its management functions effectively. Costs that must be covered for 2026/2027 are laid out in table 5 on page 11.
- 1.3 Rents should be set at a level that is affordable to our tenants, especially those in low paid full-time employment. (page 13)
- 1.4 Rents should be comparable to other local housing providers (page 15)

The Association targets its activities at those people who are in greatest housing need and who are failing to meet their housing aspirations by any other means.

In line with other Associations, we can demonstrate that our tenants rely heavily on welfare benefits and are restricted in their choice of housing by their income levels. During 2024/25, 56% of tenants received either a housing benefit or a universal credit payment at some point during the year to cover their rent either in part or in full (source – 2024/25 ARC return). This accounted for £2.47m (47%) of the total rental income received.

The Association recognises that although welfare benefits ease the burden on those who have the lowest incomes, the action of high rents can exaggerate the 'poverty trap', restricting a tenants' ability to find employment that improves their financial position.

Rents that are not affordable can also cause hardship, and as a result management problems (such as high rent arrears) are likely to increase. Evictions also lead to homelessness for tenants who then find it difficult to secure alternative accommodation and can lead to social exclusion.

2. Rent and Service Charge Review

Any rent increases will be applied on 1 April each year for SSTs, SSSTs, sharing owners and leased properties. The rent review date for former secure tenants (fair rents) will be 3 years from the date the rent was last reviewed if residing in the same property.

Service charges can be reviewed more than once in a twelve-month period, in consultation with the tenant or sharing owner. Service costs will be applied on 1 April each year.

All will be given at least 28 days' notice, in writing, of the new annual rent, inclusive of service charges.

Timetable for rent setting process

The following information, events and dates will be followed for the rent setting process each year. Please note that the schedule does not include exact dates due to the varied sources of required information, which mean the timetable has to be fluid nature.

<u>Rent Setting Milestones</u>	<u>Month</u>	<u>Responsible</u>
Collation of current rent and service charge data from Housing Management System	November	HHS/HSM
Provision of service charges from Finance	November	HFCS
Provision of rent setting information from Housing Services to Finance for viability measure	November	HHS/HSM
Plumbing in of rents for affordability measure	November	HHS/HSM
Formation of rent setting consultation and service charge reports for Management Committee	November	HHS
Presentation of consultation reports to Management Committee	November	HHS/HSM
Provision of benchmarking information to GWSF, SHN, SFHA etc	Nov/Dec/Jan	HHS
Rent Policy Consultation article in Chit Chat newsletter/website	December	HS/Cust
Meeting and confirmation of rent options (Senior Staff)	December	CEO/HHS/HFCS
Drafting of individual consultation booklet for tenants	December	HHS/HFCS/CUST
Individual consultations sent to tenants	December	HS/CUST
Consultation period (4 weeks)	Dec/Jan	CUST
Consultation meeting with tenant groups	Mid-January	HHS/HFCS
Collation of consultation data	January	CUST
Firming up of all budget figures for inclusion in rent setting policy	January	HFCS
Revision of rent setting policy	January	HHS
Presentation of revised Rent Setting Policy to Management Committee	January	HHS
Processing of new rents and notification to tenants	February	HS
Confirmation of rent setting process in Chit Chat	April	HS/CUST
Checking of applied rents	April	HS

Key for responsibility:

HHS (Head of Housing Services), HSM (Housing Services Manager), HFCS (Head of Finance & Corporate Services), HS (Housing Services), CUST (Customer Services), CEO (Chief Executive).

Consultation

We are required to consult with tenants as part of the rent policy review, and we undertook a consultation exercise using the following methods:

- All tenants and sharing owners received an individual written consultation containing details of the rent policy along with a choice of 3 options for increase. Each option offered a different degree of rent increase as follows:
 - Option 1 - rent increase of 6.8% with existing services
 - Option 2 - rent increase of 7.0% as at option one, but including a dedicated pot of money for enhanced tenant support services
 - Option 3 - rent increase of 7.3% as at option 2, but including further enhanced tenant support services

- All options were based on issues as highlighted to us by our tenants during contact and through surveys carried out during the year.

We received a total of 112 responses to our consultation from tenants/sharing owners (9.23%). All 112 responded to the rent options question (9.23% response rate, which is slightly down from the 9.81% response achieved last year). 78% of responders choose option 1, 17% option 2 and 5% option 3.

In our 2025 tenant satisfaction survey, we also asked whether or not tenants felt their rent was value for money., which 485 answered the question. Of the 485, 455 (94%) felt their rent WAS value for money.

- We consulted directly with our local tenant's group at an office based meeting on 22 January 2026, and we received positive comments regarding the rent setting process. The minutes of this meeting are available for our auditors.
- As part of our last tenant consultation exercise (2025), we asked 'is your rent affordable'. From the tenants who answered this, 94% said yes. This is a slight decrease in satisfaction from 2022, when 99% said yes, but nonetheless a positive response. Affordability is covered in more detail on page 15 of this policy.

In view of the consultation outcome, it is recommended that we base our rent increase amount on option 1 as listed above. The table on page 11 details the exact increase percentage required to achieve option 1 based on the now firmed up figures derived after the consultation process.

3. Rent Mechanism

3.1 Basic Mechanism (Applied to all stock at point of let and re-let for rent calculation)

The Association's chosen method for rent setting is via an assessment system. The system is based on core rents which reflect the size of a property with additional premiums / deductions depending on the attributes of each property. This provides the yearly rent to be applied to each property. The charge for services is added separately.

The rents and premiums for 2026/2027, are as follows. Figures include a 6.8% rent increase, representing our tenants chosen option :

<u>House Size</u>	<u>Core Rent Per Annum</u>
2 apartment 1 person	£3,642.47
2 apartment 2 person	£3,861.06
3 apartment 3 person	£4,076.03
3 apartment 4 person	£4,288.18
4 apartment 4 person	£4,503.49
4 apartment 5 person	£4,715.49
4 apartment 6 person	£4,930.68
5 apartment 6 person	£5,575.48
5 apartment 8 person	£6,769.98
6 apartment 10 person	£6,865.09
7 apartment 10 person	£6,933.80

<u>Amenities</u>	<u>Premium Per Annum</u>
Double glazing	£80.27
Central heating	£144.52
Dining kitchen	£96.35
Additional WC or en-suite bathroom	£64.23
White goods	£64.23
Private garden/patio space/enclosed balcony (flats)	£96.35
CHA build	£178.45
Modernised build	£335.73 (per person size)

<u>House type Premium</u>	<u>Premium Per Annum</u>
Flat with private access	£89.20
Four in a block	£128.44
House	£253.35

<u>Negative Amenity Discount Per Annum</u>	<u>Discount Per Annum (does not apply to newbuilds post 2007)</u>
Ground floor flat (unless family sized or special needs)	£64.23
Third floor accommodation	£64.23
Internal kitchen/open plan kitchen	£96.35
Bad neighbour development (e.g. late license shop)	£96.35
No parking facilities	£32.09
Multistorey Flat Discount	£60.34

3.2 Former Secure Tenants

The rents relating to former secure tenants where the right to have a fair rent set has been protected under the Housing (Scotland) Act 2001 are set by the rent officer who takes a wide variety of considerations into account. The Association can recommend rents according to its own view of a reasonable rent for any given property. The Association currently calculates the proposed rent as per the rent mechanism for rent setting described above and adds on any relevant service charge.

The rent officer can then assess the rent considering such factors as comparability with all local landlords, including the private sector. Tenants have the right to appeal to the Rent Registration Service about their rent increase. Tenants will be given 28 days' notice of their rent increase. There are currently only 2 tenants who fall into this category.

In instances where the Rent Registration Service sets rents at a higher amount than requested by the Association, the Association will charge the tenant the lower amount. We only have two such rents.

3.3 Housing Stock and Other Landlord Increase Comparisons

Any rent increase applied to the housing stock is based on the management and running costs of the Association. Whilst the December RPI figure is no longer used to calculate any rent increase it still has an influence on our management and running costs, as well as our 30-year business plan. For information, the RPI for December 2025 was 4.2%. Although we have applied below inflation rent increases for the last four years, it is not viable to continually do so as it would have a detrimental effect on our 30-year plan.

For comparison, some other rent increases we are aware of for 2026/27 are :

<u>Landlord/Benchmarking body</u>	<u>Proposed Increase 2026/27</u>	<u>Approval</u>
Clydebank Housing Association	6.8%	Seeking approval
The Glasgow West Of Scotland forum (GWOS)	5.4%	Average of the group
The Scottish Housing Network (SHN)	5.6%	Average of the group
West Dunbartonshire Council	6.7% to 7.45%	Subject to approval
Trafalgar Housing Association	5.6%	Subject to approval
Knowes Housing Association	5.6%	Subject to approval
Cordale Housing Association	5.0% or 6.0%	Subject to approval
Dunbritton Housing Association	5.0%	Subject to approval
Caledonia Housing Association	5.0% or 6.0%	Subject to approval
Dalmuir Park Housing Association	5.3% or 5.8%	Subject to approval

3.4 Leased Properties

The rent for each of the hostel type properties at Alexander Street leased to West Dunbartonshire Council will be calculated as if each flat is equivalent to three 2 person 2 apartment properties each with service charges.

