

ANNUAL RENT INCREASE OF 4.2% UNDER CONSIDERATION

What do you think?



INTRODUCTION

WE ARE LOOKING FOR YOUR VIEWS ON THE PROPOSAL FOR OUR 2022/23 RENT CHARGES.

This year, we are consulting on a proposed rent increase of 4.2% to enable us to continue to improve services and deliver investment in your homes.

Our Business Plan is based on rent increases of inflation rate plus 1% to cover the increased costs for things like materials for maintaining our properties and other costs related to providing a housing service (see part 1 of the newsletter), but because the October 2021 Consumer Price Index (CPI) inflation rate was high this year (and expected to get higher in the coming months), we are keeping the rise to the 4.2% inflation rate only.

Also, as you are probably aware, we are now moving into the second year of a five year phasing in of the new rent structure. We consulted with tenants on a major review of the rents that we charge in 2020 because we needed a fairer system, based on rent levels that reflect the size, type, and amenities of each property. This means that not all tenants will receive the 4.2% rent increase because some of the higher rents will be reduced; mid-range rents will receive a partial percentage increase; and lower rents will receive the full rent review increase for this year.

North View is owned and controlled by its tenants, and we depend on your rental payments to provide you with a housing service that is necessary to maintain and improve your home, and the local environment.

We value your input and views on all aspects of our service delivery, including the rents we charge. We remain committed to keeping rents as affordable as possible whilst continuing to deliver significant investment to maintain and improve the quality of the property you rent from us and the services we deliver to you.

In this Newsletter, we talk about what we plan to spend your rent on next year (part 1); and then how we will consult with you so that you can give us your views on the proposed increase (part 2).

Please take some time out to read this newsletter and then let us know what you think. You can see the ways that you can give your views and feedback on page 11. If you complete and return the tenant feedback form (part 5) on page 11 before the closing date of 12 noon on the 25th January 2022 then you will be entered into our prize draw for a £50 Asda Gift Voucher (1st prize) or £25 (2 runners up prizes)!

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This Rent Consultation Newsletter can be made available in audio, Braille, large print and community languages.

For further details, please contact us on **0141 634 0555** or email us on enquiries@nvha.org.uk

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PART: 1

WHAT WE PLAN TO SPEND YOUR RENT ON NEXT YEAR (2022/23)

The money we collect from rent is the Association's main source of income, and it allows us to pay for the cost of delivering services to our tenants and maintaining our housing stock. Every penny of your rent, along with some other money we raise from things like government grants, is used to provide you with a range of services including maintaining your home to make sure it is kept to a high standard. It has also helped us to build new homes for social rent.

Our latest development of newbuild properties is due for completion in February 2022. To ensure our own tenants benefit from our investment in building new properties, 80% of the properties at the Windlaw Lodge development will be offered to our own tenants in the first instance. We are particularly trying to accommodate tenants living in larger homes that they no longer require, and to offer them a move to a more suitable, smaller property. If there is a reason that you need to move from your current home and you would like to be considered for a move to the newbuild development in the Windlaw Lodge development, please contact the office to complete a housing transfer application. Your application will be assessed against our current Allocation Policy.



WHAT DID WE SPEND YOUR RENT ON IN THE LAST FINANCIAL YEAR (2020/21)?

The Association's total income during the last full financial year 2020/21 was £3,534,401. Over £1million of this money was spent on repairs, improvements and maintaining our properties to a make sure they are kept in excellent condition. During this year we had a total expenditure of £3,676,311 meaning we made an overall deficit (loss) of £141,910. This means that we spent more than we received in income during that period.

If you would like to see more detail on our income and expenditure for the last financial year 2020/21, you can access our Annual Audited Accounts on our website at: <https://www.nvha.org.uk/financial/audited-accounts/> or request a paper copy by contacting the office on 0141 634 0555.

WHAT DO WE PLAN TO SPEND YOUR RENT ON IN THE NEXT FINANCIAL YEAR?

