

# Your Rent - Time to have your say



## Delivering value in everything we do – our rent review for 2022/23

**PLEASE READ THIS IMPORTANT PUBLICATION CAREFULLY!**



Welcome to our annual rent review consultation. This consultation gives an opportunity for you to have your say in regard to next year's rent before any decisions are made. The last year has continued to provide challenges in the form of the Covid-19 Pandemic and Brexit. Here at Thenue we have worked hard to adapt in order to deliver value for money for YOU and will continue to do so. This document aims to update and keep you informed about what is happening at your housing association, the plans for the coming year and how this affects the level of rent you pay.

There will also be more information on why we have arrived at the proposed rent level within the economic environment we are working in and challenges we will face. We will also explain and show you what this equates to in terms of service delivery and what the proposed rent increase means to you in a financial sense.

We hope this document helps you to understand our thinking, but if there is anything at all you require more information about or need to know, please contact us on the following email: [rent@thenuehousing.co.uk](mailto:rent@thenuehousing.co.uk)



## Keeping the rent as affordable as possible is important to us! Now more than ever!

The Covid-19 pandemic has impacted us all over the last 20 months and continues to provide challenges. Last year's rent increase took into account our reduced spend throughout lockdown periods, when non emergency reactive and improvement repairs in particular were not possible, and which enabled us to lower the rent increase to an unprecedented 1.1%.

It was the right thing to do, and we'll continue to review the rent level on a yearly basis to look at the challenges ahead and how we make the best possible use of your rent.

We appreciate the pressures being felt at present, including the financial ones such as increasing living costs, the removal of the Universal Credit top up, the end of the furlough scheme and energy costs. At Thenue, we are also experiencing rising costs, particularly in relation to materials and construction costs. It is important that we find a balance, between our ability to deliver services and improvements and maintaining rent levels that are affordable. This document will explain our thinking and how we have come to the proposed rent figure.

# What we plan to deliver...

## Looking after your home:

Repairs will always be your biggest priority, whether that be reactive repairs or improvements such as kitchens and bathrooms. We realise that from a tenant's perspective having periods of lockdown and the resultant disruption to services has been frustrating at times, and we do appreciate your patience and understanding.

We have been working hard behind the scenes internally and with our partners at Mears FM on the reactive repairs to combat the challenges we are facing.

In terms of call handling, we have restructured our staffing to create more capacity to answer calls which also help us to identify areas for improvement and action them. Communication is rightly important to you and the changes we have made will ensure that there is a continuous improvement.

Mears FM are our main partner in relation to reactive repairs and we are working alongside them to find solutions to an ever-evolving situation with material shortages and rising material and staffing costs caused by the pandemic and current demand, Brexit and rising fuel costs. Over the last few months, material costs in general have increased by over 10%. It is vital to us that we have fair discussions and solutions to this whilst also ensuring best value and service for you - our



tenants. However, it is unavoidable that there will be some increase in our repair spend in 2022/23 because of market conditions and this is built into the proposed rent level for the coming year.

In 2022/23 we anticipate spending £2.34 million on reactive repairs and know how important this service is to you. Despite the impact of the pandemic our performance in general was strong in 2020/21 as shown in comparison to the Scottish Averages from other housing providers.

The average time we took to complete emergency repairs was 2.1 hours, compared to the Scottish average of 4.1 hours.



Average time  
**2.1 hours**  
Emergency Repairs

The average time we took to complete a typical non-emergency repair was 4.1 days, compared to the Scottish average of 6.8 days.



Average time  
**4.1 days**  
Non-Emergency Repairs

We completed 94.4% of reactive repairs 'right first time' compared to the Scottish average of 91.3%.



Reactive Repairs  
**94.4%**  
Right First Time

94.7% of tenants who had repairs or maintenance carried out were satisfied with the service they received, compared to the Scottish average of 90.4%



Repairs or Maintenance  
**94.7%**  
Satisfied

The ongoing effects of the pandemic has meant that there are areas of the service that have not been perfect this year and our changes internally are helping us to adapt and aid our management of the contract, so you have best value from the repairs service in future. This involves working with our partner Mears FM to overcome some of the issues they are faced with such as labour shortages and material shortages.

Although we can't guarantee the service will be perfect every time, we can guarantee that we continue to put all our efforts into striving for this. In addition to the money we spend on day-to-day reactive repairs, next year we expect to spend £3.67 million on repair, replacement and improvement work as a whole. This amount includes kitchen and bathroom replacement, gas servicing, smoke detection installations, stonework repairs, window replacement, landscape maintenance and gutter cleaning. Your safety is of upmost importance to us, and we are pleased to say that we continue to be 100% compliant with our gas servicing programme.

