

# Potential 2023 rent freeze or cap factsheet for tenants.



On the 6th September, Scottish Government announced that they planned to introduce emergency legislation to freeze rents until at least 31st March 2023, as well as a moratorium on evictions.

The Cost of Living (Tenant Protection) Scotland Act was passed in parliament on 6th October 2022. This allows for:

- A 0% rent cap until 31 March 2023- which can be continued, raised or stopped thereafter
- An eviction pause until 31 March 2023, unless an eviction is due to anti-social behaviour, criminality or substantial\* rent arrears. This can also be extended.

\*classed as above £2,250.

To ensure the sustainability of our organisation we need to be aware of this affecting planned increases from April 2023. We will be working with partners and regulatory bodies to reduce our costs as much as possible and we wanted to provide you with a factsheet that explains what this might mean for you, our customers.

## What would we normally do?

As inflation increases year on year, our income - which includes the rent you pay - does not have the same buying power for us to invest back into the business. We work hard to ensure that we are getting the best price of materials and services, but our costs inevitably rise. We would always consider a wide range of options before putting a proposed increase to our tenants, and when we consult with you each year in November, we are generally offering you increases which are significantly lower than inflation (CPI+1). In 2020, when the effects of the pandemic were being felt by our tenants, we delayed our planned rent increase by 6 months to alleviate some of the burden, and in 2021 when our costs were rising by 9% our increase for the 2022/23 year was just 3.3%.

## Investing back into your homes

Albyn is committed to providing excellent customer experience for all tenants and part of this is ensuring that you have access to good quality affordable homes. We want to ensure that you get the opportunity to benefit from capital investment programmes that will make your home a more pleasant place to live and that we make upgrades to the environmental standards of the home such as upgrading boiler systems and reducing heat loss. We also have an obligation to ensure your homes meet environmental and quality standards.

The primary standard to meet is called the Scottish Housing Quality Standard (SHQS): it measures the quality of over 50 elements in each home. There is a second key standard that RSLs must meet: it is called the EESSH – Energy Efficiency Standard for Social Housing. The EESSH standard aims to ensure homes are energy efficient, fuel poverty can be reduced, and that carbon emissions from home heating are reduced. The government recently introduced an update to EESSH, called EESSH2, which requires landlords to improve energy efficiency further, aiming to have all homes attain an EPC B rating by 2032.

The housing crisis, which limits security for thousands of families, can only be solved by building more homes. Albyn is ambitious in investing in the supply of affordable homes so that they are available for the people who need them, but these developments are costly, and the price of materials continues to rise.

We also have ongoing running costs that we have to consider such as: service and administration costs, loan interest, and the wages for our staff and contractors which must be fair.

## What would a rent cap of 0% mean?

If a 0% rent cap increase continues into 2023/24, this will have significant impacts on the investment works we can do to your home. We will need to reconsider our plans for areas such as painting programmes, new kitchens and bathrooms and new windows and doors, amongst others. We will need to refocus our plans on meeting the Scottish Governments EESSH2 targets – these are energy efficiency measures to make your home warmer, and reduce your fuel bills, where possible.

## Rent Increase Consultation – November 2022

This year we will be doing things differently. As you will be aware we sent either text messages or letters to you with information on the proposed rent increase for the following year and our reasons for this increase. We will continue this approach this year as we have legal duty that means we must do this, but we want to get much more tenant input this year so we will be offering working groups, consulting with our Customer Involvement Group, and asking our on the ground staff to take your views when they are out visiting you.

## Managing the cost of living crisis

Your Autumn Newsletter will come with a comprehensive guide outlining the help and support that's available through this cost of living crisis including details of the various ways that Albyn can help our tenants such as the TRUST fund, and Energy Fund.

Any planned increases to your rent or service charge after the 31st March 2023 will come with a minimum of 28 days notice.

Kirsty Morrison  
Chief Executive  
Albyn Group

If you are struggling to meet the cost of your rent or need further support please speak to your housing officer at the earliest availability so that we can assist you to access the help that is available.  
Customer Services (North) 0300 323 0990  
Customer Services (South) 0300 323 0991

