

Stage 1 Notice of Proposal

Formal Consultation Notice - What this means to you

As you are aware, Kendoon Housing Association Limited (Kendoon) is proposing to form a partnership with Pineview Housing Association Limited (Pineview) that we believe will bring direct benefits to all our tenants. This will include a fairer and more transparent rent setting process which will result in 80% of tenants receiving a rent reduction from April 2021 should the transfer go ahead. Additional spend and accelerated investment to your homes and new and improved service delivery will also be a feature of the transfer. These are the things you told us were most important to you.

The process will involve Kendoon becoming part of Pineview through what is known as a transfer of engagements. This means that Kendoon would no longer exist and Pineview would become your landlord and be responsible for your homes and related services. Information on Pineview and how they operate is included in this Notice.

Kendoon's Management Committee have given detailed and careful consideration over a long period of time, to the benefits and implications of the proposed transfer. We believe that the transfer will deliver **the best outcome and future for our tenants** which has been the key focus of this proposed transfer.

This Stage 1 Consultation Notice sets out:

- What the proposal involves
- How you can have your say
- The benefits you are being offered

We are committed to an open consultation process and will provide information, support



and guidance for tenants. This includes access to impartial, independent advice about the proposal through TPAS (Tenant Participation Advisory Service Scotland) who are **your** independent tenant advisor throughout this process. Details are included in this Notice about how to get in touch with them.

The consultation period will run for 4 weeks from 23 September 2020 to 20 October 2020. You can make comments or suggestions on the proposals to either TPAS or Kendoon staff.

The final decision on whether the partnership will go ahead will be yours through a formal secret ballot of all tenants which will take place in November 2020.

There are lots of ways to get in touch with staff about what this Transfer will mean to you. Contact details are at the end of the Notice.

This booklet provides an overview of the Transfer offer. **It is important to note that the proposed transfer will only take place if the majority of tenants vote ☒ YES in favour of the transfer in the upcoming ballot.**

Please do not hesitate to contact TPAS or a staff member with any queries you have about the proposed transfer.





Linda Deulin
Chair



What the Proposal Involves

The Transfer Promises Overview

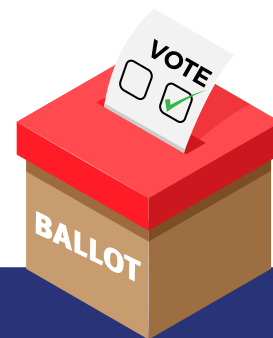
This table sets out an overview of the offer. Each offer is looked at in greater detail in this booklet.




Offer to Tenants	If tenants vote YES ✓ for transfer to Pineview	If tenants vote NO ✗ to transfer to Pineview
Improve rent affordability 	Implement our Pineview rent setting structure: ✓ You will move to the Pineview rent structure ✓ Clear and easily understood rent charging policy ✓ New rent charges in place from 1 April 2021 ✓ 80% of properties will have lower rents from year 1 meaning more money in your pockets ✓ Any tenant with a rent charge increase will be capped at £10 per month until you “catch up” with the correct rent for your home ✓ Future rent increases fixed at inflation (CPI) for 3 years then projected at inflation only (CPI)	<ul style="list-style-type: none"> • Rents remain at existing levels • Current rent setting policy, with higher than average rents, will remain • Annual rent increases based on inflation at CPI plus financing the 30-year investment plan • Differences in rent levels will remain (64 different rent levels over all properties)
Accelerated investment programme 	✓ A spend of £3.799m on a 5-year programme of improvements works to your homes. This is £1.250m more than Kendoon planned to spend ✓ Catch up on all outstanding reactive and planned works ✓ £10k per year community regeneration fund implemented for 5 years ✓ Estate Caretaking Service rolled out immediately on transfer	<ul style="list-style-type: none"> • 5-year programme spend based on existing programme £1.752m • No funding available for community regeneration • No funding available for caretaking service
Support Excellent Services, Provide New Services & Improve Performance 	✓ Experienced, larger and diverse staff team ✓ Local and accountable service ✓ Move to larger, more cost-effective office ✓ Local welfare benefits advice service ✓ Access to wider services and contact methods ✓ Effective performance will increase tenant satisfaction levels ✓ Performance higher than Scottish average with higher satisfaction levels for tenants - see pg.9	<ul style="list-style-type: none"> • Existing office service provision • Smaller staff team • Existing welfare benefits advice service • Existing performance challenges • Performance lower than Scottish average with lower satisfaction levels for tenants • Existing office premises with high running costs
Strong Future Governance & Management 	✓ Diverse Management Committee made up of both local people and others with housing and business skills and knowledge ✓ Pineview is a strong and well managed housing association ✓ Pineview's regulatory status is low engagement with Scottish Housing Regulator (SHR) ✓ At least 4 places on Management Committee available for Kendoon representatives ✓ Kendoon tenants to join existing forum to give it a louder and more powerful voice	<ul style="list-style-type: none"> • Diverse Management Committee made up of both local people and others with housing and business skills and knowledge • Kendoon's regulatory status is high engagement with the SHR • Kendoon remains a standalone housing association • Kendoon retains the risk of low management committee numbers

How you can have your say

Consulting with You

The publication of this formal Stage 1 Notice marks the start of the tenant consultation process. There are three main stages involved in the consultation.



