



**CUSTOMER
CONSULTATION
RENT REVIEW
2023/2024**



**Moving Govan
Forward**

Govan Housing Association
www.govanha.org.uk

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We can also produce information on request in large print, Braille, tape and on disk. It is also available in other languages. If you need information in any of these formats please contact us on **0141 440 0308**.

Introduction

Govan Housing Association is committed to providing high quality services to meet the needs and aspirations of our customers. Our Management Committee board will review our rents every year, to ensure both affordability and viability to our customers of the Association.

We believe that to deliver future obligations and invest in our housing stock.

The Associations model for implementing rent increases is based on the requirements of the business and is normally set around Inflation rates plus 0.5 – 2% which in October 2022, was 11.1%. If we were using this format this year the rent increase would be in the region of 11.5% – 13%. We realise with the cost of living increases that an 11%+ increase would be unaffordable for our customers.

The Management Committee are clear that a 5% rent increase will lead to cuts in planned programmes as well as further cost cutting measures to make the percentage a viable business option but are committed to minimising rent increase for 2023/24.

We will make every effort to make sure we continue to carry out the programme for window fittings as we know the new windows will help with energy bills and the increase being imposed by energy suppliers.

In reviewing the rents we have:

- Considered what key aspects of a property should be taken into account when agreeing rent levels;
- Consider short, medium and long term plans of investment;
- Considered rent increase changes to ensure Rents are fair, open and transparent;

The proposals increase will still see Govan Housing Association rents compare favorably against other registered social landlords. Our rents remain affordable in comparison and fit the long term financial planning to support the continuing investment in your home.

We are committed to consulting with our customers, resident's forum groups and wider stakeholders.

We want to hear your views on the proposed increase your views are extremely influential and important to us.

We will:

- Carry out face to face consultation events in the office on;
 - Tuesday 13th December 2022 from 10am – 12 noon
 - Tuesday 13th December 2022 from 4pm – 7pm
 - Wednesday 14th December 2022 2pm – 4pm
- Write to all our customers with our proposal
- Publish articles in our Newsletter/and social media platforms
- Digitally engage with our customers
- Seek further views from customers using our resident groups and service scrutiny panel.

The proposals contained within this document will be consulted on from Friday 28th November 2022 to Friday 6th January 2023.

The introduction of the Scottish Social Housing Charter requires social property Owners to;

Owners to;

“Set Rents Service Charges and Consultation with their tenants”

to make Govan Housing Association’s rents affordable against the requirement to maintain the income needed to deliver the Association’s Business Plan Objectives.

This guide outlines the proposed rent increase and gives you the opportunity to put forward your views and comments.

Responses to the consultation should be returned by Friday 6th January 2023.

