

ANNUAL RENT INCREASE OF 5% UNDER CONSIDERATION!

What do you think?



**INVESTORS
IN PEOPLE**



INTRODUCTION

WE ARE LOOKING FOR YOUR VIEWS ON THE PROPOSED 2023/24 RENT INCREASE OF 5%.

We also want to know your thoughts on changing the date your rent is due to be paid from the 28th of each month (which is what we do now) to the 1st of each month from the 1st April 2023.

The proposed 2023/24 rent increase of 5% will enable us to continue to improve the services we provide and deliver investment in your homes.

Please read this newsletter and give us your views either by contacting us at office, coming to the drop-in session in the Birgidale Complex on the 16th January and/or by completing the survey at the end of this newsletter. We have provided some information in this newsletter for you to consider before you complete the survey, but if you would like to discuss anything further, please contact the office.

North View is owned and controlled by its tenants, and we depend on your rental payments to provide you with a housing service and 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.

In this newsletter, we give you more information about some of the issues impacting the 2023/24 rent increase (part 1); more on what we spent your rent money on last year (part 2); what we plan to spend your rent money on in 2023/24 (part 3); and then how we will consult with you so that you can give us your views on the proposed increase (part 4).

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 16. If you complete and return the tenant feedback form at the end of the newsletter, 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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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

• CONTENTS

PART 1:	THE 2023/24 RENT INCREASE	4
PART 2:	WHAT YOUR RENT PAID FOR LAST FINANCIAL YEAR (2021/22)	6
PART 3:	WHAT WE PLAN TO SPEND YOUR RENT ON NEXT YEAR	8
PART 4:	CONSULTATION	11
PART 5:	GRASS CUTTING	13
PART 6:	RIGHT TO REPAIR	14
PART 7:	TENANT FEEDBACK FORM	16

PART: 1

THE 2023/24 RENT INCREASE

There are a number of key issues that we had to consider when making our decision on the 2023/24 rent increase, including the following:

- the current cost of living crisis and high inflation and what this means for our Business Plan;
- the new rent charges that we have been phasing in; and
- our current rent charge date of the 28th of the month.

We will discuss each of these issues in more detail in this newsletter and give you the opportunity to provide your views at the end of the newsletter. We are asking for your views specifically on:

- The proposed 5% rent increase;
- Changing the day your rent is due from the 28th of the month to the 1st of the month.

COST OF LIVING CRISIS, HIGH INFLATION & NORTH VIEW HA BUSINESS PLAN

We are aware that the current cost of living crisis, including escalating food and fuel costs, exacerbated by rising inflation rates, has resulted in many of our tenants experiencing serious financial difficulties. As your landlord, we have been trying to support tenants by working in partnership with the Castlemilk Pantry and the Trussell Trust. We have recently secured grant funding to work with the Fuel Bank and will continue to pursue further sources of help and support for tenants.



The Association is also experiencing issues with the escalating cost of goods and providing a service. We update our Business Plan annually so that we can prioritise where money should be invested. To cover any increase in costs for things like materials for maintaining our properties and other costs related to providing a housing service (see parts 2 and 3 of the newsletter), we usually calculate the income we will generate based on our annual rent, plus the October Consumer Price Index (CPI) inflation rate, plus 1%.

However, because the October 2022 CPI inflation rate rose to 11.1% (the highest in over 40 years), and due to the current economic crisis, we have made the decision to propose an overall rent increase of 5% only for all rents.

NEW RENT CHARGES

In 2020 tenants agreed to phasing in new rent charges based on the apartment size, house type, and any additional amenities of each property. We are now on year three of phasing in our new rent structure which will take five years in total. When completed, all tenants living in a similar property will have the same rent.

Last year was year two of phasing in the new rents. This meant some tenants' rents went up higher than the inflationary increase and some went down. This year, due to high inflation and uncertainty caused by Scottish Government legislation, we have decided to suspend the process for one year.

NEW RENT DUE DATE TO THE 1ST OF THE MONTH

In addition to the rent increase consultation, we are consulting with tenants on changing the day your rent is due from the 28th of the month to the 1st of the month. Our proposal is that we start charging the new rent charge on the 1st April 2023. This is the day your new 2023/24 rent charge is due.

Please note that this internal change does not affect the current rent payment method you use or the date(s) on which you pay your rent.

It just means that for accountancy reasons in relation to rent collection, from 1st April 2023, all monthly rent charges will be raised on the 1st of the month (as opposed to the 28th of the month) and, in future, you will notice this change on your rent statements.

For clarity, we can confirm that this change to internal accounting procedures has no direct impact on you and does not require any action from you. For the avoidance of doubt, we can further confirm the following:

- The date(s) you pay your rent remains the same. If you pay your rent weekly, fortnightly or monthly, please continue to do so.
- The annual amount of rent you pay remains the same with 12 monthly rents being charged to your rent account throughout a full year.
- There is no change to the methods of rent payment, so please continue to use your preferred payment method.