Stage	What happens
Stage 1 	<ul style="list-style-type: none"> • We will explain how the transfer will work and what it will mean for you, your homes and services, including the issue of this Notice • We will provide you with at least 28 days to respond with your views about the partnership proposal • We will work as visibly as we can, within the current COVID-19 restraints, to find out what you think, including any ideas and suggestions you may have <p>At the end of Stage 1 Kendoon's Management Committee will consider the feedback we receive and discuss these with the Scottish Housing Regulator (SHR).</p>
Stage 2 	<ul style="list-style-type: none"> • If the Management Committee is satisfied with the outcomes of Stage 1, we will write to you about moving to the next stage • We will advise you on any significant changes on the proposal, and provide you with a Stage 2 Notice and give you 14 days to respond with your views. <p>At the end of Stage 2, the feedback we receive will be considered by the Management Committee and the SHR.</p>
Stage 3 	<ul style="list-style-type: none"> • If the SHR is satisfied with the outcomes of Stage 1 and Stage 2, they will agree to us moving forward to the formal secret tenant ballot • All Kendoon tenants (and joint tenants) will have one vote in the ballot • We will write to you to provide information on the ballot arrangements • You will be asked if you are in favour of the transfer of engagements to Pineview. The answer will be ✓ YES or ✗ NO • The ballot will be conducted by Civica Election Services Limited, an independent provider of voting services. They will ensure that the ballot process is completely fair and independent and straightforward for tenants • The ballot will be open for 21 days • The SHR will be provided with the ballot result – they have to be satisfied that the majority of the tenants who voted support the transfer. <p>The proposal will then be considered by the Members (Shareholders) of Kendoon at two Special General Meetings. If Members approve the proposal, the transfer will go ahead on an agreed date.</p>



If the result of the Ballot is YES Kendoon will transfer to Pineview on an agreed date and Kendoon will no longer exist



If the result of the Ballot is NO then Kendoon remains as Kendoon

Independent Advice



To ensure there is easy access to free and impartial advice about the proposal, Tenant Participation Advisory Service Scotland (TPAS) has been appointed as **your** independent tenant advisor.

TPAS is committed to the good practice of independent advice for tenants.

TPAS will provide free independent and impartial advice about the transfer of engagement proposals, so you can make your mind up before you have to vote.

TPAS can be contacted on:

- **Email:** tony.kelly@tpasscotland.org.uk
- **Freephone:** 0800 049 5761 – leave a message, including your contact details (if you would wish a video call say which system you use) and will call you back.
- **Web:** www.tpasscotland.org.uk
- **Facebook:** TPAS Scotland – post your message and they will get back to you

TPAS will also host drop-in sessions if the advice on protecting us all from COVID-19 changes. If so, full details of the sessions will be sent to you from TPAS.

A message from Pineview Housing Association Limited

Pineview is a local community based charitable housing association, with a strong track record in delivering for local tenants and being committed to the ethos of **locally controlled community ownership** and performance delivery.

Pineview is a Scottish Charity and is registered with and regulated by the Scottish Housing Regulator and the Scottish Charity Regulator (OSCR). Pineview was set up in 1991 by local Drumchapel residents who wanted better housing services. Since that time the Association has completed several phases of improvement and new build housing across Drumchapel including seven projects in the Pinewood area, a shared ownership project in the Stonedyke Area, a new build project in the Broadholm area and six new build projects in the Waverley area.

Pineview works to provide excellent service to tenants and other customers, and undertakes **regular independent satisfaction survey** work to obtain feedback and gain insight into any changes required.

Pineview **consults and listens to tenants and customers** through our Resident and Customer Forum and through direct consultation with



Putting People 1st

tenants and customers. In order for us to provide services that tenants want we need to know what they are and we can only do this through engaging with tenants. We know that we do not get everything 100% right all the time and that we cannot please 100% of people 100% of the time. However, when we get something wrong we hold our hands up and admit it and then work with tenants and/or customers to resolve the matter.

