



Rent Consultation 2023/2024



Abrohill Housing Association Unit 10 Abrohill Shopping Centre Cumbernauld G67 3AZ Tel 01236 457948



HAVE YOUR SAY!



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Have Your Say

We are looking for your views on our proposals for rent levels for the coming financial year. We want to ensure that we have sufficient income to invest in our homes and maintain the high standard of our housing services for our customers.

We must ensure that we have enough money to pay all our bills this year and in future years to safeguard the ongoing financial viability of the Association.

We value your opinion and the responses to this document will all be reviewed prior to our decision on rent levels for 2023/24. This is your opportunity to tell us what you think and influence our decision making. Please make sure you use it.

In order to have your views heard please either;

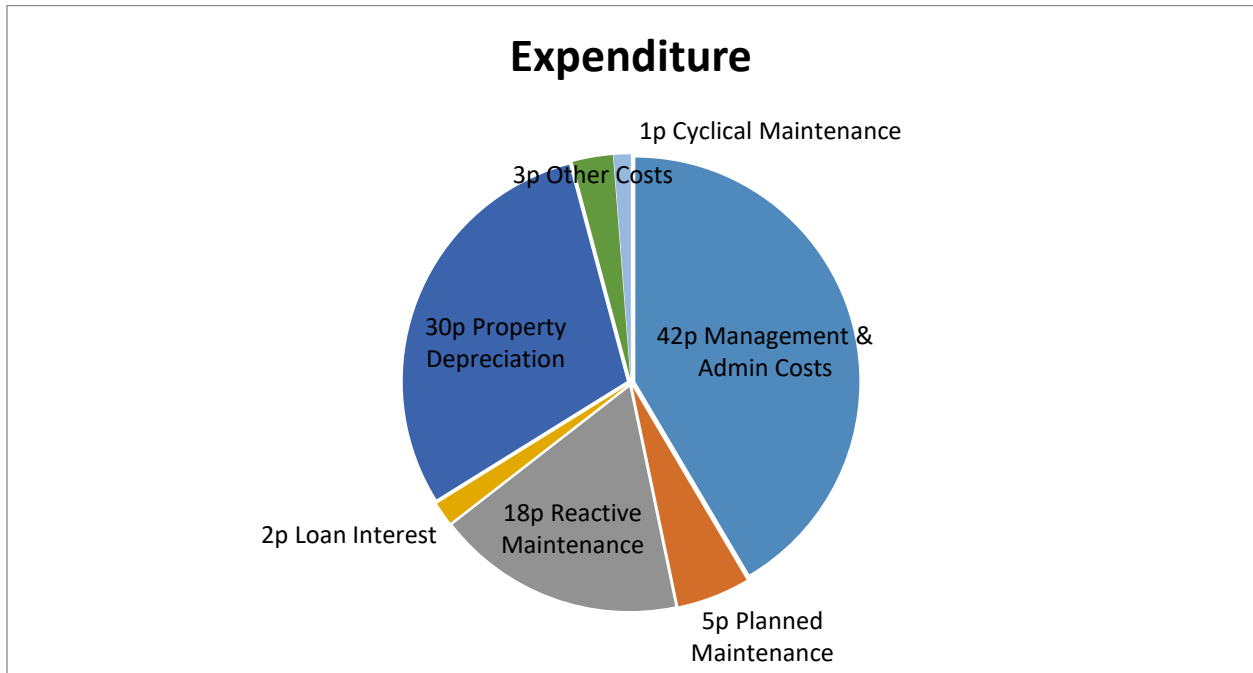
- Complete the short form on the back page of this leaflet and return it to our office. Or download and complete the same form on our website www.abronhillha.org.uk
- complete the on line survey at <https://forms.office.com/e/ajzU3tCBcv>
- E-mail us at admin@abronhillha.org.uk
- Telephone our office on 01236 457948

All responses will be entered into a prize draw to win £50 of High Street vouchers.

The closing date for responses is **Wednesday 25 January 2023 at 12.00**. We will publish a summary of the feedback received from tenants on our website after this date.

This leaflet has been produced in-house to keep design and printing costs as low as possible.

Expenditure in the Last Year (21/22) – how we spent each £1



Why do we need to increase rents?

Our short- and long-term plans to invest in the existing housing stock and deliver new homes for affordable rent are based on the Association having enough money coming in year on year to match or keep ahead of inflation.



We usually set our rents based on the rate of inflation for October. In October 2022 CPI was 11.1% and RPI was 14.2%.

