



Tenant Consultation

Rent Charges and Home
Improvement Plans for
2026/27

**Great Homes, Great People,
Vibrant Communities.**

Registered Charity No: SC038664

Financial Services Authority No: 2515R(S)

Scottish Housing Regulator No: 296



Dear tenant

At this time of year, we start to plan our budget for the next financial year, which starts in April 2026. We look at the costs of providing services and the investment required to upgrade your homes. The final piece of the puzzle is the amount by which we increase rents to be able to afford all of these costs.

This booklet sets out our proposals for the rent increase, and how the choices impact the services we provide. This is your opportunity to give us your feedback on the proposed level of increase and what we can invest in.

We understand the cost pressures on families and on Shire, so are very aware that our consultation needs to find the right balance between rent affordability and the need to maintain our services and continue investing in our homes. Investment includes things like replacing kitchens and heating systems and further improving the energy efficiency of our homes to help limit your energy costs.

What should you do next?

Please read this booklet which sets out the reasons why we are consulting you on increase options of **5.5%** and **6.5%** for next year. We hope you will reply to let us know what you think.

If you are worried about paying your rent, please contact us straight away, so we can talk about how we can help.

Yours faithfully

Shire Housing Association Management Board



INVESTING IN YOUR HOMES



Energy Efficiency

In recent years, we have been focusing on improving the energy efficiency of your homes. In the past 5 years we have invested **£4.1million** in insulation and heating systems with a further **£777,000** being spent this year. This:

- **Keeps homes warmer**
- **Reduces gas and electricity bills**
- **Cuts carbon emissions**

In 2026/27 we have been successful in obtaining grants to take the total value of energy saving works to **£1.1 million**, a fantastic investment in your homes.

We don't know exactly what new Scottish Government laws will require to further reduce the carbon impact of homes, but the work we have been doing has started the process. We expect that a huge level of investment will be required in the future to meet new requirements. This means that we are likely to need above-inflation rent increases for the foreseeable future.

The high level of investment to reduce your personal costs on energy means we have less of a budget available for some other types of improvements in the short term. However, our focus is on keeping you warm and reducing your energy costs as well as helping the planet.

INFLATION AND COST PRESSURES

Our costs increase each year because of inflation.

Over the past 5 years, inflation has fluctuated quite significantly and to maintain affordability of rents, we have tried to minimise the cost increases we have passed on to tenants. Comparing the rent increase each April, to inflation at the same time, our increases over the last 5 years are **6.6% below inflation**.

	2025	2024	2023	2022	2021
Shire Increase	3.3%	5.1%	5%	4%	1%
CPI	3.5%	2.3%	8.7%	9%	1.5%

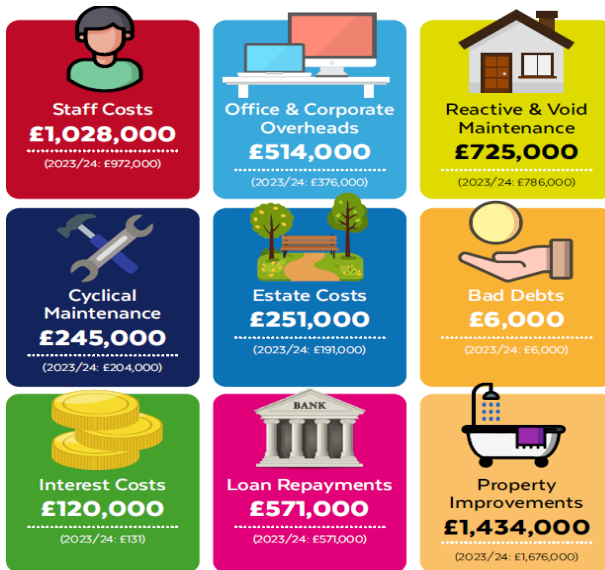
We always try to achieve best value for our tenants and look for efficiencies in our processes, but by not recovering some of the cost increases we incur, we must use our cash reserves and reduce the services we provide or cut back on the improvements to your homes.

NEED HELP WITH PAYING YOUR RENT?

Paying your rent on time and in full each month is your most important tenancy responsibility. If you are having trouble meeting your rental payments, please get in touch, we are here to help. Our experienced Housing Management and Financial Inclusion staff can help support you to manage payments, help you claim all the benefits you are due and look at saving you money on your fuel bills.