The rents for the leased properties will initially be agreed by all parties and will form part of the lease agreement. Any rent increase for leased properties will take place on 1 April each year with one month's notice being given. The percentage increase will generally be in line with that applied to tenants and sharing owners, with the only exceptions being where any additional pre agreed costs have to be met following consultation between CHA and WDC..

3.5 Housing Support

The Association may enter into management agreements with support providers in relation to tenants who have support needs. Where the provider has nomination rights to these properties the management agreement may have a clause in relation to a void charge. Individual agreements will specify.

3.6 Shared Ownership

For shared ownership accommodation a legacy calculation was applied in 2003 – 2004 that made an allowance for the percentage owned by the sharing owner and made a deduction to allow for the sharing owner to carry out their own repairs. From that base charge there will be an annual increase applied matching that applied to tenants. The same 28 day notice period will also apply.

Sharing owners have the right to appeal to the Rent Registration Service (RRS) with regard to any increase. The decision of the RRS will be binding on both parties. Costs relating to an appeal will be apportioned by the RRS. This right will be listed on the increase notification letters.

4. Service Charges

Service charges will be applied separately as per the service charge policy HM POL12 as proposed at the 3 February 2026 management committee meeting.

Viability & Affordability

5.1 Analysis of costs covered by rent charge - Table 5A Viability

Table 5A Viability

The rent review is based on the actual costs of managing and maintaining ALL of the housing stock. All costs are based on results to 30 September 2025, estimated costs to the year-end, information from the 2025 5-year Financial Plans, and the fully costed stock condition surveys/LCC plans.

For information purposes, the current RPI and CPI levels (inflation) are 4.2% and 3.4% as at December 2025

COSTS	NOTES (See Pg 12)	INCREASE: <u>RENT PLUS</u> <u>0%</u>	<u>RENT PLUS</u> <u>2.5%</u>	<u>RENT PLUS</u> <u>3.5%</u>	<u>RENT PLUS</u> <u>4.4%</u>	<u>RENT PLUS</u> <u>6.8%</u>	<u>RENT PLUS</u> <u>7.0%</u>	<u>RENT PLUS</u> <u>7.3%</u>
Voids& Bad Debts (6%)	1	221,809	227,355	229,573	231,569	236,892	237,336	238,001
Management Costs	2	2,112,304	2,112,304	2,112,304	2,112,304	2,112,304	2,112,304	2,112,304
Maintenance Costs	3	1,199,585	1,199,585	1,199,585	1,199,585	1,199,585	1,199,585	1,199,585
Service Costs	4	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Loan Repayments	5	878,438	878,438	878,438	878,438	878,438	878,438	878,438
Major Repairs	6	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Other Direct Costs	7	357,750	357,750	357,750	357,750	357,750	357,750	357,750
TOTAL COSTS		5,790,886	5,796,432	5,798,650	5,800,646	5,805,969	5,806,413	5,807,079
RENTAL INCOME	8	5,545,232	5,683,863	5,739,315	5,789,222	5,922,308	5,933,398	5,950,034
(Deficit) or Surplus	9	(245,654)	(112,569)	(59,335)	(11,424)	116,338	126,985	142,955
						<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>

NOTES	
1	Rental voids and bad debts are estimated at 4% (0.5% and 3.5% respectively) of the rental income and this is still a prudent estimate in relation to our latest reported performance. The ongoing impacts of the Cost of Living Crisis are constantly being monitored on the effect this has on our recovery rates and an amount of 6% has been incorporated into our long term 30 year Financial Plans.
2	Management Costs have been extracted directly from the DRAFT 2026/27 Budget (to be presented to the Management Committee in Jan/Feb 2026) and are based on actual spend to 30 Sept 2025, estimated to 31 March 2026 and amounts per the 2026/27 5-year Financial Plans. Included in Management Costs, staff remuneration has been increased due to additional NI and pension contributions for the current scheme, the increased costs due to the re-introduction of the past service deficit payments and an EVH 5.1% cost of living increase from April 2026
3	Maintenance costs have been extracted from the fully costed Life Cycle Costing document in respect of all stock. The figure includes £717k of reactive maintenance and £483k required for cyclical maintenance in 2026/27. These increased amounts for routine and cyclical costs are required to be incorporated into the rent setting process.
4	Service costs relate only to those costs which are currently non-recoverable through rents, e.g. common close lighting, caretaker services and grounds maintenance/landscaping works.
5	Loan Repayments are based on all loans we have with CAF Bank and Clydesdale Bank. This amount includes capital and interest payments and agrees to what has been provided for in the latest 5-year Financial Plans. The loan amounts payable for the Queens Quay development, Linnvale development, Bowling club units, HEEPS funding and the Electric Vehicles interest free loan have also been incorporated.
6	Major repair costs have been derived from the recent Life Cycle Costing Programme (LCC) which indicates a provision of at least £1m per annum being set aside for future major repairs. Target contributions have been deemed at a level necessary to ensure adequate funding of costs identified over the next 30 years.
7	Other direct costs include property insurance, tenant participation expenses and legal and professional services. These costs will form part of the 2026/27 Budget and are based on actual spend in prior years and what is required to be expended.
8	Rental Income of c.£5.5m is the amount expected for 2026/27 in respect of all rents without applying a rent increase. Comparative figures are made up for a variety of rent rises ranging from 2.5% to 7.3%.
9	Where there are deficits shown (), this will prevent adequate Target Contributions to our Major Repairs Sinking Fund. In the short term this may not pose a great problem but will, in the longer term, compromise the ability of the Association to properly address its Major Repairs longer term. In the current climate, the Association must demonstrate that it places importance on strong financial health and robust financial controls alongside considering the affordability of rents and other charges for customers.

Extract from CHA Financial Plan "Our sensitivity analysis demonstrate that the real threat to the Association's cash position would be consistently applying less than inflation rent increases, rent lost through voids and bad debts and our substantial planned maintenance costs increasing at a rate higher than inflation".

We proposed a minimum of 6.8% increase for 2026/27 in the November consultation. These costs are required to deliver essential investment and ensure financial resilience in the context of higher costs for utilities, staffing and service delivery. Another driver is that previous below-inflation rent increases have created a cumulative shortfall, which we're seeking to recover and to increase our rents in line with other RSLs in WD.

5.2 Affordability

Every RSL must show that its rents are affordable to its tenants who are in **full time employment**. Any affordability gaps should be identified and a strategy put in place to deal with them. The SFHA measures affordability in the following way:

“For a rent to be affordable, households with one person (head of household or partner) working 16 hours or more should only exceptionally be dependent on housing benefit in order to pay it.”

In the summer of 2017, the SFHA launched updated affordability guidance, including a rent affordability tool, which allows landlords to input their rent figures and obtain an affordability measure. The tool is updated annually to account for increases in benefit levels etc. It is generally accepted that no one should be spending any more than 30% of their income on their rent. We continue to use this as our principal measure of affordability.

We used the tool to look at various apartment sizes and family compositions and simulated the proposed 6.8% rent increase on our current rents. The results are attached at the back of this report as appendices. We also ran a simulation using our highest rent for a 2-apartment single person property at Queens Quay, incorporating the same 6.8% rent increase.

Although not necessary, we also included council tax within the affordability measure at band B, which is broadly representative of our housing stock. There is no data available for West Dunbartonshire Council in the comparison tool. We also included our service charges, which again although not necessary demonstrates an outgoing for tenants.

Moderate incomes were assumed when using the tool, as anyone below this level of income is likely to be in receipt of some kind of housing benefit, meaning they would automatically fail the test based on income alone. In using the tool with the above parameters, all rents passed (less than 30% of income required to pay the rent).

It is pleasing that we had no fails, and this helps demonstrate that our rents can be considered to be affordable under this measure.

In 2024 we commissioned the Scottish Housing Network to carry out an independent rent affordability study using desktop analysis. The results were positive, with our rents comparing favourably against benchmarks and peers. The analysis included comparison and measure via tougher criteria than the SFHA measure above. Again all of our rents passed. The report is also attached to this policy as an appendix.

Tenants Satisfaction Survey

As part of our ongoing survey, we ask tenants two rent related questions:

1. Are you aware what your rent money is spent on?
2. Do you feel your rent offers you value for money?

Although a basic measure, it could be argued that tenants own points of view offer more of an insight into how affordable their rent are to them than similar financial exercises.

Our most recent figures are to 31 March 2025 and show that 59% of those surveyed were aware of what their rent money was spent on (up from the 44% in 2022), whilst 94% felt that the rent they paid offered good value for money (a slight drop from 99% in 2022).

These are still encouraging figures, and in tandem with our affordability data demonstrate that our rents can be considered as reasonably affordable as such tests and surveys are able to demonstrate.

5.2.1 Council Tax

Council Tax adds considerably to housing costs. Many of our properties are graded B and a single person qualifying for the 25% reduction will pay approximately £100 per month.