If you are in receipt of Housing Benefit or Universal Credit, we will contact the DWP and Glasgow City Council to advise.

The date change makes no practical change to how and when you pay your rent to the Association.

Again, if you would like to discuss in more detail, please contact the office.

Please also complete the tenant feedback form at the end of the newsletter to let us what you think about this.

PART: 2

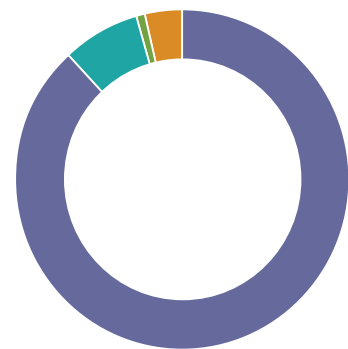
WHAT YOUR RENT PAID FOR LAST FINANCIAL YEAR (2021/2022)

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.

The following information shows that the Association's total income during the last financial year 2021/22 was £3,677,907. The table and graph below detail how our total expenditure of £3,187,510 was spent, by category, during the same year.

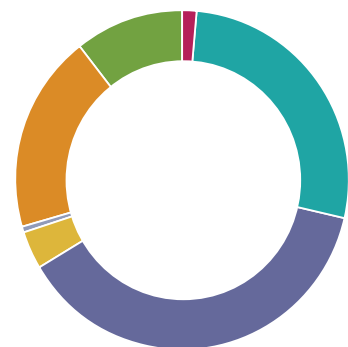
Income

	£	%
Rents	3,246,537	88.27%
Grants	271,175	7.37%
Other Income	28,360	0.77%
Actuarial Gain on Pension Plan	131,835	3.58%
Total Income	3,677,907	



Expense

Other Costs	47,004	1.47%
Maintenance	867,152	27.20%
Management Costs	1,204,100	37.78%
Service Charges	114,928	3.61%
Bad Debts	22,104	0.69%
Property Depreciation	599,075	18.79%
Interest Payable	333,147	10.45%
Total Expenditure	3,187,510	



As outlined, in the last financial year 2021/22, the Association made an overall surplus of £490,397.

The Financial Statements of the Association show a sound financial position. Net assets totalled £3.441m at March 2022 and a clean audit report was received following the annual External Audit.

In 2021/22, around £484,563 was spent on component replacements, with a further £3,208,641 being spent on the new build properties on the former Windlaw Lodge site on Arden Craig Road. Long term projections undertaken continue to demonstrate a viable financial outlook over the short, medium and long term.

Overall, the Association's financial projections carried out by our strategic financial partner, FMD Financial Services, continue to demonstrate a viable financial outlook over the short, medium and long term.

If you would like more detail on our income and expenditure for last year you can access our Annual Audited Accounts on our website at:

www.nvha.org.uk/financial/audited-accounts/

or request a paper copy by contacting the office on 0141 634 0555.



PART: 3

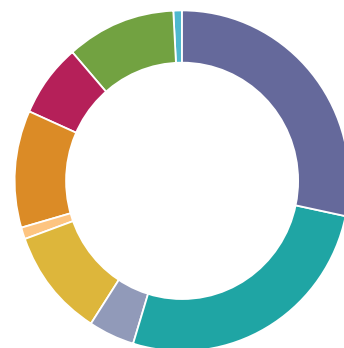
WHAT WE PLAN TO SPEND YOUR RENT ON NEXT YEAR (2023/24)

We have 702 properties for rent and extensive communal open areas – like backcourts, the Windlaw Strip, and the Dunagoil Strip – to manage and maintain. Our priorities are 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 a 5% increase includes the following:

Budgeted Expenditure 2023/24	£	%
Staff Costs	978,732	28.34%
Maintenance	914,537	26.48%
Other Estate Costs (insurance, legal, Community Relations Services etc costs)	154,312	4.47%
Overheads	359,653	10.41%
Other Operating Costs	39,460	1.14%
Loan Interest	375,480	10.87%
Loan Capital	244,091	7.07%
Component Costs	367,708	10.65%
Fixed Assets - Other	20,000	0.58%
Total	3,453,973	



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

STAFFING: £978,732

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 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.



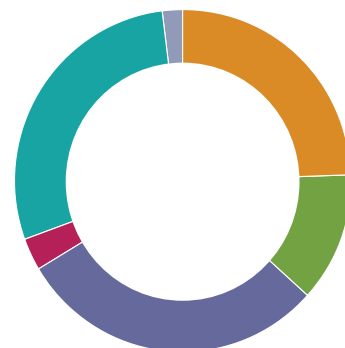
MAINTENANCE & REPLACING COMPONENTS IN YOUR PROPRTY: £1,282,245

Maintenance is our most important expenditure item; we need to make sure we set aside enough money to invest properly in our properties, and in our area! If we do that, our properties and area will be kept in good condition! Achieving that comes with a heavy price tag, so it is no surprise that maintenance and replacing components such as windows, kitchen, doors and boilers is our highest expense item.

