

TOLLCROSS
housing association limited



Rent Review

2024/25



Background

In January 2024 the Management Committee will approve the budget for the forthcoming financial year 2024/25 and will review the level of rent the Association needs to charge to meet the ongoing costs of managing, maintaining and improving the existing housing stock and allowing us to build new houses in our areas of operation.

In this newsletter we will set out the Association's spending plans for the next year. All our income is used to pay for the costs of running the business, and the rents we set are based on these spending plans. We need to make certain assumptions about costs, inflation and interest rates, decide where

expenditure is required or where it can be held or reduced and then set rents at a level which covers these costs.

Our aim has always been to keep rents as low as possible whilst ensuring the Association remains financially viable. We are keen to hear your views on our spending plans and on our proposed rent increase. Please read this article carefully and provide your views by Friday 19th January 2024. The Management Committee will take account of your comments before agreeing its budget and rent increase at its meeting on the 29th of January 2024.

What is the proposed rent increase?

This year, we are proposing a rent increase of 6.5%.

For every 1% increase in rents Tollcross Housing Association collects around an additional £100,000. This income is used to cover the increasing costs of repairs, investment works, salaries, overheads and to pay back the borrowings from the banks that have been used to build new homes and to provide enough reserves for the Association to undertake all of the required future investment work.

We appreciate some of our tenants are finding it extremely difficult now and the Association will continue to support you. More information regarding additional support is provided further on in this in this newsletter.

We have set out the running costs of the Association in the table opposite:



Area of Expenditure	Proposed Budget 2024-25	Cost Requirements
<p>Management Expenses This includes salaries, office rates, heat and light, office insurance, computer costs and other expenses required to run the organisation.</p>	£3,340,000	<p>This allows the Association to improve services provided to tenants, by ensuring that appropriate staff are available, maintaining our IT systems and providing adequate training for staff and committee members.</p> <p>The Association is affected by price increases in respect of heat and light etc., in the same way as our tenants, but we are always looking for ways to ensure that we receive value for money.</p>
<p>Reactive Maintenance The cost of responding to tenant's day to day repair requests and void costs.</p>	£1,500,000	<p>Reflects the actual demand for day to day repairs from tenants and includes work to prepare empty properties for relet.</p> <p><i>Last year the Association undertook over 6000 repairs and prepared 200 void properties for re let.</i></p>
<p>Cyclical Maintenance Includes gas servicing, electrical testing, gutter cleaning, close painterwork, communal extract fan maintenance etc.</p>	£650,000	<p>Required to maintain the components within properties and extend their lifespans.</p> <p><i>The Association achieved 100% gas safety inspections last year.</i></p>
<p>Service Costs landscape maintenance and close cleaning etc</p>	£1,000,000	<p>Required to maintain closes and the environment to a good standard.</p> <p><i>The recent satisfaction survey found that 96.60 % of tenants thought that the area was well managed.</i></p>
<p>Major Repairs Replacement of components that are beyond their useful lives, and include central heating replacements, kitchen and bathroom replacements etc.</p>	£2,500,000	<p>Required to maintain properties to a good standard, e.g. kitchens, bathrooms, central heating, door entry systems etc..</p> <p><i>If you wish to discuss works programme or when work is due to your property please contact the Maintenance team on 0141 763 1317 Option 5.</i></p>
<p>Insurance & Other Costs</p>	£645,000	<p>We have to ensure that all of the Association's housing stock is adequately insured. The premiums paid are affected by the same factors that affect other home owners. The figure also includes debt recovery costs, bank charges and general legal fees.</p>



What have we considered?

Every year the Association continues with a planned maintenance programme of investment in the stock, replacing boilers, kitchens, bathrooms, roofs, door entry systems and other parts of your home that have reached the end of their useful life. In addition, there's also our cyclical maintenance responsibilities, such as gas servicing and electrical safety checks, landscape maintenance, external painting and gutter cleaning that are required to be carried out annually.

Tenant safety is always our top priority and items such as gas servicing and electrical safety checks and the installation of smoke and heat alarms systems must always be carried out when required to meet our legal obligations. Likewise, the completion of day to day repairs will always be considered a fundamental service provision that just can't be cut. However, it may be the case that if inflation and interest rates rise again, in the coming year, then some of these planned and cyclical projects might need to get pushed back a few years to help cut costs.

We've gone almost paperless to reduce the cost of postage, paper and printing, but we'll try to become even more efficient in these areas.

Staff costs will increase next year, as salaries will increase in April 2024. That's never an easy decision, but staff are subject to the cost of living situation like everyone else. They have bills to pay and food to buy

just like everyone else. We will be looking even more closely at the need to fill any posts that might become vacant next year; but we need to accept that over the next few years the Association will require to provide even more help and advice to tenants and owners to get them through this difficult time. The idea that we're going to reduce the size of the staff team when we know that we will be under even more pressure until the economic situation improves is going to be difficult.