5.2.2 Welfare Reforms

Government changes to welfare benefits such as Universal credit may continue in real terms to reduce a significant number of tenants income over the next few years.

5.2.3 Future Strategy

We will continue to use the SFHA rent affordability tool across a variety of our rents. Affordability information will be used when determining rents for the following year.

We will publish articles in our newsletters regarding the availability of welfare benefits services, credit unions, housing benefit applications and how to apply for a house transfer.

We will continue to offer a tailored welfare rights service to our tenants, either in partnership with CAB, or via our own employed welfare rights officer.

We will continue to take account of the impact of actual costs when budgeting and calculating the required rent charges.

5.3 Analysis of Comparable Rents & Other Options

5.3.1 Comparability - Any comparability exercise has to be treated with some caution as social landlords have such varied stock types and sizes, which makes it more difficult to assess accurately. Comparability is based on averages and landlords with a few of a particular house type or size are likely to have different average rents to Associations with a lot of stock with varying amenities and sizes.

The table on the next page shows the most up to date figures taken from the Annual Return on the Charter (ARC) for comparisons between our rents and those of the other local social housing providers.

Comparable rents between West Dunbartonshire RSL's, the Council and Scottish average

Average rents 2024/25 (service charges included)										
	Caledonia	CHA	Cordale	Dalmuir	Dunbritton	Knowes	Loretto	Trafalgar	WDC	Scottish Ave
1apt annual	-	-	-	£3,905.20	-	-	-	-	-	£4,530.24
monthly	-	-	-	£325.43	-	-	-	-	-	£377.52
2apt annual	£4,468.88	£3,993.60	£6,060.60	£4,859.40	£4,732.52	£4,257.24	£4,681.56	£4,144.40	£4,722.12	£4,850.04
monthly	£372.41	£332.80	£505.05	£404.95	£394.38	£354.77	£390.13	£345.37	£393.51	£404.17
3apt annual	£4,985.24	£4,331.08	£4,938.96	£4,945.20	£5,222.36	£4,593.68	£5,181.80	£4,389.84	£4,856.28	£4,992.00
monthly	£415.44	£360.92	£411.58	£412.10	£435.20	£382.81	£431.82	£365.82	£404.69	£416.00
4apt annual	£5,313.88	£5,148.52	£5,238.48	£5,478.20	£5,618.60	£5,109.52	£5,921.76	£4,910.36	£5,162.04	£5,434.56
monthly	£442.82	£429.04	£436.54	£456.52	£468.22	£425.79	£493.48	£409.20	£430.17	£452.88
5apt+ annual	£5,442.84	£6,224.40	£5,645.12	£6,601.40	£5,925.40	£6,052.28	£7,093.32	£5,338.32	£5,715.32	£6,010.20
monthly	£453.57	£518.70	£470.43	£550.12	£493.78	£504.36	£591.11	£444.86	£476.28	£500.85
Overall Annual	£5,034.12	£4,359.16	£5,386.68	£4,961.32	£5,248.88	£4,795.96	£5,279.04	£4,581.20	£4,930.64	£5,074.68
Overall Monthly	£419.51	£363.26	£448.89	£413.44	£437.41	£399.66	£439.92	£381.77	£410.89	£422.89

As shown, our 2 & 3 apt rents are the lowest in the district. Given that these properties account for around 85% of our overall housing stock, a majority of our tenants continue to enjoy the lowest rent charges in the district. Our 4 & 5+ apt rents are higher than some, but this is because they are mostly houses or four in a block properties with garden areas, as opposed to the flats found mainly within the stock of most other landlords.

At £363.26 per month, **Clydebank's** average rent is £59.63 below the **Scottish average** (£422.89), and £85.63 less than the most expensive local rent - **Cordale** (£448.89). Our overall average is comfortably the lowest in the district at £18.01 per month lower than the next lowest monthly rent, **Trafalgar** (£381.77).

Our rents can be considered as favourable when compared with other RSL's, both locally and nationally.

5.3.2 Other Options

People who apply to the Association for accommodation have a range of other options that they can consider.

5.3.2.1 Owner Occupation

If an applicant is in secure employment or has savings, owner occupation may be an option.

The minimum price for habitable accommodation in Clydebank is approximately £60,000. This would purchase a one-bedroom studio flat. Only a limited number of flats are available at any one time. Additionally, people entering owner occupation can find themselves in financial difficulties if the interest rates were to rise sharply in future or large scale repairs and maintenance are required.

To purchase even the cheapest accommodation a person must either have a secure income or substantial assets. A purchaser also has to pay solicitors fees and often a mortgage indemnity premium. Owners also must also consider the cost of future maintenance and repairs. In the current financial climate, it can also be difficult to obtain a mortgage.

5.3.2.2 Shared Ownership

The number of shared ownership properties available for purchase at any one time is limited to resales, which rarely become available.

The scheme does make owner occupation more affordable; however it may not always be someone's first choice of accommodation particularly if full owner occupation is more attractive because of low interest rates.

A sharing owner can increase their mortgage slightly to cover large initial costs such as solicitor's fees though, which would reduce the initial outlay. This does however add to the loan and therefore may mean higher payments.

5.3.2.3 Alternative Renting Options

A limited market for private sector renting exists in Clydebank. A typical starting rent for a self-contained flat would be £600.00 per month and could be much more. Apart from the issue of high rental cost, the standard of accommodation is variable and limited security is available.

5.3.2.4 Homestake

Similar to Shared Ownership, but without the occupancy charge aspect this scheme also makes owner occupation more affordable. In practice it can be difficult for applicants to meet the criteria laid out by the Scottish Government on qualifying for Homestake and availability is very limited.

5.4 Worked Examples for 2 apartment and 3 apartment properties 2026/27 - all excluding service charges

<u>2 apartment 2 person CHA build with 6.8% rent increase</u>	
Core rent	£3,861.06
Double Glazing	£80.27
Central Heating	£144.52
CHA Build	£178.45
Total Per Annum (2026/27)	£4,264.30
Total Per Month (2026/27)	£355.36
Previous Years (last 4 years) – Monthly (Annual) Rents	
2025-2026	£332.73 (£3,992.79)
2024-2025	£318.40 (£3,820.85)
2023-2024	£304.40 (£3,652.82)
2022-2023	£295.54 (£3,546.48)

<u>3 apartment 3 person CHA build with 6.8% rent increase</u>	
Core rent	£4,076.03
Double Glazing	£80.27
Central Heating	£144.52
CHA Build	£178.45
Total Per Annum (2026/27)	£4,479.27
Total Per Month (2026/27)	£373.27
Previous Years (last 4 years) – Monthly (Annual) Rents	
2025-2026	£349.51 (£4,194.07)
2024-2025	£334.46 (£4,013.47)
2023-2024	£319.75 (£3,836.97)
2022-2023	£310.43 (£3,725.16)

The above worked examples are intended to be indicative only; they do not represent the rents of any actual tenancy. Tenant rents may be higher or lower than the above examples depending on the other rent criteria which may apply.

Previous Years Rent Increase (last 10 years) all RPI figures are at the previous December:

Year	Rent Increase %	RPI %	Comments
28 March 2016	1.7%	1.2%	Above Inflation Increase but less than RPI plus 1%
28 March 2017	1.5%	1.6%	Below Inflation Increase and less than RPI plus 1%
28 March 2018	3.5%	4.1%	Below Inflation Increase and less than RPI plus 1%
28 March 2019	3.0%	2.7%	Above Inflation Increase but less than RPI plus 1%
28 March 2020	2.5%	2.2%	Above Inflation Increase but less than RPI plus 1%
28 March 2021	0.7%	1.2%	Below Inflation Increase and less than RPI plus 1%
28 March 2022	1.5%	7.5%	Below Inflation Increase and less than RPI plus 1%
01 April 2023	3.0%	13.4%	Below Inflation Increase and less than RPI plus 1%
01 April 2024	4.6%	5.2%	Below Inflation Increase and less than RPI plus 1%
01 April 2025	4.5%	3.5%	Above Inflation Increase and equal to RPI plus 1%

1 April 2026 = 6.8% (RPI 4.2%) Above Inflation Increase and above RPI plus 1%

Based on the contents of the policy, it is recommended that it is adopted for rent setting for the next financial year and that a rent increase of 6.8% be applied, this being in line with option 1 on the consultation sent to all tenants. The increase will be applied on 1 April 2026, and tenants and sharing owners will be notified no later than 28 February 2026.

For office use Only – Actions

Customer Consultation Required/Arranged	Yes/Yes
Intranet Update	Yes
F Drive Update	Yes
Website Update	Yes
Leaflet change required?	Yes
Newsletter Promotion?	Yes
Other information updated, e.g. posters, automatic email responses, post cards, answering machine messages, etc.	No

Appendix: SHN Housing Affordability Analysis

This report summarizes the analysis of housing affordability across each housing market area by benchmarking the value of local incomes to housing cost benchmarks across a range of housing tenures. This analysis is disaggregated by the model so that housing affordability can be tested by (i) housing market area; (ii) property size; and (iii) property type.