In 2023/24 we have budgeted to spend £1.28 million on maintaining and improving our properties. We are going to spend the money in certain areas including: - day to day reactive maintenance, estate management; cyclical maintenance (like gutter cleaning etc.), major replacement programs (new kitchens, windows, boilers etc.), and voids. The pie chart below covers how much we'll spend on each area, and the summary that follows details what it'll be spent on. The cost of our tradesteam's wages and the running costs of our vans have been spread over these costs.

Maintenance Breakdown

	£	%
Day to Day	£316,734	24.70%
Voids	£156,600	12.21%
Cyclical	£380,976	29.71%
Major	£37,500	2.92%
Component Costs	£367,708	28.67%
Medical adaptations	£22,727	1.77%
Total	£1,282,245	



DAY TO DAY REACTIVE MAINTENANCE: £316,734

As the title suggests, this is for reactive maintenance. It is always difficult to project how much we'll spend in the forthcoming year, but we have analysed the current year's expenditure, and think that this will be around £316,734.



ESTATE MANAGEMENT: £128,873

The majority of this goes on landscape maintenance and provision of a bulk uplift service (large bulk removal after Glasgow City Council stopped providing these services); maintenance and upkeep of the common areas, the Windlaw Strip and backcourts; and close cleaning. We have included a £5,000 contingency sum to cover unforeseen work - experience has taught us that unforeseen things always crop up. This figure also includes provision for tree pruning.

CYCLICAL: £252,103

Every year, we have to carry out landlord gas safety inspections and provide breakdown cover for our boilers.

We have allowed £82,442 for this. That'll cover the inspection, maintenance of the boilers including water temperature checks, and also an annual check of all smoke detectors.

We have set aside £9,999 for cleaning out gutters, and £3,960 for electrical servicing. This cost covers the five-year programme for checking the electricians in all of our properties, and doing electrical checks of empty properties.

We have to pay for electricity and maintenance for close lighting, backcourt lighting, and close door entry. That will likely be in the region of £52,000 in 2023/24.

MAJOR REPAIRS AND COMPONENT REPLACEMENT: £405,208

WINDOWS

We will be replacing windows to the houses and flats at 26 to 36 and 71 to 83 Stravanan Road. We have set aside £86,724 for this.

KITCHENS

We will complete the kitchen replacements in Ardencraig Road and 1 Dunagoil Street which we could not complete due to the huge material cost increases. We estimate this work will cost £123,996.

DOORS

We have allocated £35,494 for replacing close doors throughout the area. We will also be replacing flat entrance doors at a cost of £74,998 and will spend £30,000 on close entrance doors.

BOILERS

We have allowed £20,000 to cover any boilers that may breakdown and need replaced during the course of the year.

VOIDS: £156,600

Every year we get a number of properties returned from to us from tenants giving up their tenancy and we have to get them ready for relet. This can sometimes be very expensive depending on the condition we get the property back in. Based on last year's expenditure, we have allowed £156,600 for the coming year.

PART: 4

CONSULTATION

North View proposes a rent increase of 5% from 1st April 2023. 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 can see from the previous pages, we plan to spend **£3,453,973** in 2023/24 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.

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 tenants' views before taking the final decision at their meeting on the 25th January 2023.



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 Management Committee approve the 5% increase before you complete the feedback form, please phone your Housing Officer who will be happy to speak to you.

We will hold a drop-in session in the **Birgidale Complex at 10 Stravanan Street on 16th January 2023 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 the proposed change in the day we charge the rents.

You can complete a tenant feedback form during the drop-in session after we have answered any questions you may have.

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 envelope 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 and 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**



PART: 5

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 2023/24.

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: 6



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'.

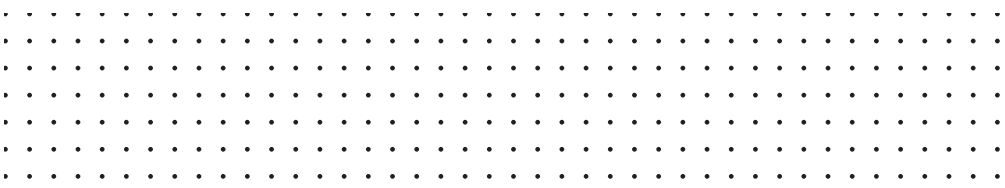
If the 'Primary Contractor' hasn't turned up by the time and date stated on the Qualifying Repair Notice, you can contact the other Contractor (the Other Listed Contractor) and instruct them to carry out the work. Before the 'Other Listed Contractor' can respond, they have to tell North View about the 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 (WORKING DAYS)
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
Mechanical extractor fan in internal kitchen or bathroom not working where there is no means of other ventilation (e.g opening windows)	7



PART: 7

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).

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 5% 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 5%?

Yes No Don't Know

3 3. After considering the information included in this leaflet, do you agree with our proposal to change the day your rent is due to the 1st of each month from 1st April 2023?

Yes No Don't Know

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