Pineview's driving force behind its proposal to Kendoon tenants is the commitment and ability to offer **local, community based, high quality services** with the range of benefits delivered by the transfer, being retained locally and for the **benefit of the local Drumchapel community**. Pineview commits to working with Kendoon tenants to identify their priorities through engagement and consultation as they do currently with Pineview tenants.



Pineview Staff Team

Pineview has a **sound financial footing**, prudently managing resources through an effective treasury management strategy and good governance.

Pineview recognises

that it operates in an ever-changing environment and requires to plan and work efficiently and effectively to protect the achievements of the business and to **protect the interests of tenants and customers**, without whom there is no business. Pineview recognises its achievements to date but continues to strive to improve on these and adapt to meet changing needs and aspirations.

Pineview **plans for the future**, involving tenants in this, and manages our finances to ensure that funds are available for maintenance and renewals works in our tenants' homes. Each year we undertake programmes of replacements (such as replacing kitchens and boilers) as well as ongoing cyclical maintenance works (such as painter-work programmes, landscaping works). A big priority for Pineview is our tenant's safety in their home and surrounding environment, and to achieve this we undertake ongoing safety works (such as gas servicing, electrical checks, roof anchor checks, estate and property inspections). Each year we will provide tenants with **5-year plans** of what work is anticipated to be carried out in their homes over the next 5 years. This allows tenants to plan things in their home such as redecoration – for example, we do not want to see tenants spending hard earned resources to redecorate their kitchen only to find out that this is planned to be replaced.

As part of the transfer commitment, Pineview will consult with tenants on various matters. The most immediate would be on our proposals to alter the rent structure for the Kendoon homes so that it matches the Pineview structure. The Pineview structure was introduced in April

2020 following almost two years consultation with tenants. This has resulted in a fair and transparent rent charging structure that is easy to understand. The result of this would be **over 80% of Kendoon tenants having a rent reduction** in April 2021 in comparison to what Kendoon rents would have been. Some tenants would see an increase but we would restrict the level of this each year until the rents catch up, rather than asking tenants to meet this cost from day one. Every tenant will receive correspondence advising them of how this structure will affect the rent on their own home as part of the consultation process.

In addition to reducing rents, Pineview is also proposing to **spend much more** on the Kendoon homes than could be afforded if Kendoon stood alone. Pineview is aware that in the past, despite high rents, Kendoon has not ensured sufficient spend on property maintenance and improvement works (including reactive repairs, cyclical maintenance and replacement works). This means that tenants have not had the level of service that they should have had and that there will be priorities to catch up on. Pineview proposes to consult with tenants about what they believe these priorities to be and we are proposing to **commit to spend £1.25million** to undertaking the agreed priorities. This is **in addition** to the ongoing property maintenance and improvement works that will be required now and in the future. Pineview employs the services of independent surveyors to regularly survey our stock and ensure that maintenance and improvement work is planned and resourced to reflect what is needed to keep tenants homes safe and of high quality, and meets tenants' expectations – we will also do this with the Kendoon homes.

We hope that Kendoon tenants will vote ☒ **YES** to join us. Thank you

Joyce Orr, Director

Tel (direct line): 0141 944 9873

E-mail: j.orr@pineview.org.uk

Pictures of Pineview homes are included throughout this Notice.



Benefits Being Offered



Our Transfer Promise 1 from Pineview

We will deliver: Improved rent affordability

You said that affordable rent is a main priority of the transfer. Pineview, if the ballot outcome is ☒ **YES**, will implement their rent setting policy from 1 April 2021.

Pineview's approach to the transfer is to use the savings in overheads generated from the transfer such as a reduction in office costs, reduced staffing salary costs etc, to provide an equitable and fair rent setting policy which in turn will provide affordable rents to tenants.

Pineview's rent setting policy is clear, equitable, fair and transparent and produces rent charges based on the type and size of property you live in plus additional features/services it may have for example an extra WC or stair cleaning service. You will be sent a copy of the policy as part of the consultation exercise.

Historically, the rents at Kendoon have been higher than other Scottish landlords with the exception of the smallest properties which have been much lower. Across all properties there are 64 different monthly rent charges.

Applying Pineview's rent setting policy from 1 April 2021 results in **80%** of tenants receiving a rent reduction. These range from minimal decreases of under £1 to significant decreases of over £50 per month.

For the 20% of tenants where rents will be increased, the maximum increase will be £10 per month. The increases range from under £1 to the maximum of £10 per month.