Overall, we expect to spend £7.2 million this coming year in keeping our properties in good order. However, the unpredictability around costs and labour continues to be a factor we need to be aware of and react to as a business. Now more than ever, it is important to achieve best value wherever possible as tender and construction costs in particular continue to rise by up to 40% in some cases. As you can imagine, this does put increased pressure on our budgets and delivery targets.

One area, we continue to work hard to be efficient is in the time we take to let our empty properties, ensuring properties do not remain empty any longer than necessary and so are not needlessly losing rental income. During 2020/21, the changes in working practice and lockdowns provided challenges in our ability to relet properties, but our teams ensured that our performance was as good as we could have delivered in the circumstances. A couple of examples of this are shown below and we continue to improve these figures into 2021/22:

Average time  
between  
tenancies



**29.1 days**

On average, the time in between tenancies, (when we are not collecting rent), was 29.1 days compared with the Scottish average for the year of 55.9 days. Currently, our average time is now 23 days and reducing.

Our rental  
loss is less  
than



**0.8%**

Our rental loss for the year was 0.8% as a result of properties being empty compared with the Scottish Average of 1.3%. Again, this figure at time of print has reduced to 0.6%.

## Looking after your neighbourhood:

**As you may recall, Glasgow Council removed their Bulk Uplift service at the start of the first lockdown in Spring 2020.**

In last year's consultation document, we updated that Thenu would continue this service as we felt that we could not allow a deterioration in your neighbourhoods from an appearance and safety point of view. The cost of this service was not applied to the 1.1% rent increase last year as the cost (£77k) was taken from savings made in the same year.

This coming year is different in that those savings no longer cover this service and therefore need to be incorporated into our service spend moving forward.

The service is an important one to provide as the alternative now provided by Glasgow City Council is chargeable and more expensive.

Our service will cost circa £80k for 2022/23 which is the equivalent of circa 50p a week per tenant over the course of the year. In comparison the service provided by Glasgow City Council charges £35 for up to 10 standard items and large electrical items are £35 each.

In addition, it had been suggested that housing associations would face an additional tipping charge on top of the £80k. We are pleased to say that following discussions with partners and the Council there will be no additional tipping charges for 2022/23.

# Collecting the rent

**Our Income Maximisation and Financial Inclusion Teams have been particularly busy during the pandemic, with the main aim of supporting our tenants and working with them to resolve claims, affordability and discuss changing circumstances. Although it is vitally important that we collect the rent that is due to us, we fully appreciate and understand the difficulties that the pandemic and changing economic environment has provided to our tenants. The teams remain committed to help and advising our tenants to ensure people are claiming what they're entitled to - and keep up to date with payments.**

There has been a significant rise in households receiving Universal Credit, from 10% at the start of 2020, to nearly 30% in September 2021. Much of this rise in Universal Credit case numbers can be attributed to changing circumstances with jobs and hours worked due to the pandemic and we understand how difficult this can be. It's good news that claims are now being processed efficiently by the Department for Work and Pensions and the delays with tenants receiving Universal Credit experienced at the start of the pandemic have vastly improved. As always, we are here to help and assist, so please contact us if you do require advice or assistance.

In addition to the support provided by our Income Maximisation and Financial Inclusion Teams, we continue to offer Energy Advice through Energy Redress grant funding through the Energy Savings Trust, and understand the importance of this service given the rise in fuel costs since October. Julie Broadley, our Energy Advice Officer is happy to help on a range of energy related issues, including:

- Reviewing your fuel costs
- Switch your supplier
- Help manage your fuel debt
- How to Use Your Heating System Efficiently
- Deal with fuel debt
- Pre-payment meters
- Smart Meters
- Top tips on Saving Energy
- Ways to Pay (for your energy)

For support or more information please e-mail Julie at [energyadvice@thenuehousing.co.uk](mailto:energyadvice@thenuehousing.co.uk). This and all our Community Regeneration activities and opportunities are explained further at <https://www.thenuehousing.co.uk/about-us/Your-Neighbourhood/>

## Building new homes

**Our last tenant survey showed that you supported our development programme with 48% of you see building affordable homes as a priority. This is in line with Scottish Government target to build 110,000 new affordable homes by 2032. The work is funded by government grants and bank loans repaid with rent money.**

We are working really hard to make sure that building homes doesn't impact significantly on the rents existing tenants pay. We are continuously assessing the risks and making responsible decisions in conjunction with our Board, to ensure we can continue to deliver affordable homes within our communities.