The Association will continue with the extensive programme of planned maintenance work, including the replacement of kitchens, bathrooms, heating systems and other items in your home. We always look carefully at the condition of the components that are due replacement. On some occasions replacement may be pushed back a few years if the element due to be replaced is still in good condition. However, this would not be the norm and any delay in replacement would have to be carefully considered.

This year the Association will spend around £2.5 million on planned maintenance. Like everything, the costs of the required works has increased significantly over the last few years. This has a real impact on the Associations long term financial plans as these rising costs then have an effect on our future spend projections for the next 30 years.

What does a 6.5% Rent Increase mean for you?

Below is a table with a breakdown of our current average weekly rent per home size. We have also included a column to show you what that figure would increase to if the 6.5% increase is approved and also a column to show the actual proposed increase.

Size by number of Apartment	Current average weekly rent	Additional weekly payment if rents increase by proposed 6.5%	Proposed average weekly rent from 1st April 2024
2apt	£70.06	£4.55	£74.61
3apt	£78.66	£5.11	£83.77
4apt	£95.24	£6.19	£101.43
5apt+	£106.47	£6.92	£113.39

Average Rents Charges in Glasgow

Whilst our rent increase may appear high to some of our tenants it is important to highlight that the Association still has some of the cheapest weekly rents available.

Set out in the table below is a table showing the average rent for a 3apt property across various Housing Associations in the city:

Glasgow West HA	£101.08
Glenoaks HA	£92.44
Tollcross HA	£78.66
Partick HA	£89.84
West of Scotland HA	£93.74
Maryhill HA	£91.63
Milnbank HA	£72.92
Whiteinch and Scotstoun HA	£97.20
Easthall Park	£79.60
Southside HA	£101.97

Every household is different and we recognise that a rent increase at this time will be difficult for many of our tenants. Therefore, we will ensure that:

- We will seek to absorb at least some of the cost of inflation to protect the people we support
- Wherever possible, we will look to activate additional, specific support for those who need it most.

Secured Rent Tenancies

If you are a secure tenant the proposed rent increase will only be implemented when your rent increase on your 3 year cycle.



Here to Help

We appreciate that things are extremely difficult for many of our tenants and owners. We will try to offer as much help and advice to you throughout this period. We have developed a wide range of services that may be able to assist you in the current financial climate.

These services are provided through Tollcross Advice and Learning Centre, 84 Braidfauld Street, Tollcross or from our main office at 868 Tollcross Road. If you need any advice on anything listed below, please call us on 0141 764 1234.

• Food Project

This project is open to everyone and is operated in conjunction with the Foodbank and Tollcross Community Trust. Please drop in anytime and staff will be happy to show you what is available. The project is based in the Tollcross Advice and Learning Centre, 84 Braidfauld Street Tollcross.

• Income Maximisation Service (TSMAS)

This project offers free assistance on how to maximise your income. This project is based in Tollcross Advice and Learning Centre and is a partnership with Shettleston Housing Association and Tollcross Community Trust. If you need benefits checked and someone to check what you're entitled to and/or need some help with money or debt advice then call us on 0141 764 1234 and make an appointment

• The Welcome Space Project

If you're finding it hard to keep your house warm all the time then why not drop into the Welcome Space in the Advice Centre? You can spend a few hours in there having a chat, watching TV and there will be tea and coffee available too. While you're there you might want to chat over what other help and assistance might be available to you.

• Welfare Rights Service

This service offers free assistance with benefit claims and debt advice from our in-house Welfare Rights Officer. You can call us on 0141 763 1317 and choose the welfare rights option and make an appointment to access this service.

• Free Wi-Fi at Advice Centre and Main Office

If you need to get access to the internet then you can tap into free wi-fi at our main office or at the Advice Centre.

• General Support and Grant Funded Projects

The Association continually applies for various grants on behalf of our tenants to assist them with their day to day living costs. If we are eligible for funding we will contact tenants that may benefit from this and meet the criteria. The Association will do our best to give our tenants general support for whatever problems they may be facing or ensure you are signposted to other agencies who could help.



The Association would really like to hear your views on our proposed rent increase.

You can provide feedback by:

- **Completing the feedback form in this newsletter and return it to our office**
- **Completing our online feedback form at www.tollcross-ha.org.uk**
- **Telephoning our office on 0141 763 1317**
- **Calling into our office in person at 868 Tollcross Road, Glasgow, G32 8PF**

You may also be contacted by an independent company to carry out a telephone survey regarding the proposed rent increase

The consultation period will run from December 2023 until the 19th January 2024.

Rent Consultation Feedback Form 2024/25

Name	
Address	
Question (Please tick ✓)	
Do you agree to the proposed increase if 6.5% from 1st April 2024?	
Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Other Comments	
.....	
.....	
.....	
.....	
.....	
Please return slip to Tollcross Housing Association, 868 Tollcross Road, Glasgow, G32 8PF	



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868 Tollcross Road, Glasgow G32 8PF

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**FOR OUT OF HOURS EMERGENCIES CALL
0141 763 1317 or 0345 6044 686**

Honorary President: Bill Dougan

Property Factor Registered No PF000261

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Do you need information in a **larger font/different language?** Please contact us and let us know.