We cannot show the change to each individual rent in this Notice, so we have included a summary table on page 7. 253 out of 318 tenants will receive a saving in their rents when applying the Pineview rent structure. Where rents are increasing these are capped at a maximum of £10 per month. Over the next couple of weeks we will send you a letter to tell you what your rent will be if the transfer goes ahead.



Kendoon has 64 different rent charges, based on when each phase was built and on the grant received at that time. Pineview's rent structure is based on the type and size of your house which is a fairer and consistent approach so will not vary by the address but by the size and type of house/flat you are in.

Impact on your rent if you vote ✓ YES in the ballot	Abbotshall Avenue	Halgreen Avenue	Kendoon Avenue	Other addresses	Total
You save between £60 and £71 per month	19	13	0	-	32
You save between £50 and £60 per month	12	14	0	1	27
You save between £40 and £50 per month	0	8	0	-	8
You save between £30 and £40 per month	11	14	4	-	29
You save between £20 and £30 per month	30	29	6	1	66
You save between £10 and £20 per month	0	6	29	-	35
You save between £5 and £10 per month	0	11	13	-	24
You save up to £5 per month	0	11	21	-	32
Total number of tenants who will receive a rent reduction	72	106	73	2	253
Your increase is between 0.08p and £5 per month	0	0	19	-	19
Your increase is between £5 and £10 per month	0	1	5	-	6
Your increase is capped at £10 per month	0	3	37	-	40
Total number of tenants who will receive an increase up to £10 per month	0	4	61	-	65



Our Transfer Promise 2 from Pineview

We will deliver: Accelerated investment programme



You said that investment in your home is a main priority of the transfer. Pineview, if the ballot is ☒ **YES**, will carry out improvements to your homes which includes an additional £1.250m in the first 5 years.

Immediately following the transfer, Pineview are committing to carrying out reactive, cyclical and planned maintenance works to bring properties up to the Pineview standard. This means having well maintained, safe and secure homes and surroundings.

Work will be planned based on the independent stock condition survey findings. Stock condition surveys sets out when works such as new kitchens, or replacement windows and doors, should be carried out. All Housing Associations are required to have these surveys carried out to inform their investment strategies and programmes.

In addition to the investment that Kendoon had planned over the next 5 years, Pineview will invest a further £1.250m. Prior to deciding how to prioritise this additional investment, Pineview intend to consult with you to determine what your priorities are for additional investment in home improvements. The priority for Pineview will be the health and safety of tenants living in well maintained homes.

Additionally, Pineview in conjunction with its Resident and Customer Forum developed a notification to tenants about when certain works will be carried out to their home. This allows tenants for example, to plan any decoration they might want to undertake around these works.

The lifespan of works is largely determined by four main things:

- legal requirements
- independent surveyors' assessments
- tenants' decisions
- long term financial planning and value for money

Some things have set lifespans and require to be carried out at set intervals in order to meet regulatory, legal or safety requirements. These include things like:

- gas servicing – every year
- electrical safety checks – every five years
- alarms (smoke, CO, heat) – every ten years

Other things are required on timescales of useful life and to ensure homes are well maintained. These include things like:

- kitchens – fifteen years
- boilers – fifteen years
- radiators – thirty years (at boiler change)
- bathrooms – thirty years
- windows and doors – thirty years

These lifespans are checked by independent survey work undertaken every three to five years.

Pineview will provide you with an annual update on when works will be carried out to your home.



Our Transfer Promise 3 from Pineview

We will deliver: Excellent Services, Provide New Services & Improve Service Performance



You said that providing excellent services is a main priority of the transfer. The transfer, if the ballot is ☒ **YES**, will see Kendoon tenants benefiting from Pineview's high standards of performance.

Excellent Services

The latest survey results, carried out by an external assessor shows how Kendoon's tenants view their services against those provided by Pineview tenants. Pineview's performance is higher in all areas.

Scottish Social Housing Charter Indicators	Kendoon Result 2020	Pineview Result 2020
Percentage of tenants satisfied with the overall service provided by their landlord	78%	87%
Percentage of tenants who feel their landlord is good at keeping them informed about services and decisions	95%	97%
Percentage of tenants satisfied with the opportunities given to them to participate in their landlord's decision-making processes	87%	95%
Percentage of tenants satisfied with the repairs and maintenance service (tenants who have had a repair carried out in the last 12 months)	78%	98%
Percentage of existing tenants satisfied with the quality of their home	77%	90%
Percentage of tenants satisfied with the contribution to the management of the neighbourhood they live in	82%	93%
Percentage of tenants who feel that the rent for their property represents good value for money	64%	89%

New services

Pineview has a strong track record in delivering wider action initiatives and are involved in a number of local projects. Pineview will roll out its Estate Caretaking Service to Kendoon tenants immediately following the transfer.