It is a challenging market with a combination of Brexit and Covid-19 impacting greatly on supply and labour. This in turn has led to price increases on materials at an average of 10-15%, with individual items such as timber rising by up to 30%.

### Current sites in construction are:

- Abercromby Street – 77 flats due to be completed early 2022
- Landressy Place – 26 units, we returned to site following the original contractors going into administration and a subsequent arson attack. Costs have since risen by 20% but on a positive note the development aims to be completed in 2022.
- Green Street – the refurbishment of 9 flats is nearing completion.



### Future developments:

- We are looking to progress 12, 2 bed flats at Ruchazie Place, Cranhill.
- We are looking to progress 18 new flats and houses at Craighead Avenue, Blackhill.
- We are refurbishing 4 flats on Dalmarnock Road, Bridgeton.

We will continue to assess the demand and viability of future opportunities to enable us to continue to deliver quality homes to our existing tenants and tenants of the future.

# Being open and accountable to you

We need to make sure that you can get hold of us when you need to, and that when you need to make a complaint it gets looked into quickly, and here we aim for a maximum of five days. These things are important to us and to you, and so is investing in the right amount of resources. We also know that as well as writing or e-mailing you when we need to, you are keen to receive our regular newsletters. Our website is easy to navigate along with our hugely popular self-service app, so that you have the information to hand when you need it.

As you may know our main office has now reopened to the public and our staff are working in a more hybrid way, with a combination of home, estate and office working. As well as helping to reduce the risk of Covid infection, this approach has allowed our staff a more flexible and efficient way of working in order to provide the best service we can to our tenants. Although you can book an appointment to see a particular member of staff, we will have staff members from our customer facing teams available to see you should you need to come into London Road offices and don't have an appointment. This approach has also increased our capacity to answer your calls and deliver key services.

## Dealing with the bodies who regulate us

All housing associations have to meet important standards set out by the Scottish Housing Regulator, on issues such as how we are run and how our finances are managed, and this means providing a lot of information to the Regulator each year. We also are accountable to the Charities' Regulator, and there's a wide variety of legislation on things like data protection which we must comply with.



Scottish Housing  
Regulator



## Help us to make key decisions...join our Board or Scrutiny Panel

Our Board of Management is ultimately responsible for our overall governance of the association is made up entirely of unpaid volunteers. We currently have capacity for an additional people to join our Board. Do you wish to help us to make key decisions and contribute your experience and insight from the perspective of being a Thenue tenant? Please let us know and we can talk to you about this. E-mail us at [Charles.turner@thenuehousing.co.uk](mailto:Charles.turner@thenuehousing.co.uk).

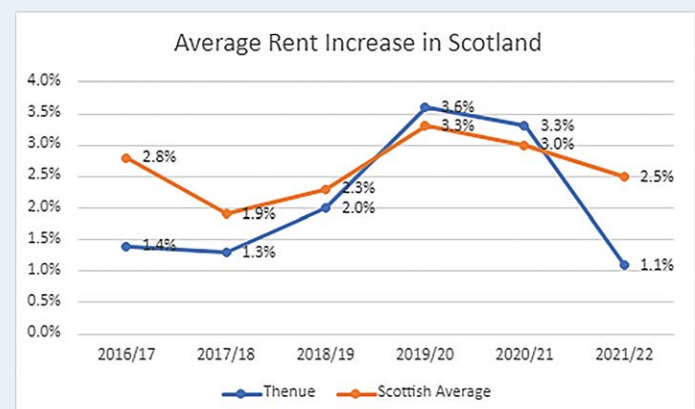
Our Tenant Scrutiny Panel also plays an important role in reviewing our service delivery and helping us to continuously improve, again this group is made up of unpaid tenant volunteers. There is also space for more volunteers to join this group and help us with this vital work. If you are a tenant who is keen to be involved and have your say, please get in touch and email us at [Gary.naylor@thenuehousing.co.uk](mailto:Gary.naylor@thenuehousing.co.uk)

# Providing Value for Money

Overall, we like to think that our rents are good value for money. We are never complacent about value for money and will continue to strive to deliver our tenants excellent service in an efficient way. We are always keen to get feedback from you on the rent, the services we provide – and perhaps on services you would like us to think about providing in the future. Learning from the experiences and feedback of our service users and in conjunction with the Scrutiny Panel (REST) service area reviews allows us to put constructive and positive improvements in place that directly impact on the service you receive.

