

# Rent Consultation 2025/2026

December 2024

## RENT AND SERVICE CHARGES PROPOSAL FOR 2025/2026

- **Rent: 6.7% increase**
- **Service Charges:**
  - **Common areas, Landscape Maintenance and Laundry – 1.7% increase**
  - **Housing Support – 5% increase**
  - **Central Heating or Central Heating and Hot Water – 52% increase**

Remember that these amounts are just a proposal at this stage. The Board will make their final decision when they meet in February 2025. They will use the feedback from this consultation, along with other relevant information, to inform their decision.

You will be advised of the outcome with a letter detailing your personal rent and service charges from 1 April 2025.

See pages 6 - 8 for what this proposal would mean for your rent and service charges.

## How did we set this proposed rent level?

Rent and service charge income forms a key part of Viewpoint's overall revenue. Our goal is to set rent levels that remain affordable for tenants and are in line with what other similar housing providers charge. At the same time, we need to ensure that this income is enough to cover our

costs and to support the continued provision of high-quality accommodation and services for our tenants.

We have proposed this rent level to ensure we can continue providing quality homes and services while covering the rising costs of maintenance and operations. Here is what contributes to the proposed 6.7% increase:

<b>CPI (Consumer Price Index)</b> at September 2024	<b>1.7%</b>
<b>Utility cost increases –</b> (Following the end of the fixed term agreement, which we signed up to in 2021 and has protected tenants from the increased costs to date).	<b>2%</b>
<b>Insurance Cost increases</b> (Due to revaluation of properties, increased claim history and increase in insurance rates).	<b>1%</b>
<b>Employer National Insurance increase</b> (Following the UK Government budget in November 2024).	<b>1%</b>
<b>Maintenance and Repairs</b> (Required spend increasing from £6.7 million in 2024/25 to £7.9 million in 2025/26).	<b>1%</b>
<b>Total</b>	<b>6.7%</b>

## Central Heating or Central Heating and Hot Water Charges

Energy prices have been highly volatile over the past few years, with significant increases in gas prices affecting all consumers.

Since 2020, we have worked with Utility Aid, a UK-based national broker specialising in the not-for-profit sector. Utility Aid partners with over 30 energy suppliers and can negotiate competitive prices for their clients due to their bulk buying power.

In May 2021, we entered into longer-term agreements with gas and electricity providers in response to the volatility in the energy market. This approach has helped us to keep increases in central heating and hot water service charges as low as possible for you.

As we mentioned in the Autumn 2024 issue of *Newspoint*, Utility Aid has advised that energy prices are likely to continue rising. Based on this, we have agreed to a further extension of our current agreements to help limit future price increases. **However, consequently, we are unable to keep heating and hot water charges as low as in previous years.** The current agreement will end in September 2025, and our proposed increase in charges reflects this, spreading the increased costs over the financial year.

This will result in increases between £12.07 and £27.80 per month depending on the size and type of your property and whether you receive heating or heating and hot water.

## Comparison of Rents with Other Landlords

We regularly review our rent charges against similar housing providers, such as Bield, Hanover, and Trust Housing Associations. In 2023/2024, our rents for studio and one-bedroom properties remained significantly lower than those of our peers.

## Telecare Upgrades

To ensure our telecare equipment is modern, reliable, and ready for the digital switchover, we are carrying out upgrades across our developments. These improvements come with additional costs. Following a recent review of our telecare contract, we have also seen an increase in costs, which means we need to adjust the charges for this service.

## Investment Programme

### Overview

At Viewpoint, we are taking a proactive approach to planning future investments in our properties. This aligns with the Scottish Government's zero-carbon targets and our own commitment to achieving net-zero carbon emissions through our Net-Zero Roadmap.

Our long-term investment plan focuses on improving building fabric, heating, and hot water systems by 2045. These improvements will support energy efficiency, comfort, and sustainability across our

properties, and will be coordinated around our existing gas boiler replacement programme.

## Our Key Investment Areas

Our plan will address three main areas to enhance our properties:

- **Building fabric** (walls, roofs, floor insulation, windows etc.)
- **Pipework and radiator infrastructure** (giving tenants control of heating within their homes and separate billing for heat and hot water used)
- **Heating source** (gas, electric, air source or ground source heat pumps etc.)

We have reviewed our approach to both communal and domestic gas boiler replacements and will now be building a programme of fabric improvements and heating system improvements around that.

Our initial costs for these projects are based on recommendations from consultants working on our Net-Zero project. This helps us to plan for costs and for achieving energy efficiency goals.

## Pilot Projects

To start, we have included two pilot projects in the proposed budget for 2025/26. These pilots will allow us to test and refine our approach before rolling out improvements across other properties:

1. **Pilot Project One** – This involves a tenement building from the 1950s with domestic gas heating. Here, we will focus on affordable fabric improvements.
  - *Estimated Cost: £1,098,671*
2. **Pilot Project Two** – This project will replace an outdated communal heating system, introducing individual metering and control for tenants.
  - *Estimated Cost: £1,318,039*

We are working to reduce these costs by adjusting specifications where possible, ensuring each project delivers value while remaining affordable. Any additional enhancements may require external funding.