HOW INCOME WAS SPENT 2024/25

During 2024/25 this is how we utilised rental income:



The **£1.4million** investment in property improvements included:






- **£548,000** on wall insulation
- **£455,000** on central heating
- **£205,000** on kitchens
- **£198,000** on roofs

CONSULTATION OPTIONS

Our Management Board receives a lot of data and analysis from the staff team on the finances of the Association and rent affordability calculations. After lengthy discussions, we have decided we are able to operate with an increase of at least 5.5% and are therefore consulting you on an increase of **5.5%** or **6.5%**.

For our most common house type, a 3-bedroom semi-detached, a 5.5% increase would be £26.96 per month and 6.5% would be £30.99.

At an increase of **5.5%** we are budgeting that we can spend **£1.75 million** on improvements to your homes. The table below shows the type of work and number of properties impacted.

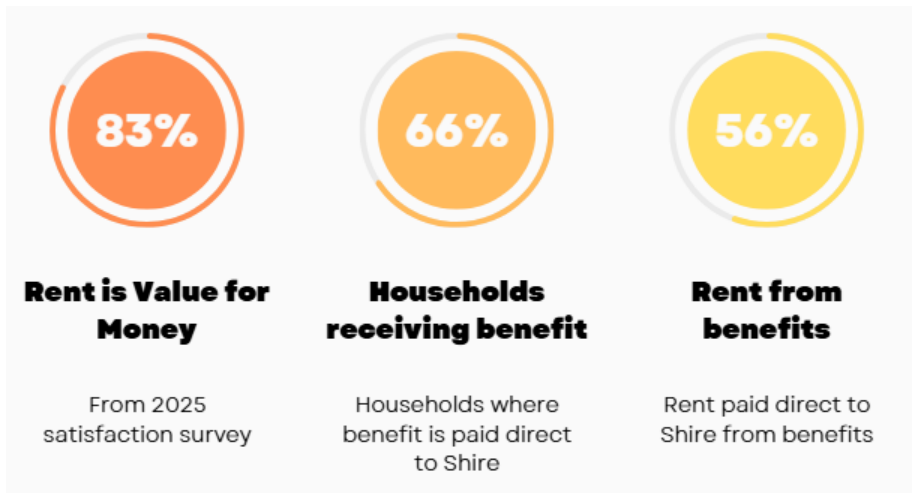
				
Wall Insulation and energy	Heating Systems	Kitchens	Roofs	Window replacement
98	59	40	39	27

Instead, if rent increases by **6.5%**, this will bring in an extra **£52,000** to the Association. This could equate to an additional 7 kitchens.

A higher rate of increase allows us to do more work. If your rent is currently covered in full by housing benefit or Universal Credit housing costs and your circumstances remain the same, then it is likely that your rent will continue to be covered in full by either level of increase.

RENT AFFORDABILITY

We are very mindful of how affordable our rents are and the impact that a rent increase will have on our tenants.



Benefit levels are heavily supported by the success of our Financial Inclusion Service, who helped tenants obtain **an extra £683,000** in benefits last year.

We must balance the high-quality services and home improvements that you have told us you want whilst keeping rents affordable. There are lots of different ways to consider affordability. We benchmark our rent with Local Housing Allowance rates and against national living wage ratios, as well as other Housing Associations operating in the area. Our calculations show that our proposed rent is within the national guidelines.

You can compare our average rents to other housing associations by visiting the Scottish Housing Regulator's website:
www.scottishhousingregulator.gov.uk.

For 2024/25 Shire charged less than the average rent for a 3-bedroom home charged by other housing association operating in Ayrshire.

HOW THE CONSULTATION WORKS

This consultation pack has set out how we use your rent to pay for the services that you tell us matter most to you, to help you make an informed view on the options presented.

We want your views - your feedback matters, so please tell us what you think of this year's proposals. The Management Board will fully consider all consultation feedback at their meeting on 28 January 2026 before deciding on the level of increase for 2026/27.

LAST YEAR'S RESULTS

We received 105 responses to last year's rent consultation. The majority (80%) preferred Option 1, which was to increase rents by 3.3% rather than Option 2 by 4.3%. The Board listened and decided to approve the option most tenants preferred (3.3%) for 2025/26.

REWARDING YOUR RESPONSE

You can submit your views in the following ways:

- Complete the free [online](#) survey link sent to you by email or SMS
- **Post** the survey included in this pack to:
 - Shire Housing Association Limited, FREEPOST RTJA-LEEA-KXRX, Netherthird House, Cumnock, KA18 3DB
- **E-mail** us at: info@shirehousing.com
- **Phone** us on: 01290 421130

All tenant responses, where contact details are provided, will be entered into a Prize Draw to win a £50 shopping voucher.