



Whiteinch & Scotstoun
Housing Association

2022 - 2023 Rent Consultation



Your Views Matter to Us!

Dear Tenant,

We have commissioned the Tenants Information Service (TIS) to independently inform and consult you on our rent setting proposals for 2022 - 2023. The consultation will take place between 6th and 27th January 2022.

TIS will collate all the feedback received from the consultation and provide a report to the Committee to assist members decide the rent charges for 2022 - 2023.

We will then write to you at least four weeks before the introduction of any new rent that may occur from 1st April 2022.

Why is landlord rent setting important?

All Landlords must have a rent setting policy that is fair, open, and clear to tenants, applicants, staff, Committee, and the Scottish Housing Regulator.

Rent setting takes account of:

- Landlord viability
- Rent affordability
- Comparability with other social landlords, and
- The Association's current and future business needs.

Why does my rent have to increase?

The effects of the Pandemic and Brexit means it has been a tough year for everyone and we understand that a rent increase may not be something you want to think about right now. However, it is important that the Association has enough income to continue to deliver services to our tenants as well improve the standard of our tenants' homes and meet the legislation and standards set out by the Scottish Government. Our costs change over time. Inflation means that the price of labour and materials rise and the money we need to spend just to deliver the current level of service also rises.

To continue our programme of improvements to our houses and to provide services in future years, we need to make sure that we generate enough income (the money we collect in rent) to pay for these necessary works. We also need to be able to respond to changes in legislation or best practice, for example an unplanned for cost is the smoke alarm upgrades as part of the LD2 alarm legislation, the costs have been spread across the last couple of years at a total of £550K.

The rising cost of materials and challenges delivering services during the Pandemic have been taken into account when we looked at how much is required to deliver future services and the management committee has agreed that we consult you on the following three rent increase options:

2.5%

3.2%

4.0%

What does my rent pay for?

The rent collected is the association's main source of income and is used to deliver all aspects of our business, in 2020/2021 the rental income was **£6,174,818**:

- **Operating costs** – such as repairs & maintenance to your home, welfare rights services, administration and staff costs and the cost of running the offices where staff are based
- **Renewal Programmes** – new windows, kitchens, bathrooms, central heating, smoke alarms etc.
- **Meeting the Government's requirements** – Scottish Housing Quality Standard (SHQS) and Energy Efficiency in Scottish Social Housing (ESSH)

How is the rent money spent in the period 2020/2021?

| | |
|---|------------|
| Management and maintenance administration costs | £2,210,534 |
| Property depreciation | £1,008,976 |
| Maintenance & Improvements | £965,340 |
| Service Costs | £347,770 |
| Wider Role & Other Costs | £51,048 |
| Rent loss from bad debts | £66,558 |

Further information on how we have performed during the last financial period 2020/2021 can be found in our annual report <https://wsa.org.uk/annual-reports/>

Between April and November 2021 WSHA has spent **£849k** (inc. VAT) on boiler, bathroom, and kitchen renewals and we are programmed to spend a further:

£1.68M

in year 2022/23

£1.875M

in year 2023/24

£1.365M

in year 2024/25

£1.57M

in year 2025/26

What level of increase is being proposed?

The Association has identified **3** possible rent increase levels for 2022/23. These are based upon our continuing plans and business projections - meaning the income we will need to continue to provide services, carry out repairs and ensure that major replacement works continue for those tenants whose houses have still to receive new kitchens, bathrooms, windows, heating, etc. The consumer price index (CPI) is a measure of the cost of living. Most landlords look at this figure in October to get a sense of what is required for the year ahead. In 2021 this figure was **4.2%**, with an increase to **5.1%** in November.

| Option 1: 2.5% | Option 2: 3.2% | Option 3: 4.0% |
|---|---|---|
| This is the lowest level we can increase rents and achieve the planned improvement programme. | This will give us a stronger financial position and enable us to respond to the predicted continued growth of inflation over the next financial year. | This should be able meet the ongoing operational revenue expenditure over a longer period and help protect against the need for high increases in future years. It is what we calculate to be the lowest, "safest" level to ensure that all works are done, and services delivered. |

How do we work out the proposed rent increases?

When proposing rent levels for the year ahead, the Association considers the overall costs to deliver services to tenants and the required improvements to tenants' homes.

We also consider value for money, savings, and efficiencies in all our costs to ensure expenditure in all income is maximised. This allows us to produce longer-term business projections of the likely rent increases that will be needed to continue to provide the work required in our houses and services to all tenants. We then refine these for each year, with the most up-to-date information we can apply. For 2022 - 2023, this has resulted in the **3** options shown above.



What is the Consumer Price Index (CPI)?

The Consumer Price Index (CPI) is published by the Office for National Statistics. It **measures the average change from month to month in the prices of goods and services purchased by** most households in the UK. The government uses the CPI as the basis for its inflation target.