## Stock Condition Surveys

To support accurate planning and budgeting, we will continue to conduct Stock Condition Surveys at a rate of 20% of properties each year. This information helps us schedule works based on property needs

and current conditions. While we continue gathering data, we also rely on tenant feedback, repairs data, and contractor insights to prioritize investment. Emergency repairs, such as unanticipated communal heating breakdowns, major roof leaks, or structural repairs, may occasionally take precedence over planned works.

### **Planned Works for 2025/26**

Below is an outline of the major works we currently plan to undertake in 2025/26. Please note that this is subject to change due to budget considerations, procurement processes, and other unforeseen emergencies.

- **Kitchen Upgrades:** 50 properties in Lade Court and Mill House.
- **Bathroom Upgrades:** 58 properties across Cameron Crescent, Croft-an-Righ, Glenesk House, Maidencraig Crescent, Mansionhouse Road, and St Albans Road.
- **Roofing Renewals:** Planned for properties at Argyle Park Terrace, Bakers Place, Chalmers Crescent, City Park, 45 Gillespie Crescent, Haugh Park, Lade Court, Mansionhouse Road, and Morningside Drive.
- **Window Replacements:** Planned for City Park, Croft-an-Righ, Dell Court, and 429 High Street.
- **Boundary Wall Repairs:** Planned at Ettrick Road and Salisbury Road, pending further inspection.

### **Annual Safety Investment Work**

We also prioritize annual safety-related works to ensure properties remain safe and compliant. This includes ongoing upgrades and maintenance across the following areas:

- Door entry system renewals
- Electrical testing and remedial work
- Gas safety checks
- Fire risk assessments
- Laundry equipment servicing
- Lift maintenance
- Water safety assessments

This plan sets out our intentions to improve and maintain our properties for the benefit of all tenants. While we strive to deliver these works as planned, please be aware that some changes may occur due to unforeseen circumstances. We will keep tenants informed as we move forward with these essential improvements.

# WHAT WOULD THIS PROPOSAL MEAN FOR ME?

## RENT CHARGES

General Needs	Size	Current Charge	Proposed Increase	Proposed Charge for 2025/26
Flats	Studio	£389.47	£26.09	£415.56
	1 Bed	£466.60	£31.26	£497.86
	2 Bed	£505.15	£33.85	£539.00
	3 Bed	£543.73	£36.43	£580.16
Houses	1 Bed	473.01	£31.69	£504.70
	2 Bed	511.58	£34.28	£545.86
	3 Bed	£550.13	£36.86	£586.98

Alarmed	Size	Current Charge	Proposed Increase	Proposed Charge for 2025/26
Flats	Studio	£439.60	£29.45	£469.05
	1 Bed	£516.73	£34.62	£551.35
	2 Bed	£555.29	£37.20	£592.49
	3 Bed	£593.84	£39.79	£633.63
Houses	1 Bed	£523.15	£35.05	£558.20
	2 Bed	£561.71	£37.63	£599.34

Sheltered	Size	Current Charge	Proposed Increase	Proposed Charge for 2025/26
Flats	Studio	£478.17	£32.04	£510.21
	1 Bed	£555.29	£37.20	£592.49
	2 Bed	£593.85	£39.79	£633.64
	3 Bed	£632.41	£42.37	£674.78
Houses	1 Bed	£561.72	£37.64	£599.36
	2 Bed	£600.27	£40.22	£640.49
	3 Bed	£632.40	£42.37	£674.77

Enhanced Sheltered	Size	Current Charge	Proposed Increase	Proposed Charge for 2025/26
Flats	Studio	£505.16	£33.85	£539.01
	1 Bed	£582.28	£39.01	£621.29
	2 Bed	£620.84	£41.60	£662.44
	3 Bed	£659.41	£44.18	£703.59

For service charge information, please see next page

If this proposal is causing you concern and you would like to speak to us, please telephone our office on 0131 668 4247, option 2.

You can also contact Eleanor, our Welfare Benefits Officer on 0131 662 5144 or email [eleanor.eccles@viewpoint.org.uk](mailto:eleanor.eccles@viewpoint.org.uk)

We are looking for your feedback on this proposal and have attached a short survey for your views. Details on how you can return the survey or how you complete this online are on the front page of the survey. The outcome of the survey will be presented to the Board, alongside other relevant financial information for discussion and decision in February 2025.

# SERVICE CHARGES

Services		Current Charge	Proposed Increase	Proposed Charge for 2025/26
Laundry Facilities		£5.11	£0.09	£5.20
<b>Common Area Expenses</b>				
Common Area Expenses		£9.53	£0.16	£9.69
<b>Central Heating Only (where applicable)</b>				
Central Heating Only (where applicable)	Studio	£23.22	£12.07	£35.29
	1 Bed	£29.78	£15.49	£45.27
	2 Bed	£36.77	£19.12	£55.89
	3 Bed	£47.25	£24.57	£71.82
<b>Central Heating and Hot Water (where applicable)</b>				
Central Heating and Hot Water (where applicable)	Studio	£29.42	£15.30	£44.72
	1 Bed	£35.99	£18.71	£54.70
	2 Bed	£42.99	£22.35	£65.34
	3 Bed	£53.46	£27.80	£81.26
<b>Housing Support</b>				
Housing Support	Alarmed	£8.90	£0.45	£9.35
	Sheltered	£25.75	£1.29	£27.04
	Enhanced Sheltered	£29.25	£1.46	£30.71
Landscaping	1.7% Increase – actual amounts vary across Viewpoint depending on where you live			