We will always try to keep rent levels as low as possible, and again this year is no exception with the proposed figure being considerably below current inflation levels. It is also useful to look back, as you can see how our rent increases have compared to the average increases in Scotland.

## Rent Increases 2016 to 2022





	Thenue	Scottish average
Six years cumulative rent increases value	12.7%	15.8%

As you can see overall, Thenue’s rent increases have been over 3% lower than the Scottish Average over the last six years.

# The Proposed Rent Increase...and what it means to you, our tenants

**In 2022/23 our aim is again to keep the increase to the minimum, whilst ensure that our high standards or performance are maintained. This is within a background of the rising costs we are facing as an organisation. Our proposal is to increase rents by 3.1% from April 2022.**

What does this mean for you as a tenant? Based on current average weekly rents is shown below:-

Size of home	Current average weekly rent	Proposed average weekly rent	Increase per week
1 apartment	£68.28	£70.40	£2.12
2 apartment	£81.43	£83.95	£2.52
3 apartment	£87.79	£90.51	£2.72
4 apartment	£100.33	£103.44	£3.11
5 apartment	£106.74	£110.05	£3.31

## How this compares to Thenue’s original Business Plan?

The original business plan had accounted for a 2.5% increase in costs. Ideally, we would have liked to have been able to offer a rent increase in line with this. The Bank of England for example had also predicted price increases of around 2%.

As you will know from your own experiences, prices are going up in excess of this and the latest inflation cost is 4.2% and expected to rise again before levelling. Unfortunately, this means that 2.5% is no longer viable to maintain services at the current levels or continue with the necessary work to meet the required investment in our homes.

We’ve worked hard to keep our rent proposal for 2022/23 under inflation and as affordable as possible for you and hope that this document has provided you with

an explanation of our thinking. The rent proposal is 1.1% below inflation, lower than the 3.3% increase in the year prior to Covid-19, and allows us to deliver the following:

- The new affordable properties explained earlier in this document.
- Maintain our current services and provision.
- Continue to deliver the Bulk Uplift Service for another year.
- Continuation of our services to ensure properties meet the regulatory standards.
- Deliver planned improvement work on time, including: 73 kitchens with new boilers, 131 new individual boilers, 19 kitchens with existing boilers and 181 new bathrooms.

# The opportunity to have your say...

**In this document we've explained the reasoning and some of the challenges faced in keeping this rent increase to 3.1% given the economic environment created by factors such as Brexit and Covid-19. It's really important to us that we listen to your thoughts on this, now that you have read the information provided before any final decisions are made.**

Below are 3 questions we would like you to answer and the opportunity to also provide us with your comments to put them in context. Your answers and comments will be collated and a final report produced to aid in the decision-making process:

**We aim to keep the rent increase level as affordable as possible at 3.1%. Given the background of inflation sitting at 4.2% and build costs increasing by up to 40%, do you feel that this is the correct approach?**

Yes |  No

Comments:

**An increase of less than 3.1% would mean that we would need to reduce delivery of services and improvements. With this option there are risks of failing to meet regulatory standards and harder increases in future years. Do you agree with our approach to reduce this risk and continue with our current service delivery?**

Yes |  No

Comments:

**We are conscious of affordability, and this is why we have proposed a 3.1% increase, balancing what we feel is required with value for money. However, we can potentially increase delivery but there would be an increase in the proposed rental figure. Are you willing to pay a higher rent and what would you like to see for the money?**

Yes |  No

Comments:

In addition to the survey with the above questions, which can be posted or completed via our APP or website, we may ask you either in person or over the phone about this in the coming weeks should you contact us or be contacted by us. We would appreciate you spending the addition few minutes to provide your thoughts should you be asked.



## English not your first language?

No problem. We are a 'Happy to translate' accredited organisation. Just let us know your language preference, and we'll do the rest.








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No problem. Download this document from our web site, and electronically expand the text to a size that suit you.

[www.thenuehousing.co.uk](http://www.thenuehousing.co.uk)



## Ways in which you can tell us what you think, the closing date for survey returns is 31st January 2022:-

-  Post your slip below to us at **423 London Road.**
-  E-mail us at [rent@thenuehousing.co.uk](mailto:rent@thenuehousing.co.uk)
-  Phone us on our usual number
-  On-line survey at [www.thenuehousing.co.uk](http://www.thenuehousing.co.uk)
-  Through the **self-service app.**

Or scan this QR code