1.1. Benchmarking: Social Rent Comparison (RSLs)

To assess the affordability of Clydebank Housing Association rents, average rent levels have been compared to rent levels in the social housing sector. Average rent levels have been compared with rental data submitted by Registered Social Landlords (RSLs) to Scotland's Housing Network in 2023/24 rates¹ to provide a comparable average benchmark across all locally operating RSLs. Comparative RSLs include: Tollcross, Partick, Milnbank, Elderpark, New Gorbals, Queens Cross, West of Scotland, Whiteinch & Scotstoun, Shettleston, Govanhill, Linthouse, Glasgow West, Langstane and Maryhill.

Table 1. Peer group comparison

Property Size	CHA rents (per week)	Peer Group Rental Value (per week)	Difference	% Difference
2 Apt	£76.99	£91.25	-£14.26	-18.53%
3 Apt	£83.32	£101.14	-£17.82	-21.38%
4 Apt	£99.08	£114.28	-£15.20	-15.35%
5 Apt	£119.74	£127.64	-£7.91	-6.61%
Average (2-5 Apt)	£94.78	£108.58	-£13.80	-14.56%

Table 1 above shows that Clydebank Housing Association rents are between 6.61% and 18.53% lower than comparable social rents. CHA rents compare well with other RSL rents and are on average 14.56% lower.

1.2. Benchmarking: Market Rent Comparison

¹ Using rent increase figures for 2024/25 to calculate the 2024/25 rent figures

To assess the affordability of Clydebank Housing Association rents, average rent levels have been compared to market rents. Market rent levels have been assembled from Scottish Government Private Sector Rent Statistics, Scotland, 2010 to 2023. This publication presents statistics on average private sector rent levels in Scotland by Broad Rental Market Area and size of property, for the years 2010 to 2023.

Table 2. Market Rents, West Dunbartonshire

Property Size	CHA rents (per week)	Market Rents*	Difference	% Difference
2 Apt	£76.99	£118.85	-£41.86	-54.37%
3 Apt	£83.32	£160.62	-£77.29	-92.76%
4 Apt	£99.08	£203.77	-£104.69	-105.67%
5 Apt	£119.74	£303.46	-£183.73	-153.44%
Average (2-5 Apt)	£94.78	£196.67	-£101.89	-107.50%

The average market rent in West Dunbartonshire is £196.67 per week. As expected, Clydebank rents are significantly lower than the market rents and particularly so for larger property sizes. Table 2 shows that there is a significant differential in rental values for larger properties as social rents have a much flatter rental structure. As a result, the larger the property size, the greater the differential between market rents and the average social rent levels.

Table 3. Local Housing Allowance, West Dunbartonshire

Property Size	CHA rents (per week)	LHA Rate*	Difference	% Difference
2 Apt	£76.99	£109.32	-£32.33	-42.00%
3 Apt	£83.32	£136.93	-£53.61	-64.33%
4 Apt	£99.08	£155.34	-£56.26	-56.79%
5 Apt	£119.74	£218.63	-£98.89	-82.59%
Average (2-5 Apt)	£94.78	£155.06	-£60.27	-63.59%

Table 3 shows that Clydebank Housing Association rents sit comfortably below the LHA cap for Housing Benefits in the West Dunbartonshire BRMA.

1.3. Income to Rent Ratios

The oldest and most commonly used measure of rent affordability internationally, because of its simple formula, is based on the ratio of house prices (in terms of rents) relative to income/earnings (affordability ratio = rent / income), which measures the proportion of a household's income that is spent on rent. Recent research suggests the benefit of combining a traditional low income-based threshold (25%) with information on financial hardship or looking at the incidence of a high rent-to-income ratio and low residual income.

Traditionally, 'one week's pay for one month's rent' was used to define rent affordability as roughly 25% of the households' earnings (Meen 2018, p.7). In reality, most households will spend between 25-35% of their income on housing costs. In the UK, there is no official benchmark for this ratio, although according to the National Housing Federation, housing is affordable if the ratio is up to 25%, and according to CIH, if the ratio ranges between 20-30% (CIH 2013).

Table 4. Annual income required to be able to afford a CHA property by size

Property Size	CHA rents (per week)	25% income to rent	30% income to rent
2 Apt	£76.99	£16,013.00	£13,344.17
3 Apt	£83.32	£17,331.47	£14,442.89
4 Apt	£99.08	£20,608.04	£17,173.37
5 Apt	£119.74	£24,905.01	£20,754.17
Average (2-5 Apt)	£94.78	£19,714.38	£16,428.65



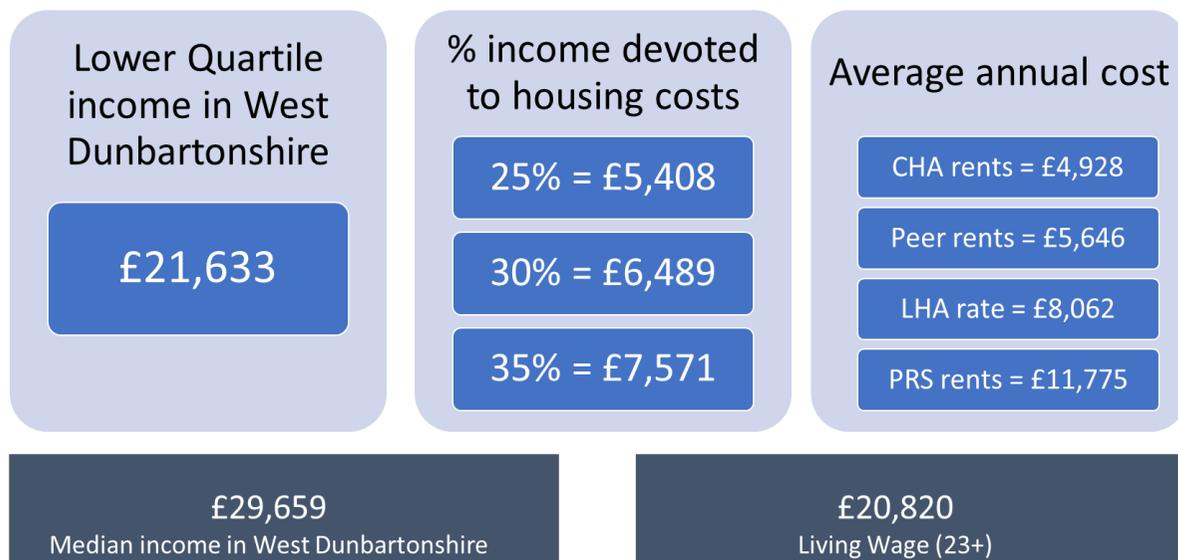
Whilst Clydebank Housing Association rents compare well with other RSL rent and benchmark lower than market rents and the Local Housing Allowance rate for the area; this in itself doesn't prove PRS rents are affordable to local incomes. **In order to assess affordability, analysis is performed which benchmarks rents to local income levels and assesses whether those earning minimum income thresholds (without reliance on housing subsidies) could afford Clydebank Housing Association rents².**

To test this, analysis was carried out to measure how much a household would have to earn to be able to afford Clydebank Housing Association rents if 25%, 30% or 35% of their income is devoted to meeting housing costs.

Based on lower quartile income, at a 25% income to rent ratio, annual average rents in West Dunbartonshire would require to be no more than £5,408 per annum if they were considered to be affordable. Calculated from the average weekly rent for CHA at £94.78, the average annual rent equates to £4,928. It could therefore be concluded that households on low incomes could afford the cost of rents when devoting 25% of their household income to housing costs. However, peer group rents are not affordable at a 25% income to rent ratio in West Dunbartonshire.

² Annual Survey of Hours and Earnings – resident analysis 2023

Figure 1. Income to Rent Ratios, West Dunbartonshire



To assess the housing affordability of households on minimum income thresholds, rent affordability to those on lower quartile incomes has been tested. Please note that these households would be eligible for support with their housing costs.

1.4. Equivalised income

A more comprehensive measure of housing affordability should reflect household circumstances, profiles and location. Equivalisation is a way to adjust household incomes to reflect the circumstances of different household compositions. Bigger households are likely to need higher income levels to achieve the same standard of living as smaller households.

Household income is recalculated to take into account differences in household size and composition. After equivalization has been applied, household with the same income levels can be said to have a comparable standard of living. Assessing affordability of rents against income measures such as the minimum wage, living wage and Universal Credit helps to define which property sizes are affordable or less affordable to a range of different household profiles.

The annual income of each household was modelled using the Scottish Government/Households Below Average Income dataset (DWP). Housing affordability of rents was tested across a range of household archetypes based on the principle that no more than 25% or 30% of household income would be devoted to housing costs.