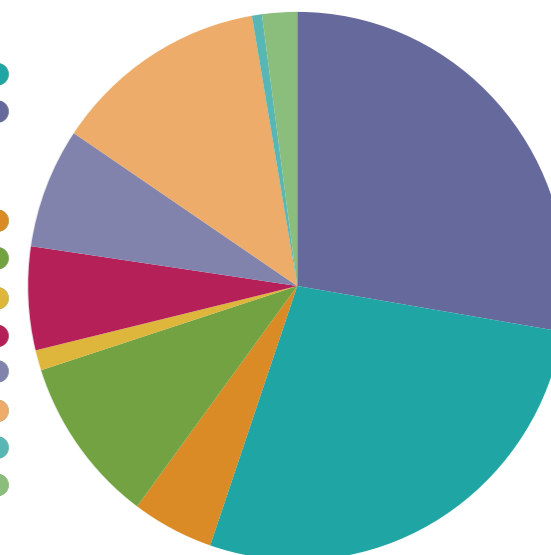
We have 675 properties and extensive communal open areas – like backcourts, the Windlaw Strip, and the Dunagoil Strip – to manage and maintain. Our priorities are designed to provide you and your neighbours with a quality home in a well maintained, attractive area whilst delivering the services you need to support you to live as comfortably as possible. The income we receive from your rent allows us to do this and the rents we charge are reviewed annually to ensure we have enough income to meet all of our costs.

When we do our annual budget, we consider how much things have cost in the current financial year, and base the projected expenditure on that, with an uplift to cover inflation, or Brexit related cost hikes etc.



Our budgeted expenditure for next year with your 4.2% increase includes the following:

Budgeted Expenditure 2022/23	£	%
Staff Costs	£932,4989	27.7%
Maintenance	£930,091	27.6%
Other Estate Costs (insurance, legal, Community Relations Services etc costs)	£164,680	4.9%
Overheads	£332,780	9.9%
Other Operating Costs	£38,960	1.2%
Loan Interest	£207,146	6.1%
Loan Capital	£239,585	7.1%
Component Costs	£434,027	12.9%
Fixed Assets - Other	£20,000	0.6%
Pension Deficit Payment	£70,210	2.1%
Total	£3,369,978	



The following information provides more detail on the key expenditure items included in the chart above:

STAFFING: £932,499

A lot of money goes on staff, but we need them to deliver the housing management and maintenance services to our tenants and residents. We couldn't function without them. Unlike a lot of other Housing Associations' we do not use contractors to carry out all our day to day repairs service, but we employ our own trades and caretaking staff. Along with our office staff costs, this accounts for a large proportion of our staffing expenditure.

This cost covers staff salaries, employer's National Insurance Contribution payments, and employer's pension contributions.



MAINTENANCE: £930,091

Maintenance is our highest and most important expenditure item after staffing costs. We need to make sure we set aside enough money to respond to our tenants' requests for repairs to be carried out in their homes and to invest properly in our properties and the local environment. This ensures our houses are kept in good condition and the area looks good too! Achieving that comes with a heavy price tag, so it is no surprise that maintenance is one of our highest expense items. In 2022/23, we have budgeted to spend £930,091 on maintaining yours and your neighbour's homes.

We plan to spend the money in the following areas:-

- Day to day (reactive) repairs: £269,568
- Repairing empty houses (voids): £156,600
- Cyclical maintenance (for things like gutter cleaning, fence painting, communal landscaping, close cleaning etc: £452,183
- Major repairs (for things like bin-store upgrades and electrical consumer unit upgrades): £26,744; and
- Medical adaptations for ensuring tenants can stay in their houses for as long as possible: £24,996.

COMPONENT REPLACEMENT COSTS: £434,027

In addition to the day to maintenance of our properties, we need to replace items (components) like boilers, windows, bathrooms, kitchens etc., when they reach a certain age to ensure they are of a high standard.

Between maintaining the properties and upgrading the components we provide, we have set aside £1,364,118 for next year's expenditure.

OVERHEADS: £332,780

Overheads cover the 'back office' items, like the cost of keeping our office open, providing staff with IT equipment and telephones, as well as training staff and our Management Committee to ensure they have the skills and knowledge to make important decisions that support tenants.

OTHER ESTATE COSTS: £164,680

There are other costs we need to account for to ensure we can manage the area you live in properly, for example paying for buildings insurance for the properties we manage and paying for legal fees for times when we need legal advice.

LOAN INTEREST: £207,146 & LOAN CAPITAL: £239,585

Each year, a large proportion of our money goes towards paying the bank for the loans that we took out to help towards building new houses, or to buy properties from Scottish Homes. In 2022/23, we have calculated that the cost of loan interest and capital will total £446,731.