By linking our rents to inflation, we can plan for major investments, like replacing kitchens and bathrooms over time.

We plan to invest around £1.306 million over the next 5 years.

We have an approved Business Plan that sets out how we will maintain and modernise our properties over the next 30 years. We review this every 3 years. During the next year, we plan to invest up to £295,000 including window replacements for 20 homes, new front entrance doors for 25 homes, 11 new kitchen and 2 bathroom installations.

The Association has loans which it took out to acquire the stock and to buy the new housing development at Aspen Place. We must make sure we have enough money to continue to repay these loans.

The cost of building materials and labour has increased significantly over the last 12 months and is predicted to stay high over the next 12 month period.

The Scottish Government is introducing new energy efficiency standards for social housing and we will be required to comply with those which will mean additional cost pressures on our budget.

Inflation and the Cost-of-Living Crisis

Above we have explained that we need to match or keep ahead of inflation. However, because inflation is so high at the moment, we recognise that we cannot fully achieve this aim in the current economic environment. That means that our Management Committee has had to consider various ways to allow us to propose a below inflation rent increase.

The Committee has proposed to consult with you on a rent increase of 7% for 2023/24.

Whilst this may sound very high, the Committee considered that this is the **minimum** level we can increase rents by to ensure we can maintain the planned investment needed in our homes over the next few years as well as maintaining our current level of services to tenants.

Prior to April 2021 our rent increases were set in line with inflation plus 1%. Over the last 2 years we have managed to restrict increases to at or less than inflation. Our proposal for 2023 will see a further less than inflation increase.

	Rent Increase Rate at 28 March	April inflation (CPI)
2021	1.7%	1.5%
2022	4.2%	9.0%

We are therefore proposing the lowest increase we can afford that safeguards current services and maintains our home improvement programme that is due to take place in 23/24.

Planned Improvements 2023/24



A 7% increase will allow us to fund the following improvements to your homes in the coming year;

- 11 new kitchens and 2 new bathrooms
- 20 homes to have new windows installed
- 25 homes to have new front doors
- 10 replacement Thermaflow boilers
- 5 new central heating boilers

A rent increase of less than 7% would mean that we would need to scale back the improvements listed above which would ultimately delay replacement cycles in all of our properties.

We provide a highly regarded welfare rights and income maximisation service through AFTAR service. This generated an additional £51,818 for 101 Abronhill residents in the year to March 2022. In addition AFTAR's Energy adviser assisted 25 residents and who saved a combined amount of £2,300.



What are we doing to keep costs down?

All large-scale contracts are procured with value for money as a key consideration, while still seeking to deliver high quality products and services to tenants.

We have invested in our telecoms system which has resulted in a significant reduction in our costs.

We constantly review our overhead costs in order to achieve best value for money from our suppliers.

The staff pay award for 2023 is well below inflation at 5.25%.

Housing and Maintenance Services

While we want to keep costs as low as possible, we know that it is important to you that we continue to provide high quality services and we strive for services which deliver excellence and value for money.

In the last financial year, we were once again one of the very top performing Scottish landlords in terms of repairs response times. We also did well in terms of getting repairs “right first time” which obviously helps to keep costs down as it reduces contractor visits.

We know that our repairs service is our tenant's top priority, and we are committed to maintaining these high standards of service to you.



Our repairs performance for 21/22 is shown below as compared to the Scottish average.

	Abronhill	Scottish Average
Emergency repairs response time achieved	2 hours	4.2 hours
Non-emergency repairs response time achieved	3.3 days	8.9 days
Repairs – Right First Time	94.1%	88.3%

Proposal

In order to be able to continue to deliver our investment programme and a high quality customer service we are proposing a rent increase of **7% for this year**. This is based on the inflation figure (CPI) at October 2022, which was 11.1%. The proposed increase is therefore well below the inflation figure and is the lowest we can go in order to ensure that we can meet our costs. This represents an average weekly rent increase of **£6.14**

Please complete the form below and return by 25 January 2023.

	Please tick
I agree with the proposal that Abronhill Housing Association maintains investment in homes and services by increasing rents by 7% (4.1% below inflation based on October 2022 CPI).	
I do not agree with the proposal to increase rents by 7%.	

If you do not agree with the proposal, please provide additional information below. Your comments will be considered by our Management Committee when deciding on rent levels for 2023/2024. (Names of respondents will not be provided to Committee)

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Name	
Address	
Telephone No.	
E-mail address	

Thank you for taking part!