Figure 2. Income scenarios: typical earnings & benefits for household profiles

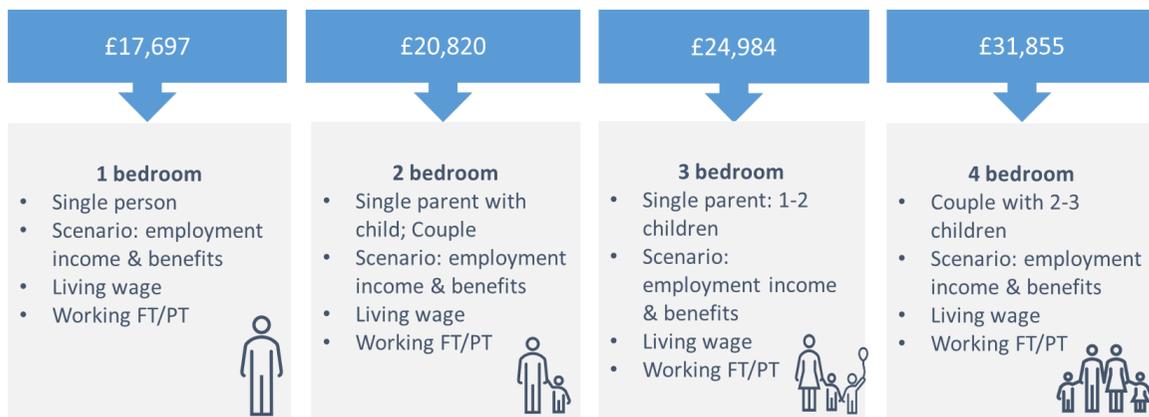
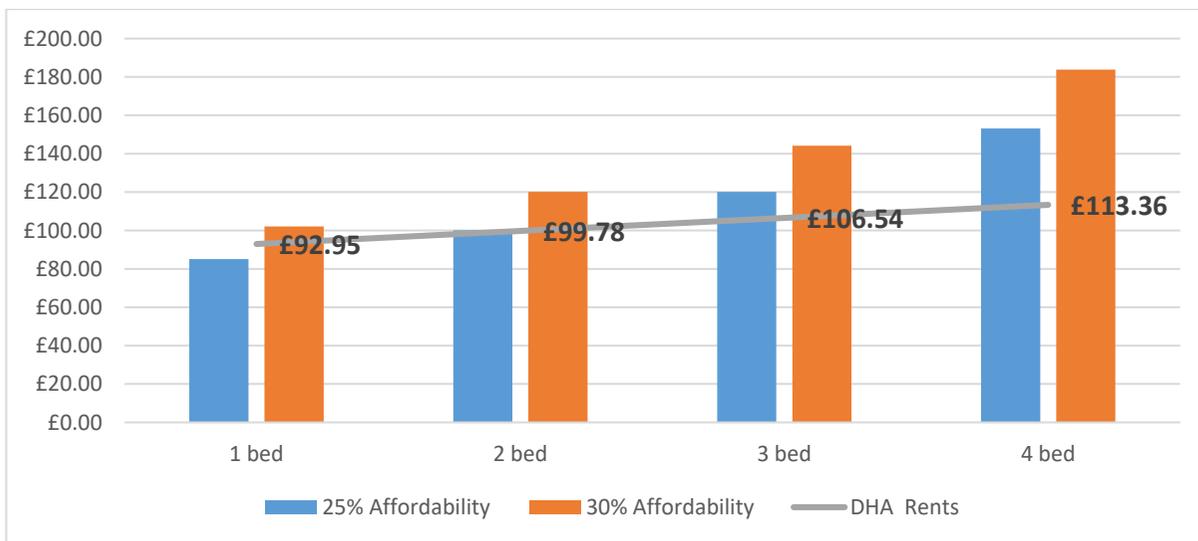


Figure 3 illustrates that each average income profile can comfortably meet the costs of Clydebank Housing Association rents. A single person household needs to devote 23% of income to meet the costs of a 1-bedroom property. In comparison, a couple with 2-3 children would need to devote 20% of their income to housing costs for a 4-bedroom property. Therefore, Clydebank rents are generally affordable to all household types.

Figure 3. Weekly rent required



1.5. Conclusion

- CHA rents compare well with peer RSLs and market rent costs
- CHA rents are below the LHA rate
- CHA average rents are affordable to lower quartile households based on both **25% and 30% income to rent ratio**.
- Based on income profiling, CHA rents are affordable to a range of different household types

Appendix: SFHA Rent Affordability Comparisons – 2 apartment single person (rent = 21.6% of income = PASS)

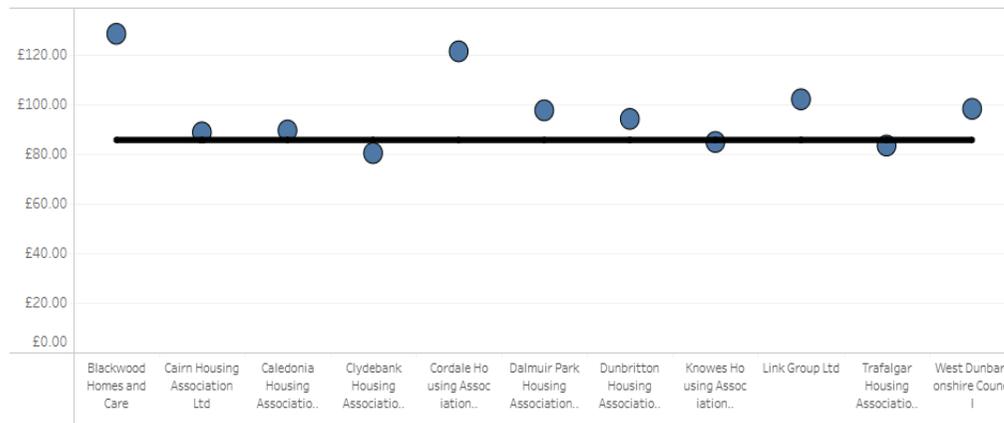
Rent affordability tool: Rent setting



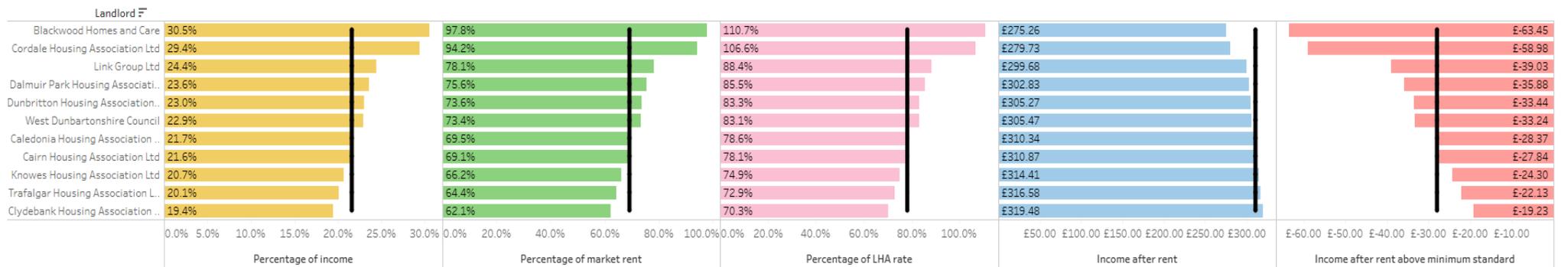
Proposed weekly rent?
 COSTS: Input other costs
 COSTS: council tax (undiscounted)
 How many bedrooms?
 Which local authority?
 Filter - Landlord type
 Filter - Clients

INCOME: Select type to assess against
 INCOME: Select household
 Enter weekly income if 'Input income' chosen
 Select household if 'Average UC claim' chosen

25/26 rents - uplifted from 24/25 & inclusive of service charges



Proposed weekly rent	£85.54
Proposed rent - Percentage of income	21.6%
Proposed rent - Percentage of market rent	69.2%
Proposed rent - Percentage of LHA rate	78.2%
Proposed rent - Income after rent	£310.74
Proposed rent - Income after rent above minimum standard	£-27.97



Appendix: SFHA Rent Affordability Comparisons – 3 apartment single person (rent = 23.5% of income = PASS)