PART: 2

CONSULTATION

North View proposes a rent increase of 4.2% from 28th March 2022. We would like to know what your views are on this proposal.

IT IS THE TIME OF YEAR THAT WE SET OUR ANNUAL BUDGET FOR THE NEXT FINANCIAL YEAR!

When we set the budget, we list all the things we are going to do. We set costs against each of those things, and then add up all the costs and arrive at our total expenditure for the year. After that, we consider how much rent we need to bring in to cover the total cost.

As you'll see from the previous pages, we plan to spend **£3,369,978** in 2022/23 to deliver all the services listed.

Our aim is to ensure that we cover our costs. Our options for cutting services are pretty limited; for example, we can't reduce our loan payments, and there is no scope to reduce expenditure in the key areas of maintenance and staffing.

Things like our close cleaning service ensures that our closes are cleaned regularly and we would be concerned that cutting this or our grass cutting service would lead to a deterioration of the local environment. This year, we also have the additional cost of providing a bulk uplift service for our tenants. This was a service previously provided by Glasgow City Council, but as you will be aware, they changed it to charging tenants and owners for an uplift. We felt that we needed to step in and provide this service to prevent fly tipping and rubbish or furniture lying around the estate.

We continue to support organisations, like the Jeely Piece Club, to deliver services in the local area to make sure there is more than just housing services available, particularly things for younger people to get involved in.

We hope that you agree with our continued support of these local groups and understand the reasons why we provide the range of housing services that we do.

We have a duty to consult with all of our tenants on changes to rents under The Housing (Scotland) Act 2001 and Scottish Social Housing Charter.

Our Management Committee will take account of tenant's views before taking the final decision at their meeting on 26th January 2022. Please make sure you return your feedback form at the end of the newsletter before 12 noon on Tuesday 25th January 2022.



WAYS TO GIVE US YOUR VIEWS/FEEDBACK ON THE PROPOSAL

If you would like more information or a note of the estimated rent for your home should the Committee approve the 4.2% increase before you complete the feedback form at the end of this newsletter, please phone your Housing Officer who will be happy to speak to you.

Provided there are no further coronavirus restrictions, we will hold a drop-in session in the Birgidale Complex at 10 Stravanan Street on Wednesday, 19th January 2022 between 10.30am – 12.30pm and 3pm – 7pm. Our senior staff will be available to answer any questions you have on how we plan to spend the money we collect from rents and/or how the restructure or the proposed increase will impact your rent. You can complete a tenant feedback form during the drop-in session after we have answered any questions you may have. Please make sure you follow all the hygiene precautions before you come.

We want to obtain as much feedback from our tenants as possible to help Committee make the final decision on the percentage rent increase. In addition to attending the drop-in session and completing and returning the feedback form to the office or in the freepost envelop provided, we are offering a number of different ways for you to find out more about our plans and tell us what you think:

- Telephone – phone our office and ask a member of staff to record your view on our survey sheet.
- Drop into our office in person (please phone and arrange an appointment first) – ask a member of staff to record your views on our survey sheet.
- E-mail – drop us an e-mail at enquiries@nvha.org.uk

REVIEW OF THE RENT POLICY: UPDATE

You will probably know that we consulted tenants on proposed changes to our Rent Policy in the summer of 2020 because of the inequality of the rent charges for the properties that we had acquired from Scottish Homes through Tenants Choice. We introduced a new rent structure which is being phased in over a five year period to ensure lower rents were increased over a five year period.

If we apply the 4.2% increase this year, this will mean that 216 of 667 (33%) of tenants will now be on to their new rent structure from 22/23; and the number of different rent levels we have will reduce from 346 to 249.



PART: 3

GRASS CUTTING GET YOUR GRASS CUTTING FORM IN!

Our landscaping contractor will start cutting grass in the area in April, so it is time for tenants who need the Association to maintain their garden to get their Grass Cutting forms in.

Under our Grass Cutting Scheme, Caledonian cut the grass in tenants' gardens where there is no-one living in the household, aged 16 or over, fit enough to do the garden. Households where all members are 60 years of age or over also qualify for the scheme automatically, so the tenant (or tenants) does not have to apply to get on the Scheme for 2022/23.

Everyone who thinks that they qualify for help with their garden needs to apply to North View each year. If you got it last year, chances are you'll get it again, but you still need to apply.