**Marina McCall
Head of Operations & Performance**

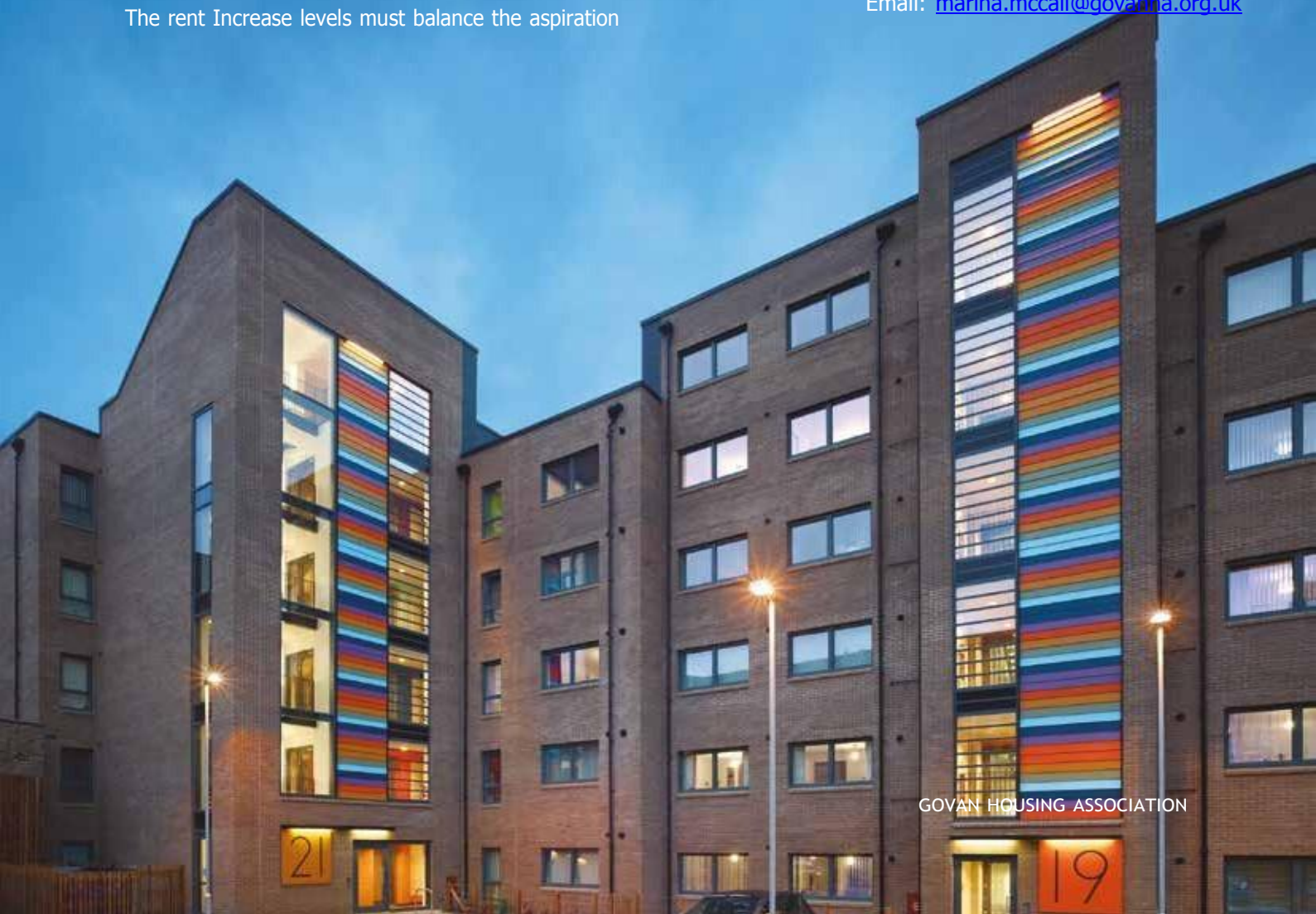
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Govan Housing Association’s Management Committee will review the results of the consultation and come to a final decision on the new rent increase in January 2023.

Any implementation of the outcome of the rent review will be in place by the 28th April 2023.

The rent Increase levels must balance the aspiration



GOVAN HOUSING ASSOCIATION

Investment and Planned Improvement Programme

Our Property Services Department is responsible for managing all repairs and cyclical work. Our Planned Improvement works programme in your homes. This ensures our properties are well maintained and fit for purpose now and in the future. The annual rent review influences the amount of money

we have available to manage and look after your homes. We also have to meet our legal obligations as a landlord which includes your annual gas safety checks. We also where we can improve energy efficiency, and look after the area surrounding your home is safe and well maintained.

Over the last 5 years, the Association has invested an estimated **£6 Million** in your homes.

Our ambitious programme included;

- Kitchens Installation
- Bathroom Installation
- Central Heating Systems
- Window Replacement
- Close Remedial Works
- Close Painting
- Gutter & Roof Works
- Refurbish Work
- Shop Front Improvements
- Smoke & Heat Detectors
- Rewires

Social and Economic influences in 2022

The high interest rates has led to increased costs around 20% for materials and supplies for providing the repairs, maintenance and planned renewals in your home. A rent increase of half of inflation (5%) will mean that we will have to reevaluate the Planned Programme and the likelihood is that there will be reduction in the planned work for this year.

Additional Services We Provide

Money, Debt and Energy Service

Our rental income helps us to support all the services that continually improve tenancy sustainment and support our community to be vibrant and thrive, including our Money,

Advice Service that has generated over **£4 million** in the last three years of launching the service in a variety of ways to help maximise income and mitigate the effects of welfarereform. In response to consultations and feedback from our customers we introduced the following projects to improve people's health and wellbeing, fuel poverty, community engagement.