The Estate Caretaker Team (ECT) carry out many tasks which greatly help to enhance and improve the environment; identify any repairs / health and safety issues and generally be a friendly and helpful presence out in the area for residents. Some of the tasks carried out by the ECT are: close cleaning, litter picking, maintaining fence lines, bulk waste removal, pulling out of bins for collection by Glasgow City Council for tenement properties and backcourt maintenance and bin store cleaning.



Comments on the ECT

"The ECT enjoy building a good rapport with residents and communicate concerns and compliments with other Pineview staff to ensure that the best possible service is provided"

"Having an in-house estate caretaking team ensures flexibility, maximisation of service standards and an ability to react to situations very quickly as they occur/are reported to us"

"We [Pineview] always listen to our residents and meeting our commitments is of paramount importance to us"

"This allow us [Pineview] to provide a more responsive and proactive service to our residents than if we employed an external contractor"

Community Regeneration Fund

Pineview will also provide £10,000 per annum from years one to five, to spend on community regeneration in the Kendoon area. This will be in consultation with tenants on what local priorities are and how these can be delivered.

Improved Service Provision

The delivery of services is also monitored. These statistics are used by the Scottish Housing Regulator to check compliance with the Scottish Housing Charter and against other associations.

The results for both Associations are noted in the following table.

Service Key Performance Indicators	Kendoon Result 2020	Pineview Result 2020
Getting good value from rents and service charges		
Total arrears	8.64%	3.77%
Loss of rent from empty homes	0.35%	0.04%
Housing Quality & Maintenance		
Time to complete emergency repairs	3hrs 30mins	1hr 50mins
Time to complete non-emergency repairs	3.3 days	2.5 days
Repairs carried out right first time	97.4%	97.4%
Access to Housing		
Average re-let time	23.7 days	3 days

The lower the result means better performance in the table except for repairs carried out right first time. Again, Pineview's performance is better in all areas which leads to higher tenant satisfaction levels.

Local Service

Pineview have their office local in Drumchapel, which they own. Pineview's office is just slightly further away than Kendoon's existing office. That means that services remain local and the money that Kendoon currently spends on office rental will be saved and spent on tenant services.

Further information about Pineview's performance can be found on their website: www.pineview.org.uk

Our Transfer Promise 4 from Pineview

We will deliver: Strong Future Governance & Management



You said that ensuring strong future governance and management is a main priority of the transfer. If the ballot outcome is ☒ **YES**, Kendoon tenants will benefit from Pineview's comprehensive governance arrangements.

Systems are in place at Pineview to ensure it meets all statutory, legal and regulatory standards required of a charitable, registered social landlord in Scotland.

Pineview are offering at least 4 places on their Management Committee to representatives of Kendoon to assist with ensuring that the transfer promises are delivered.

Pineview will develop their Resident and Customer Forum to ensure that your opinions count and influence future decision making.

Pineview will keep separate reporting systems on Kendoon homes to ensure that promises are measurable and reportable and to ensure transfer outcomes are delivered.



Some of Pineview's Committee Members



Pineview AGM 2019

Views on the Partnership Proposals

Consultation with Our Tenants

Before we developed the Business Case for the proposed transfer we consulted with our tenants on the key issues and you told us your priorities were:

- ✓ Improve rent affordability
- ✓ Increase investment in your homes
- ✓ Improve services provision

The proposal from Pineview delivers partnership promises in all these areas which will benefit all tenants.

Scottish Housing Regulator

The Scottish Housing Regulator was established on 1 April 2011 under the Housing (Scotland) Act 2010. Its objective is to safeguard and promote the interests of tenants and others who use local authority and RSL housing services and to regulate same.

The SHR's Tenant Consultation & Approval Statutory Guidance issued in February 2019, sets out the assistance we must provide to tenants, the detail which must be contained within notices, and how you are able to make representations and discuss these with the independent tenant adviser and the stages in the full process.

We have submitted our Business Case to the SHR to ensure that they are informed about the transfer proposal. Within the Business Case we put forward, we have demonstrated the transfer is **in the best interest of our tenants** and that we have provided good opportunities for tenants to have their say.



Scottish Housing
Regulator

Get in touch with us – Kendoon

Post:

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Suite 18
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Glasgow G15 8TG

**We want to
hear from you**



Telephone: 0141 944 8282



Website: www.kendoon.org.uk



Text: 07984 366083



Email: transfer@kendoon.org.uk

Kendoon Housing Association is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No. 2404R(S)), the Scottish Housing Regulator as a registered social landlord (No. HAC 251) and as a registered Scottish Charity with the charity number SCO038430