A Grass Cutting Form is enclosed with this newsletter. Once you have filled it in, return it to the Office as soon as possible. We are also offering the service to tenants who don't qualify for the Grass Cutting Scheme, and owners too. Residents can pay to get the grass in their front garden cut, grass in their back garden cut, or get the grass in both front and back gardens cut.

We don't yet know how much Caledonian will charge for cutting your grass from 1st April, but if you are interested in paying for them to cut your grass, get in touch with Noirin at the Office. We'll contact Caledonian and get back to you with the price and you can decide whether or not to go ahead.

Remember though, anyone wishing the service will be required to pay for four cuts in advance, and be aware that this arrangement does not include for the upkeep of plants or shrub beds.

Get your grass cutting form in!



PART: 4



RIGHT TO REPAIR

QUALIFYING REPAIRS give tenants the right to have small, urgent repairs carried out by their landlord within a reasonable timescale. Small urgent repairs are defined in statute as being repairs that cost no more than £350 to rectify.

Seventeen types of repair are classified as 'Qualifying Repairs'. Response times differ from one type of Qualifying Repair to the next and are measured in 'working days' - which means that timescale lengthens if it includes a weekend or statutory holiday.

If you report a repair which turns out to be a Qualifying Repair, you will be given a 'Qualifying Repair Notice'. This tells you the name of the Contractor who will carry out the work, and a date by which they have to complete the repair. This Contractor is called the 'Primary Contractor', but the Qualifying Repair Notice will also contain the name of a second Contractor, known as the 'Other Listed Contractor'.

If the 'Primary Contractor' hasn't turned up by the time and date stated on the Qualifying Repair Notice, you can contact the other Contractor (the Other Listed Contractor) and instruct them to carry out the work. Before the 'Other Listed Contractor' can respond, they have to tell North View about the instruction. They get in touch with us and we then give them a copy of the Qualifying Repairs Notice and let them know the timescale for completing the repair.

If the repair hasn't been attended to by the deadline, you may be entitled to £15 compensation. The level of compensation can then increase by £3 per working day up to a total of £100, or until the repair is fixed, whichever comes first. However you will not be due compensation if you fail to provide access to allow the repair to be inspected or made good, or if any repair work would infringe upon the terms of a guarantee from another party (like, for example, if we were doing work to a boiler that was still under the manufacturer's guarantee).

If the repair is delayed due to unforeseen circumstances, the deadline is suspended - as is your entitlement to compensation - but we'll let you know if that happens.

The target timescales for attending each Qualifying Repair is highlighted in the table above. The following pool of contractors carry out Qualifying Repairs for us:- City Building; James Mercheant; and John Doherty & Co Ltd.

The selection of the individual Contractor depends on the nature of the repair.

Qualifying Repair	Maximum period in working days from the day immediately following the date of notification of qualifying repair or inspection
Blocked flue to open fire Or boiler	1
Blocked or leaking foul Drains, soil stacks or Toilet pans where there is no other toilet in the house	1
Blocked sink, bath or drain	1
Loss of electric power	1
Partial loss of electric power	3
Insecure external Window, door or lock	1
Unsafe access path or step	1
Significant leaks or Flooding from water or Heating pipes, tanks, cisterns	1
Loss or partial loss of gas supply	1
Loss or partial loss of space or water heating Where no alternative Heating is available	1
Toilet not flushing where there is no other toilet in the house	1
Unsafe power or lighting socket or electrical fitting	1
Loss of water supply	1
Partial loss of water supply	3
Loose or detached banister or hand rail	3
Unsafe timber flooring or stair treads	3
Mechanic extractors in internal kitchen or bathroom not working	7

PART: 5

TENANT FEEDBACK FORM:

Please take your time to read the information provided before completing this feedback form (the boxes below each question are for any comments you have). Please return to the office before the closing date of 12 noon on 25th January 2022.

Name and address: _____ (Optional - include if you wish to enter the prize draw for £50 of Asda Vouchers or 1 x 2 runner up prizes of £25).

1 Do you think we have provided you with enough information to make a decision on the proposed 4.2% rent increase?

Yes No Don't Know

2 After considering the information included in this leaflet, do you agree with our proposal to increase the rents by 4.2%?

Yes No Don't Know

3 Please use this space to comment on our proposals and anything you would like the Management Committee to consider before taking the final decision