"Govan Families Receive £350K to Deal with Energy Bills"

Cash injection will see "energy advisors" helping people to slash fuels bills

Working in partnership with Govan, Linthouse and Elderpark Housing Associations we have been able to join forces and obtain funding of £350,214.00 to assist our local community of Govan facing rocketing fuel bills, with a total of 1722 people having received assistance by three appointed energy advisers.

The £350k Figure consists of helping to get energy debt written off, issuing top-up fuel vouchers, switching our customers to lower tariffs, getting central heating installed free, and offering advice on energy efficiency.

Community Engagement Service Overview

The community engagement role began in September 2021.

The objectives of the service are:

- to encourage and support tenants and residents to become more involved in our work, in a way that they feel comfortable with, so they remain at the heart of our work
- to signpost to existing community services
- to work collaboratively with partners for wider community benefits.

Year one has been foundation building working within the framework of national standards for community engagement, with a programme of close visits, focus groups and engagement events, under the overarching community engagement priorities for the year of:

1. Community and Environment
2. Children, Young People and Families
3. Employment and Volunteering
4. Tenancy Sustainment
5. Digital Skills

We have also worked in partnership with the Tenants Information Service (TIS) this year as part of their Education, Influence and Change programme. We remain active in the Thriving Places work amongst other partnerships, to ensure tenants and residents have the opportunity and pathway to not only influence us, but also their community.

This work culminated in a community-wide engagement day in October in partnership with the Pearce Institute, with over 500 people attending. We now have the evidence and engagement feedback from all our work during the year to offer a number of sustainable opportunities for tenant and resident involvement, which will be rolled out from January 2023. Evaluation and review is built-in through monthly reporting of the service actions and outcomes.

How Has Our Additional Services Assisted and Supported Our Customers, Owner-Occupiers and The Local Community

We assisted 170 tenants with emergency food provision.	Our Govan Energy Service was awarded £40,000 funding to assist with fuel poverty.
We have also provided £7945 of Energy Redress Vouchers to our tenants.	We assisted 150 tenants to apply for furniture / white goods via the Scottish Welfare Fund. Grants totaling over £120,000 were successfully awarded.
We assisted 16 tenants to write off debt using formal debt relief options such as entering into a Debt Arrangement Scheme (DAS).	The service has assisted 550 tenants and 1221 cases with Benefit or Debt related issues.
A total of 115 tenants have been supported during a crisis situation by our Money Advice Service. We have also assisted 191 tenants to avoid financial hardship.	Our Money Advice Service assisted and supported residents with various Welfare Benefits, Money & Debt related issues which resulted in financial gains to customers totaling over a million pounds.
African Food Bank awarded £500.00	Men's Govan Shed awarded £300.00
Govan HELP – 'Cuppa and Cake' Parent Engagement Sessions. Awarded £200.00	Chilli Stop - Wanlock Street. This was a group that was set up by residents awarded £250.00
Walmer Crescent Association, and their project at Cessnock Lane awarded £500.00	The Old Govan Fair, awarded £100.00
Cycle Sunday – awarded £501.40	Children's Summer Holiday Event awarded £500.00

How do Govan Housing Association's current rents compare with others?

Our average rent is £74.96 for a 2 bedroom property. Detailed in the table below is a comparison with Registered Social Landlords for your information.

Housing Association Landlords	Average Rents	
Govan Housing Association Average Weekly Rent	£74.96	indicator ↑↓
Partick Housing Association Average Weekly Rent	£77.62	↑ Higher
Govanhill Housing Association Average Weekly Rent	£87.04	↑ Higher
Elderpark Housing Association Average Weekly Rent	£73.89	↓ Lower
Linthouse Housing Association Average Weekly Rent	£76.15	↑ Higher



Did you know?

We fitted over 800 Kitchen and Bathrooms in the last 5 years.

Rent Review and Affordability

We are conscious that many of our customers are on low or fixed incomes. Approximately **64%** of our customers, receive support for some or all of their rent through Universal Credit or Housing Benefit.

In developing the proposals for rent this review has taken into account the current increase in the cost of living, inflation, materials and the shortage in the labour market, we have balanced the rent review to meet the needs of the organisation, including the need to continue with some planned works and improvements.

We continue to operate in a challenging environment with economic uncertainty, increasing regulations, reducing local authority services and financial pressures for customer household budgets, Our Management Committee is again faced with difficult decisions of reaching a fair and balanced outcome for customers against our main rent priorities of affordability, comparability and costs.

