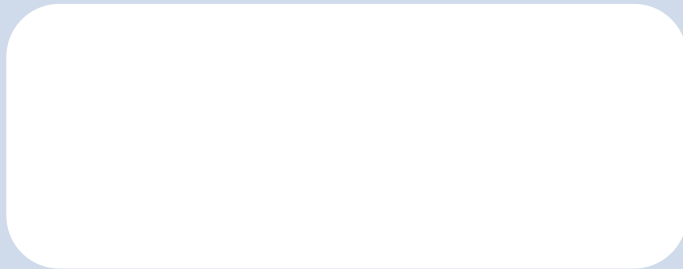


How we set rent levels



In order to meet our commitments to our tenants and new build programme, we have to review the level of rent we charge each year.

Each year we review the services we provide to make sure they meet your needs. This helps us to cost our services for the year ahead and calculate what rent we will need to charge tenants to cover this cost. Once we have done this, we write to all tenants at that time and provide further updates through the *Homefront* newsletter.

The council provides tenants with quality housing, while at the same time offers one of the lowest rent charges in Scotland. To help us maintain this level of service, it is important that tenants pay their rent on time, as detailed in their tenancy agreement. Any loss of rental income to the council means that we have less money to deliver quality services to our tenants such as repairs, upgrades and disabled adaptations.

We are committed to preventing rent arrears, while making sure that tenants who do have problems paying their rent get the support they need to stay in their council home. The enclosed Rent First leaflet has information for anyone needing help and advice with rent payments.

All councils must consult with their tenants and registered tenants' organisations every year about any potential rent increase. This letter forms part of the consultation exercise and, although we already have some feedback, we would really like to hear from you, too. We are committed to tenant participation and we will consider all feedback during the consultation exercise before we make any final decision.

The council is considering a potential rent increase of 4.3% for 2014/15. This is our best estimate of what it will take to maintain existing services and continue our investment in the maintenance and improvement of council houses during this difficult and uncertain financial time.

This letter explains how your rent money is spent. Please take a few minutes to complete the enclosed questionnaire to let us know your views on the rent consultation and proposed increase. This questionnaire is also available online at www.eastlothian.gov.uk/rentsurvey if you have access to the internet. If you do not have access to the internet at home but wish to complete an online survey, you can call into your local library. *(computers are available for public use during normal library opening hours, you are advised to book your slot in advance by phoning your library as PCs can be busy)*

If you would like more information or would like to discuss these rent proposals please contact Deborah Piner within the Service Development Team no later than **Friday 10th January 2014**. You can contact Deborah on freephone 0800 413 721, email tenantconsultation@eastlothian.gov.uk or write to: Community Housing, East Lothian Council, Penston House, Macmerry Industrial Estate, Macmerry, EH33 1EX.

The council, in partnership with East Lothian Tenants and Residents Panel (ELTRP), will be holding a Tenants Open Day on Thursday 21st November 2013 in the Brunton Hall, Musselburgh from 1pm to 7pm. This event will be a drop-in session so you can drop in at any time between 1pm and 7pm to get more information about the rent increase and about how your rent money is spent. There will be information on the council's New Build Programme, Capital Investment Programme, Community Housing Services, Tenant Participation and ELTRP. Assistance with transport is available on request, please phone us to book in advance on freephone 0800 413 721.

We will gather in all responses from the consultation exercise and prepare a report for a meeting of the full council. At a special meeting in February 2014, councillors will consider the consultation responses and make a final decision on the rent and service charges increases.

We will write to our tenants with that decision at least four weeks before the actual rent increase date of 7th April 2014.

Housing Benefit

You may be entitled to Housing Benefit to help you with your rental payments. To find out if you are eligible to apply for Housing Benefit please contact our Benefit Section on 01620 827971 or 01620 827887, email benefits@eastlothian.gov.uk

Yours sincerely

Tom Shearer
Head of Communities and Partnerships



Versions of this leaflet can be supplied in Braille, large print, on audiotape or in your own language. Please phone Customer Services on 01620 827199

Please use this ready reckoner, which will show you how much the potential rent increase will have on your fortnightly rent.