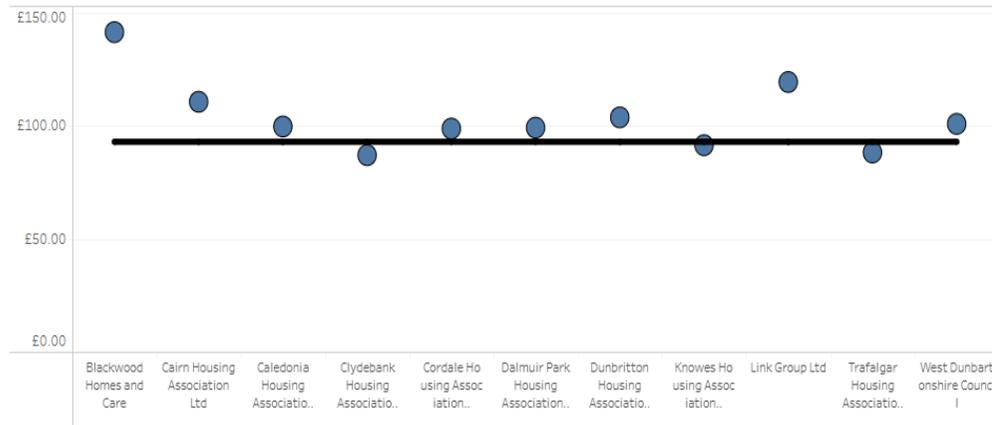
Rent affordability tool: Rent setting



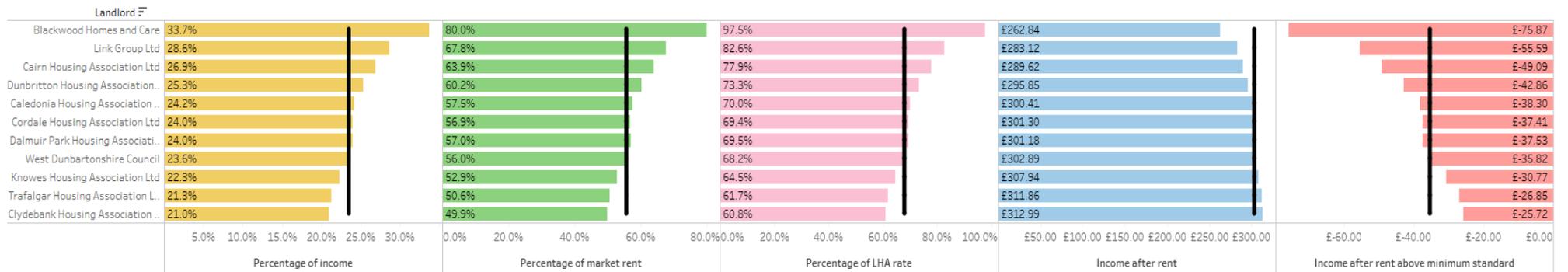
Proposed weekly rent?
 COSTS: Input other costs
 COSTS: council tax (undiscounted)
 How many bedrooms?
 Which local authority?
 Filter - Landlord type
 Filter - Clients

INCOME: Select type to assess against
 INCOME: Select household
 Enter weekly income if 'Input income' chosen
 Select household if 'Average UC claim' chosen

25/26 rents - uplifted from 24/25 & inclusive of service charges



Proposed weekly rent	£92.94
Proposed rent - Percentage of income	23.5%
Proposed rent - Percentage of market rent	55.7%
Proposed rent - Percentage of LHA rate	67.9%
Proposed rent - Income after rent	£303.34
Proposed rent - Income after rent above minimum standard	£-35.37



Appendix: SFHA Rent Affordability Comparisons – 3 apartment couple (rent = 15.3% of income = PASS)

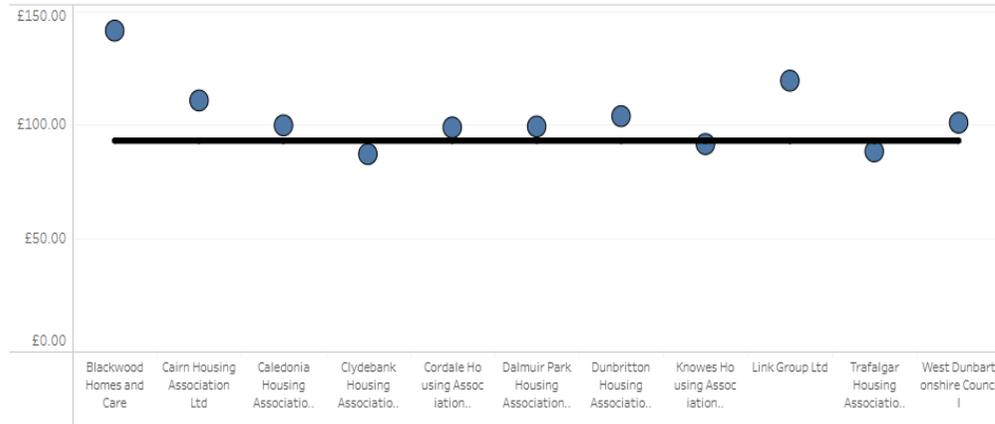
Rent affordability tool: Rent setting



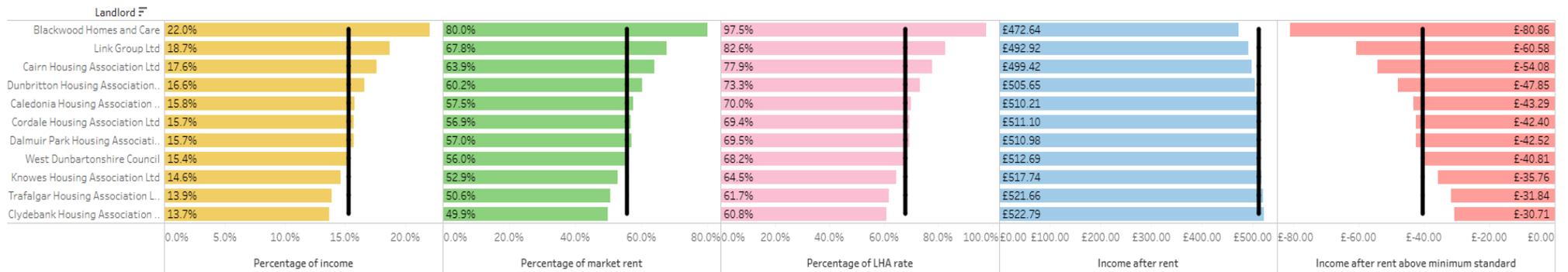
Proposed weekly rent? £92.94
 COSTS: Input other costs £0.00
 COSTS: council tax (undiscounted) Band B
 How many bedrooms? 3 apartment (2 bed)
 Which local authority? West Dunbartonshire Council
 Filter - Landlord type (All)
 Filter - Clients (Multiple values)

INCOME: Select type to assess against moderate incomes (ASHE 30th)
 INCOME: Select household Couple 1 x PT, 1 x FT
 Enter weekly income if 'Input income' chosen £0.00
 Select household if 'Average UC claim' chosen Average of Couple, with child dependant(s)

25/26 rents - uplifted from 24/25 & inclusive of service charges



Proposed weekly rent	£92.94
Proposed rent - Percentage of income	15.3%
Proposed rent - Percentage of market rent	55.7%
Proposed rent - Percentage of LHA rate	67.9%
Proposed rent - Income after rent	£513.14
Proposed rent - Income after rent above minimum standard	£-40.36



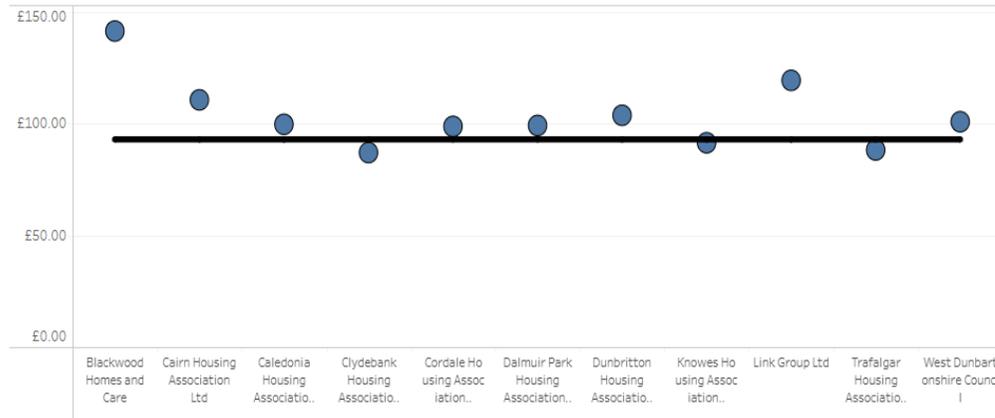
Appendix: SFHA Rent Affordability Comparisons – 3 apartment single parent 2 children (rent = 14.3% of income = PASS)

Rent affordability tool: Rent setting

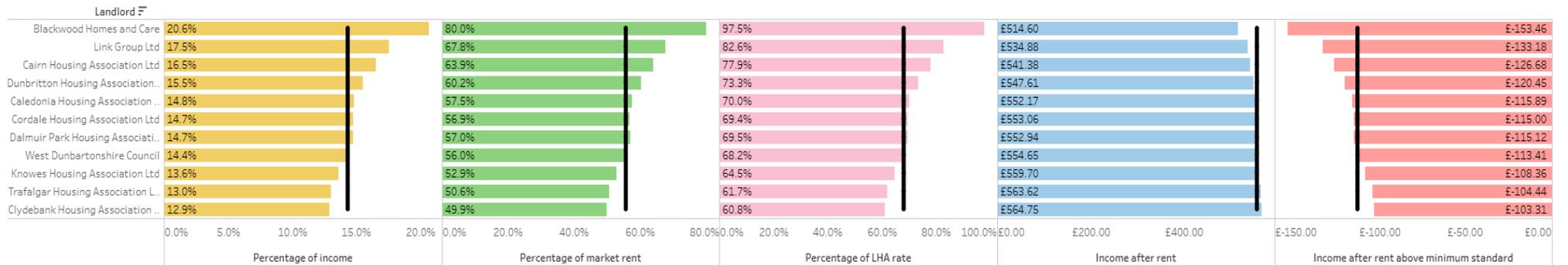
Proposed weekly rent?
 COSTS: Input other costs
 COSTS: council tax (undiscounted)
 How many bedrooms?
 Which local authority?
 Filter - Landlord type
 Filter - Clients