Performance and Value for Money

Despite increases in our costs we work hard to maintain our performance and deliver high quality services to our tenants. Our success is reflected in consistently high satisfaction levels across all areas of our performance (for more detail see <https://wsha.org.uk/annual-reports/>):

Satisfaction Levels:

- Satisfied with overall service: **93.1%** (89% Scottish Average)
- How we keep you informed: **95.5%** (91.7% Scottish Average)
- Satisfied with opportunities to participate **96.1%** (86.8% Scottish Average)



Repairs:

- Average emergency response time: **2.5 hours** (4.2 hours Scottish Average)
- Average non-emergency response time: **4.9 days** (6.7 days Scottish Average)
- Tenants satisfied with the service: **0.2%** (90.1% Scottish Average)
- Repairs Right-First Time: **96.8%** (91.5% Scottish Average)

Getting Help with Your Finances

If you are experiencing financial difficulties, or have trouble paying your rent, please get in touch immediately. We have two friendly and experienced Welfare Rights Officers and currently provide the services of a Money Advice and Financial Inclusion Officer and an Energy Adviser.

To find out more about or how to use these advice services please contact:

The Whiteinch Centre
1 Northinch Court
Glasgow
G14 0UG

Tel: 0141 959 2552

Fax: 0141 950 4432

E-mail: wsha_admin@wsha.org.uk

What is the Scottish Social Housing Charter?

Introduced in 2012, the Charter helps to improve the quality and value of the services that social landlords provide and supports the Scottish Government's long-term aim of creating a safer and stronger Scotland.

All social landlords - housing associations and councils, must also meet the requirements of the **Scottish Social Housing Charter (the Charter)** in all aspects of its service delivery and performance. In terms of rents, this means social landlords should set rents and service charges in consultation with their tenants and other customers so that:

- A balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and service users can afford them; and
- Tenants get clear information on how rent and other money is spent, including details of any individual items of expenditure above thresholds agreed between landlords and tenants.
- **Scottish Social Housing Charter:**
<https://www.gov.scot/publications/scottish-social-housing-charter-april-2017/>

In addition to meeting the Charter requirements in terms of service delivery and performance, all housing association and council landlords are required to meet the Energy Efficiency Standard for Social Housing (ESSH2) by December 2032. This will mean all social housing meets, or can be treated as meeting, EPC Band B (Energy Efficiency rating), or is as energy efficient as practically possible, within the limits of cost, technology, and necessary consent.

As with other Housing Associations and council landlords, Whiteinch and Scotstoun HA will review energy efficiency across our stock to identify where any further energy efficiency works are technically and economically feasible with the aim of achieving an EPC Band B rating or to be as energy efficient as practically possible by the end of 2032.

Energy Efficiency Standard for Social Housing: <https://www.gov.scot/publications/energy-efficiency-standard-for-social-housing-essh-guidance-for-social-landlords-march-2021/>

Find out more and give your views

To assist tenants to find out more about the proposals, ask questions and give your views, TIS is hosting 2 information and discussion sessions online using Zoom.



Session 1: Wednesday 19th January, 6pm – 8pm

Session 2: Thursday 20th January, 1pm – 3pm

To book a place at one of these sessions, please contact TIS to book your place and receive details on how to join the session. TIS can also provide any support you may require getting online and joining the sessions.

Contact TIS on Freephone 0800 488 0982 or email info@tis.org.uk

Who are the Tenants Information Service?

TIS are experts in housing, community development, and engagement practice. As a National Membership Organisation, with over 250 tenants, community, and housing organisation Members, we are committed to influencing change and strive for an active, inclusive, and just Scotland, with strong, equitable, and sustainable communities.

Our aim is simple, we want to change social rented housing in Scotland for the better.

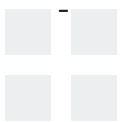
www.tis.org.uk

TIS wants to hear from you....

TIS hopes as many tenants as possible take the opportunity to give their views on the rent proposals as this will assist us to provide a robust feedback report to Whiteinch & Scotstoun Housing Association before the Committee decides on rent levels for 2022/23.

We have therefore provided a variety of options:

- At one of the zoom sessions
- Freepost return
- Online
- Email
- From your mobile phone, using a QR code





Tell us what you think

This year we are again working with TIS (the Tenants Information Service) to support tenants to get more involved in the rent setting consultation process and to provide us with independent valuable feedback on the proposed rent levels.

We will use this feedback to prepare a report for a meeting of the Committee in February 2022 at which the Committee Members will decide the level of rent increase for tenants in the year 2022-23.

We will then write to inform you what your new rent charge will be for 2022 - 23 at least four weeks in advance of any changes that may occur.

Ways to get involved:

You can give your views to TIS by:

- Completing the enclosed feedback form and returning it to TIS using the Freepost envelope provided or
- Completing the Feedback Form online at:
<https://www.surveymonkey.co.uk/r/W5J7NNP> or
- Completing and return the Feedback Form by email. To request a copy of the form, please email info@tis.org.uk or
- Using the QR code