If you receive full Housing Benefit or a Housing Element of Universal Credit, the increase will be covered automatically by your entitlement to these benefits, unless you pay your rent directly from your benefits. If the rent is increased customers will be required to update Universal Credit 'To Do List' with the new rent increase.



Did you know?

If you are paid Housing Benefit directly into your bank and any Universal Credit Housing Element Cost, It is your responsibility to notify the rent increase, as the Association will not accept this.



Affordability

It is important that rent is paid on time and in full to ensure we are able to continue providing services: if you need support or Money Advice about paying your rent, or your entitlement to benefits, please contact our Money Advice Service on 0141 440 0308 or email general@govanha.org.uk

What are the Association's proposals?

It is proposed that the revised rents will take effect from 28th April 2023.

PROPOSED INCREASE IS 5%

This year for 2023/24, we are offering customers an increase below inflation at 5%. (This proposed increase does not apply for our secure rents, whose rent is regulated by the Rent Officer).

Our rent review is being introduced to ensure a consistent value for money and transparent approach of an amenity pointing methodology. The lists of amenities as defined in two tables, A and B. In the first instance, all properties will be pointed against Table A, as these are in essence the basis for our standard rents for a single and double room:

Did you know?

We have fitted just over
466 Central Heating Systems
In the last 5 years

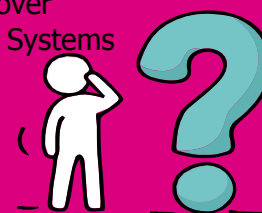


Table A

	Amenity Description	Single Property Points	Double Property Points
		Single	Double
1	Bedroom	200	300
3	Living room	300	300
4	Kitchen	200	200
5	Bathroom/WC	150	200
6	Heating	150	150
7	Environmental	125	125
	Total	1175	1275

Once properties have been pointed against **Table A** to set the standard rent. We then point the amenities within your property against **Table B** giving the total rent charge for your property.

Table B

	Amenity Description	Points
8	Extra Double Bedroom	90
9	Extra Single Bedroom	75
10	Extra Public Room	75
11	Extra W.C	60
12	Dining Kitchen	45
13	Back and Front Garden	80
14	Front Garden	30
15	Back Garden	50
16	Burglar Alarm	30
17	Private Car parking	60
18	Garage	85
19	Double Glazing	60
20	Insulation	45
21	End-Terrace	130
22	Mid-Terrace	100
23	Detached	155
24	Shower	25
25	Bathroom Special Fitments	90
26	Warden Alarm/Lift/Balconies	70
27	Bedsit	-100

To know the actual calculation can be complicated, but the step-by-step examples below will guide you through the point description and calculate each of increase option.



Rent Setting and Rent Increase Examples

The examples below have been developed to demonstrate the methodology used in calculating your rent and this years increase.

Example 1:

A current rent is **£361.22** per month. If a property is a two bedroom flat with two double bedrooms with double-glazing, a shower and has been insulated the following points would be awarded.

We are assuming that the inflationary rate is £3,04442

	Assess your property against Table A of the proposed rent structure.	In this example, your property is a 2 bedroom flat with two double rooms. In all cases, you take the largest room first when assessing Table A. Therefore, 300 points will be taken for bedroom size. In addition to this all properties have a living room, bathroom, kitchen, central heating and it is proposed that all tenants will pay a contribution towards environmental costs as standard.	Sum to total: Double Bedroom = 300 Living Room = 300 Kitchen = 200 Bathroom = 200 Heating = 150 Environmental = 125 Total of 1,275 points from Table A.
2	Now assess your property against Table B for the additional amenities in your property.	In this case, exclude all of the items identified above, as these are the standard items within any of our properties. Add in additional points for any of the items listed in Table B, which in this case would be an extra single bedroom, double-bedroom a shower and insulation.	Sum to total: Ext double bedroom = 90 Double glazing = 60 Fitted Shower = 25 Insulation = 45 Total of 220 points from Table B.
3	Add the points from Table A and Table B together to get your overall points Total.	Take the totals from Steps 1 and 2 above.	1,275 + 205 = 1,495 Points
4	Multiply the number of points for your property by the multiplying factor. For the rent review we are proposing a multiplying factor of £3.04442	Take the points total from Step 3 above in addition, multiply it by £3.04442 to calculate your annual rent. To then find your monthly rent divide the figure by 12	Annual Rent: $1,495 \times £3.04442 =$ £4551.40 Monthly Rent: $£4,334.64 \div 12 =$ £379.28

This consultation document aims to provide tenants with an example of how the rents are set and how to work out exactly how the increase for 2022-2023 will impact your rent using the value per point of £3.04442.