INCOME: Select type to assess against
 INCOME: Select household
 Enter weekly income if 'Input income' chosen
 Select household if 'Average UC claim' chosen

25/26 rents - uplifted from 24/25 & inclusive of service charges



Proposed weekly rent	£92.94
Proposed rent - Percentage of income	14.3%
Proposed rent - Percentage of market rent	55.7%
Proposed rent - Percentage of LHA rate	67.9%
Proposed rent - Income after rent	£555.10
Proposed rent - Income after rent above minimum standard	£-112.96



Appendix: SFHA Rent Affordability Comparisons – 4 apartment single parent 2 children (rent = 17.0% of income = PASS)

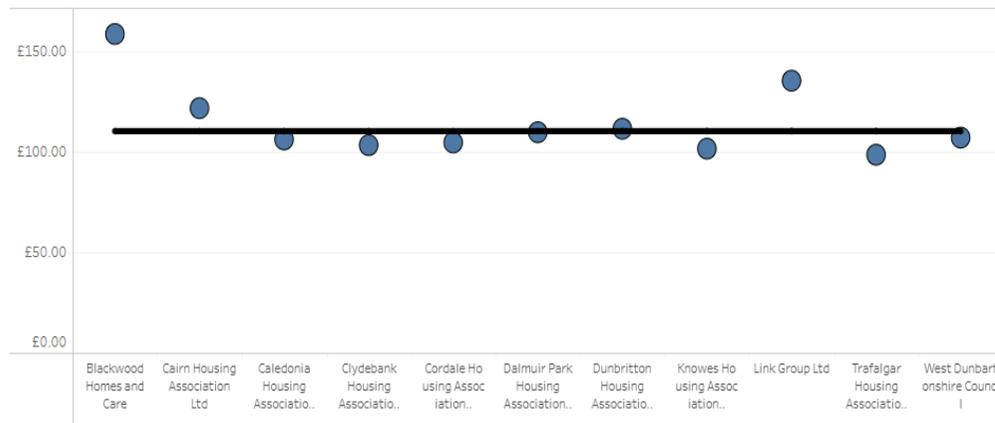
Rent affordability tool: Rent setting



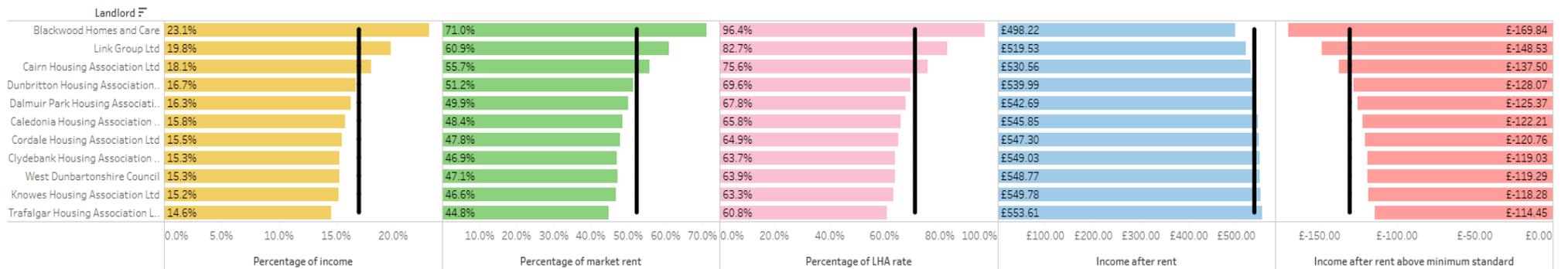
Proposed weekly rent?
COSTS: Input other costs
COSTS: council tax (undiscounted)
How many bedrooms?
Which local authority?
Filter - Landlord type
Filter - Clients

INCOME: Select type to assess against
INCOME: Select household
Enter weekly income if 'Input income' chosen
Select household if 'Average UC claim' chosen

25/26 rents - uplifted from 24/25 & inclusive of service charges



Proposed weekly rent	£110.41
Proposed rent - Percentage of income	17.0%
Proposed rent - Percentage of market rent	52.3%
Proposed rent - Percentage of LHA rate	71.1%
Proposed rent - Income after rent	£537.63
Proposed rent - Income after rent above minimum standard	£-130.43



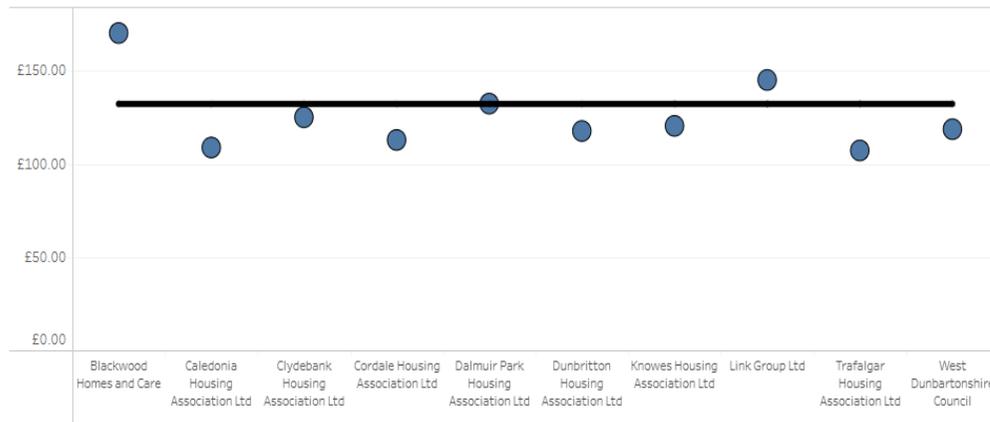
Appendix: SFHA Rent Affordability Comparisons – 5+ apartment Single Parent (rent = 20.4% of income = PASS)

Rent affordability tool: Rent setting

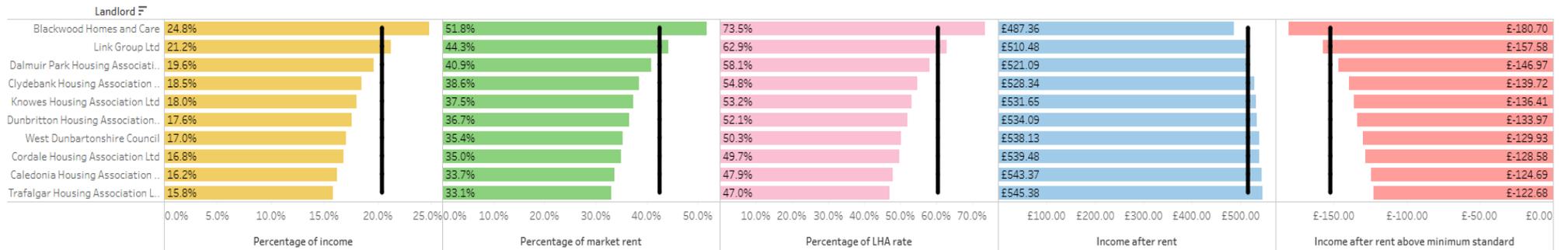
Proposed weekly rent? £132.24
 COSTS: Input other costs £0.00
 COSTS: council tax (undiscounted) Band B
 How many bedrooms? 5+ apartment (4+ bed)
 Which local authority? West Dunbartonshire Council
 Filter - Landlord type (All)
 Filter - Clients (Multiple values)

INCOME: Select type to assess against moderate incomes (ASHE 30th)
 INCOME: Select household Single parent (2 children)
 Enter weekly income if 'Input income' chosen £0.00
 Select household if 'Average UC claim' chosen Average of Couple, with child dependant(s)

25/26 rents - uplifted from 24/25 & inclusive of service charges



Proposed weekly rent	£132.24
Proposed rent - Percentage of income	20.4%
Proposed rent - Percentage of market rent	42.6%
Proposed rent - Percentage of LHA rate	60.5%
Proposed rent - Income after rent	£515.80
Proposed rent - Income after rent above minimum standard	£-152.26



Appendix: SFHA Rent Affordability Comparisons – 3 apartment single pensioner (rent = 21.2% of income = PASS)

[Cover page](#) |
 [Rent setting](#) |
 [LA comparison view income](#) |
 [LA comparison view rents](#) |
 [LA comparison view affordability](#) |
 [Rent increases](#) |
 [Data Sources](#)