To calculate what your proposed rent would be, use the column on the left-hand side to find your current fortnightly rent. Now follow the row across into the right-hand side to find out what your new fortnightly rent would be.

Existing Properties

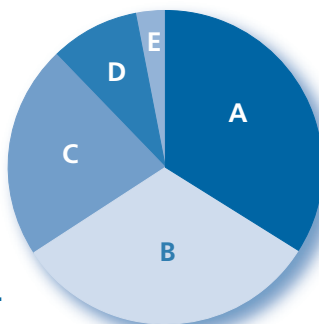
Current	Proposed
87.98	91.76
90.98	94.89
91.98	95.94
92.98	96.98
93.98	98.02
94.98	99.06
95.98	100.11
96.98	101.15
97.98	102.19
98.98	103.24
99.98	104.28
100.98	105.32
101.60	105.97
101.98	106.37
102.98	107.41
103.98	108.45
104.98	109.49
105.98	110.54
106.98	111.58
107.98	112.62
108.98	113.67
109.98	114.71
110.98	115.75
111.98	116.80
112.98	117.84
113.98	118.88
114.98	119.92
115.98	120.97
116.98	122.01
117.98	123.05
118.98	124.10
119.98	125.14

New Build Properties

Current	Proposed
123.72	129.04
123.74	129.06
125.00	130.38
125.18	130.56
125.56	130.96
125.96	131.38
126.22	131.65
126.24	131.67
126.44	131.88
127.48	132.96
127.50	132.98
127.52	133.00
128.72	134.25
128.92	134.46
129.98	135.57
130.00	135.59
130.04	135.63
130.14	135.74
130.24	135.84
130.98	136.61
131.02	136.65
131.22	136.86
131.24	136.88
131.26	136.90
132.30	137.99
132.48	138.18
132.60	138.30
134.90	140.70
136.20	142.06
136.24	142.10
137.50	143.41
138.72	144.68
138.74	144.71
138.78	144.75
139.32	145.31
140.00	146.02
141.22	147.29
141.26	147.33
141.30	147.38
141.32	147.40
142.48	148.61
142.50	148.63
143.74	149.92
143.76	149.94
144.98	151.21
145.00	151.24

How your rent is spent

The money you pay in rent goes towards the cost of providing you with the services you receive as a council tenant. The main items of expenditure are repairs and maintenance, loan charges, operating costs, and employee costs.



How the average rent of £50.30 per week is spent

A	£17.10	Repairs & Maintenance
B	£16.10	Loan Charges
C	£11.07	Operating Costs
D	£4.53	Employee Costs
E	£1.51	Voids & Bad Debts

Budget headlines

To pay for the significant investment, and based on our current plans to improve existing council houses and provide new ones, we must borrow money and make repayments over a number of years. Part of the money you pay goes towards servicing these loan charges so we can deliver the modernisation and new build programmes.

The Housing Capital Improvement Programme sets out how much money the council plans to spend on improving existing council houses and providing new ones. Our spending commitment for 2013/14 is shown in the table below:

Housing Capital Investment Programme	2013/14 £million
Modernisation	10.135
New Housing	14.335
Mortgage to Rent Scheme	0.646
Leasing	0.514
Total	25.630

On conclusion of this consultation and once the budgets have been set for the coming years, we will communicate our Capital Investment Plans through *Homefront*, our tenants newsletter.

2013/14 Modernisation Programme in brief

During 2013/14 some key elements of our modernisation programme will include:

- **£2.6m** spend on new kitchens and bathrooms
- **£1.7m** spend on electrical rewiring
- **£1.6m** spend on central heating replacements
- **£200,000** spend on local initiatives to improve your area
- **£750,000** spend on disabled adaptations
- **£300,000** spend on roofing projects
- **£300,000** spend on roughcasting
- **£200,000** spend on lead service pipe renewal

Works are scheduled on independent stock condition surveys and our programme may be subject to change. We will write to you directly if you are to have work carried out at your property during 2013/14.