The example below demonstrates how your new rent for 2023/24 is calculated.

	5%
Revised Rent Monthly	2022/23
£379.28	£361.22 + 5% = £379.28 p/m

Proposed rent for 2023-2024	
Annual Rent:	£4551.37
Monthly Rent:	£379.28
Weekly Rent:	£87.52

Example 2:

A current rent is **£364.85** per month. If a property is a three bedroom, flat with two double bedrooms and one single bedroom. In addition to this, it has a dining kitchen area and fitted with a shower.

We are assuming that the inflationary factor will be £3.04442

	Step	What	How do I do this?	Calculation
Part A	1	Assess your property against Table A of the proposed rent structure.	In this example, your property is 2 double bedrooms, with one single room. In all cases, you take the largest room first assessing Table A. Therefore, 300 points will be taken for bedroom size. In addition to this all properties have a living room, bathroom, kitchen, central heating and it is proposed that all tenants will pay a contribution towards environmental costs as standard.	Sum to total: Double Bedroom = 300 Living Room = 300 Kitchen = 200 Bathroom = 200 Heating = 150 Environmental = 125 Total of 1,275 points from Table A.
	2	Now assess your property against Table B for the additional amenities in your property.	In this case, exclude all of the items identified above, as these are the standard items within any of our properties. Add in additional points for any of the items listed in Table B which in this case would be an extra single bedroom, dining kitchen area, back and front garden, double glazing, a shower and points for the property being an end terrace.	Sum to total: Extra Dbl Bedroom = 90 Extra Single Bedroom = 75 Dining Kitchen = 45 Fitted Shower = 25 Total of 235 points from Table B.
Part B	3	Add the points from Table A and Table B together to get your overall points Total.	Take the totals from Steps 1 and 2 above.	1,275 + 235 = 1,510 Points

4	Multiply the number of points for your property by the multiplying factor. For the rent review we are proposing a multiplying factor of £3.04442	Take the points total from Step 3 above and multiply it by £3.04442 to calculate your annual rent. To then find your monthly rent divide the figure by 12.	Annual Rent: 1,510 x £3.04442 = £4597.07 Monthly Rent: £4597.07 ÷ 12 = £383.08
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This consultation document aims to provide tenants with an example of how the rents are set and how to work out exactly how the increase for 2022-2023 will impact your rent using the value per point of £3.04442.

The example below demonstrates how your new rent for 2023/24 is calculated.

Revised Rent Monthly	5% 2022/23
£383.09	£364.85 +5% = £383.09

Proposed rent for 2023-2024

Annual Rent: £4597.08
Monthly Rent: £383.09
Weekly Rent: £88.40



Example 3:

My current rent is £314.10 per month. This property is a one bedroom. In addition to this, it has a kitchen area, double-glazing, insulation and shower.