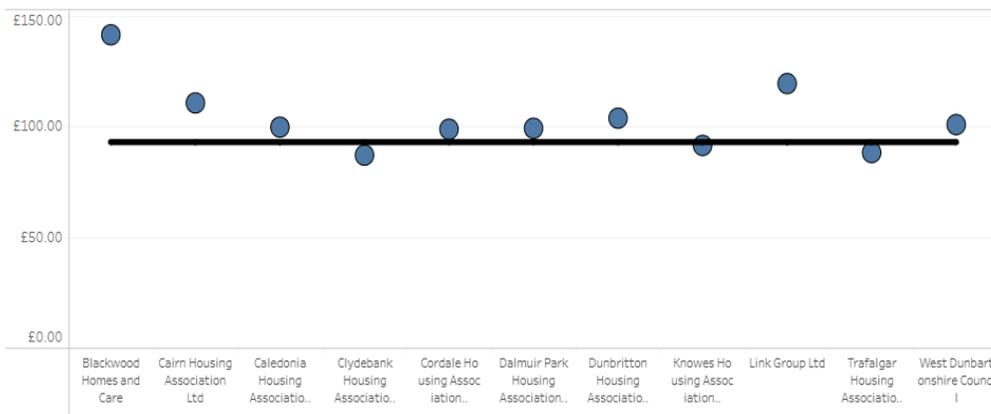
Rent affordability tool: Rent setting



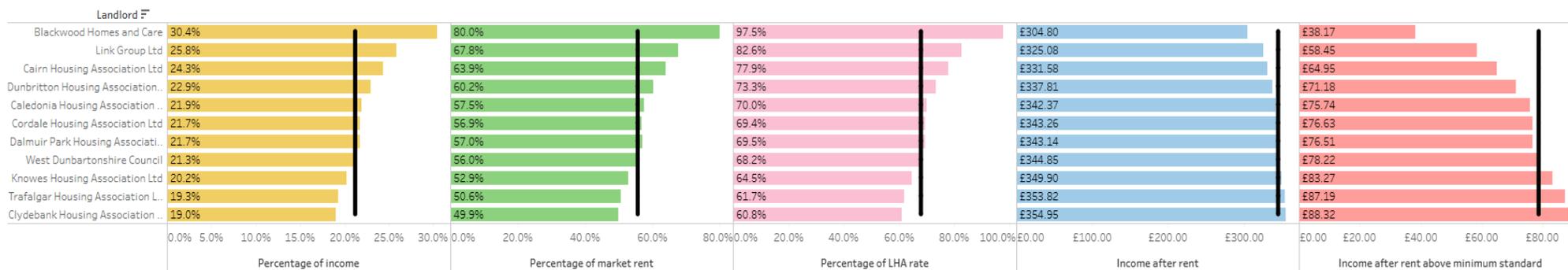
Proposed weekly rent?
COSTS: Input other costs
COSTS: council tax (undiscounted)
How many bedrooms?
Which local authority?
Filter - Landlord type
Filter - Clients

INCOME: Select type to assess against
INCOME: Select household
Enter weekly income if 'Input income' chosen
Select household if 'Average UC claim' chosen

25/26 rents - uplifted from 24/25 & inclusive of service charges



Proposed weekly rent	£92.94
Proposed rent - Percentage of income	21.2%
Proposed rent - Percentage of market rent	55.7%
Proposed rent - Percentage of LHA rate	67.9%
Proposed rent - Income after rent	£345.30
Proposed rent - Income after rent above minimum standard	£78.67



Appendix: SFHA Rent Affordability Comparisons – Queens Quay 2 apartment single person (rent = 23.2% of income = PASS)

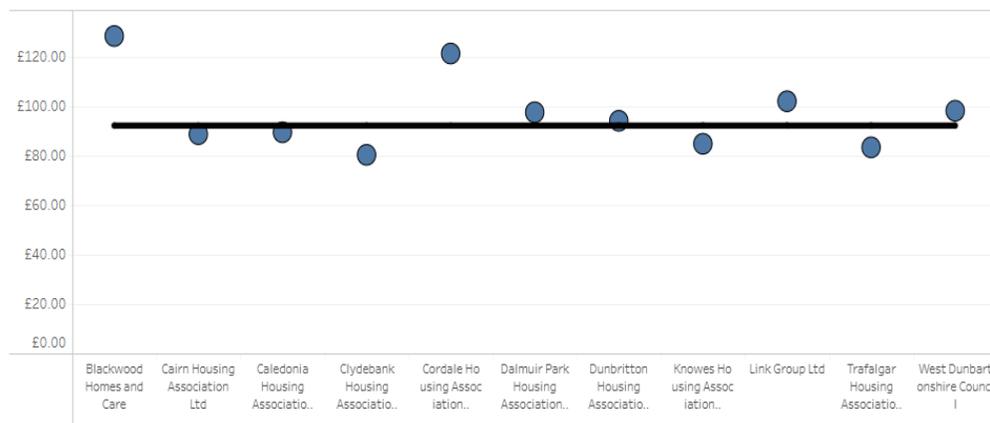
Rent affordability tool: Rent setting



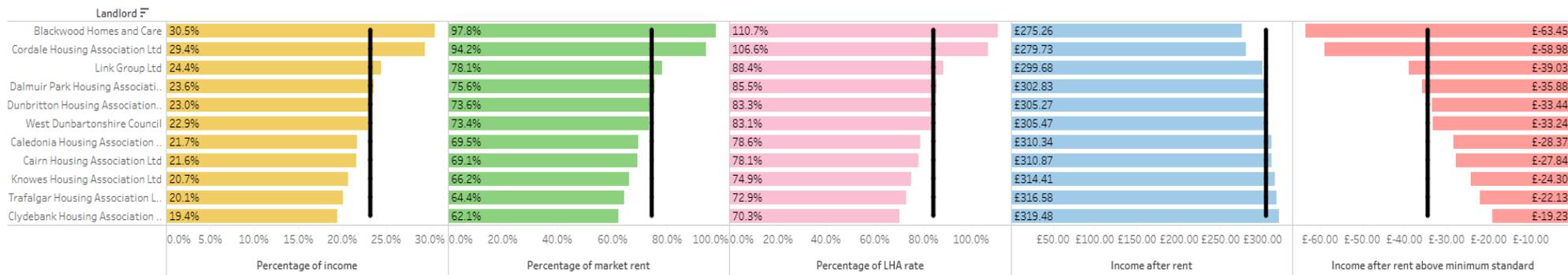
Proposed weekly rent?
 COSTS: Input other costs
 COSTS: council tax (undiscounted)
 How many bedrooms?
 Which local authority?
 Filter - Landlord type
 Filter - Clients

INCOME: Select type to assess against
 INCOME: Select household
 Enter weekly income if 'Input income' chosen
 Select household if 'Average UC claim' chosen

25/26 rents - uplifted from 24/25 & inclusive of service charges



Proposed weekly rent	£92.07
Proposed rent - Percentage of income	23.2%
Proposed rent - Percentage of market rent	74.4%
Proposed rent - Percentage of LHA rate	84.2%
Proposed rent - Income after rent	£304.20
Proposed rent - Income after rent above minimum standard	£-34.51



Clydebank Housing Association Equality Impact Assessment Tool

Name of the policy / proposal to be assessed	Rent & Service Charge Policies	Is this a new policy / proposal or a revision?	Revised Policy
Person(s) responsible for the assessment	Joe Farrell, Head of Housing Services		
1. Briefly describe the aims, objectives and purpose of the policy / proposal	To have an open and transparent system of rent setting and service charges in line with legal requirements and relevant legislation.		
2. Who is intended to benefit from the policy / proposal? (<i>e.g. applicants, tenants, staff, contractors</i>)	The policy will benefit customers, in that they can be assured that CHA calculates and sets rents taking into account affordability, comparability and viability. Staff will benefit as they will also be able to demonstrate this to customers and ensure that rent calculations are correct and in line with guidance.		
3. What outcomes are wanted from this policy / proposal ? (<i>e.g. the benefits to customers</i>)	Identify any potential or real inequalities that result from the application of the rent and service charge policies & associated procedures.		

4. Which **protected characteristics** could be **affected** by the proposal? (*tick all that apply*)

- Minority Ethnic
 Gender
 Disability
 Sexual Orientation
 Age
 Religion
 Transgender /Transsexual
 Marriage /Civil Partnership
 Pregnancy /Maternity

5. If the policy / proposal is not relevant to any of the **protected characteristics** listed in part 4, state why and end the process here.

	Positive impact(s)	Negative impact(s)
<p>6. Describe the likely positive or negative impact(s) the policy / proposal could have on the groups identified in part 4</p>	<p>There are no specific positive impacts on any individual groups from this policy. The policy is intended to demonstrate a fair and equal calculation and assessment of rents irrespective of the tenants protected characteristics.</p>	<p>There are no specific positive impacts on any individual groups from this policy. The policy is intended to demonstrate a fair and equal calculation and assessment of rents irrespective of the tenants protected characteristics.</p>
<p>7. What actions are required to address the impacts arising from this assessment? (<i>This might include collecting additional data, putting monitoring in place, specific actions to mitigate negative impacts</i>).</p>	<p>None</p>	

Signed: Joe Farrell (Job title): Head of Housing Services

Date the Equality Impact Assessment was completed: 26 January 2026