We are assuming that the inflationary factor will be £3.04442

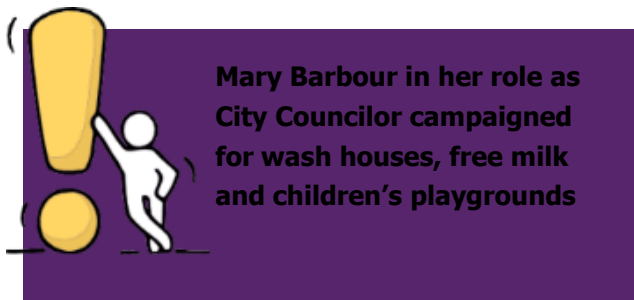
	Step	What	How do I do this?	Calculation
Part A	1	Assess your property against Table A of the proposed rent structure.	In this example, your property is a 1 bedroom. It has 1 double bedroom. Therefore, 300 points will be taken for bedroom size. In addition to this all properties have a living room, bathroom, kitchen, central heating and it is proposed that all tenants will pay a contribution towards Environmental costs as standard.	Sum to total: Double Bedroom = 300 Living Room = 300 Kitchen = 200 Bathroom = 200 Heating = 150 Environmental = 125 Total of 1,275 points from Table A.
	2	Now assess your property against Table B for the additional amenities in your property.	In this case, exclude all of the items identified above, as these are the standard items within any of our properties. Add in additional points for any of the items listed in Table B, which in this case would be a shower room.	Sum to total: Shower = 25 Total of 25 points from Table B.
Part B	3	Add the points from Table A and Table B together to get your overall points Total.	Take the totals from Steps 1 and 2 above.	1,275 + 25 = 1300 Points
	4	Multiply the number of points for your property by the multiplying factor. For the rent review we are proposing a multiplying factor of £3.04442	Take the points total from Step 3 above and multiply it by £3.04442 to calculate your annual rent. To then find your monthly rent divide the figure by 12.	Annual Rent: $1,300 \times £3.04442 =$ £3957.74 Monthly Rent: $£3957.74 \div 12 =$ £329.80

This consultation document aims to provide tenants with an example of how the rents are set and how to work out exactly how the increase for 2022-2023 will impact your rent using the value per point of £3.04442.

The example below demonstrates how your new rent for 2023/24 is calculated

Revised Rent Monthly	5% 2023/24
£329.80	£314.10 + 5% = £329.80

Proposed rent for 2023/2024
Annual Rent: £3957.66
Monthly Rent: £329.80
Weekly Rent: £76.10



Govan was at one point in history a world-renowned Clydeside shipbuilding industry and in 1843 produced its first ship.

Consultation

Given that the proposed rent review will affect all customers, we are committed to consulting with customers, and local resident groups. We will be consulting widely on the principles of the new proposed rent increase and we would like to hear your views.

Your views are extremely important to us.

The consultation exercise will be carried out from **Friday 25th November 2021 to Thursday 5th January 2022**, we will also carry out a Digital consultation, as well as sending a consultation paper and promoting this on the Associations website and our social media platforms.

Frequently Asked Questions

Question	Answer
Can I get any financial assistance with paying my rent if I am on benefits?	You could be eligible for a Discretionary Housing Benefit award this is administered by Glasgow City Council, Housing Benefit, you apply if you are in financial difficulty if you are on part benefits to assist with some support, and our Customer and Money Advice Service can assist with any application.
Housing Benefit pays my rent; will this change if the new rent review is implemented?	The level of housing benefit you receive is based on your personal circumstances. If you are on full housing benefit it is unlikely there will be any change. If you are in receipt of partial housing benefit then your individual circumstances will be assessed but if the only change is the rent increase then it is unlikely there is no change. If are paid Housing Benefit directly then you will need to advise Housing Benefit of the increase in your rent increase.
Can I get assistance with my Housing Benefit in light of these changes?	Yes you can make an appointment with our Money Advice Team at any time by phoning our office on 0141 440 0308 or email general@govanha.org.uk
Universal Credit pays my rent; will this change if the new rent review is implemented.	All customers on Universal Credit (UC) are responsible for updating their own claim with any change to rent increase. UC claims should prompt claimants a 'to do' it is imperative all claimants complete this to ensure the rent increase is updated on or after the 28th April 2023.
How much rent will I pay?	We have included some examples in this guide. However, we will be writing to every tenant affected by the rent review individually to advise you as to how the proposed restructure affects you specifically.

Govan Housing Association is mindful of its statutory equality duties under section 149 of the Equality Act 2010. We have identified no equalities implications for this consultation. However, based on responses to this consultation, we may reserve the right to revisit these matters if new information becomes known.

Get in touch

If you would like to speak to someone directly regarding any of the content of this guide or if you need advice about your own personal circumstances surrounding this rent review just get in touch. We are here to help.

Visit our website www.govanha.org.uk
Send us an email: general@govanha.org.uk
Call us on: **0141 440 0308**

 [facebook.com/govanhousingassociation](https://www.facebook.com/govanhousingassociation)

 [@MovingGovanFWD](https://twitter.com/MovingGovanFWD)

**This consultation closes on Friday 6th January 2023
and we would welcome any comments you have. Your
views are important to us.**



***Moving Govan
Forward***

Govan Housing Association

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