# Rent Level Consultation 2025/26
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Dear Tenant

Each year, we write out to all our tenants, provide a questionnaire, and ask tenants to fill it in to let us know their views.

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 loan charges, repairs and maintenance, operating costs and employee costs.

How each £1 of rent money is spent and what these costs cover:
(based on the 2024-25 average weekly rent)
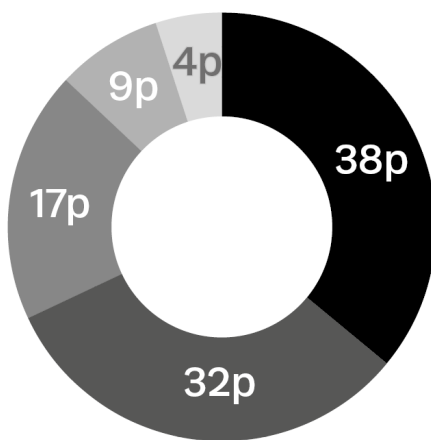
Employee Costs: 4p
Salaries and associated costs of those delivering landlord services to tenants.
Operating Costs: 9p
Information technology systems and equipment, accommodation costs, tenant participation and running costs of the service.
Repairs and Maintenance: 17p
All costs associated with the maintaining and improving our properties.
Voids and Bad Debts: 32p
Money that cannot be recovered such as rent loss due to houses being vacant or chasing debt that is uneconomical to recover.
Loan Charges: 38p
These are payments the council makes to the Public Works Loan Board for the finance it has borrowed to deliver its capital investment plans, mainly for the modernising of existing stock and the delivery of new council houses.

Housing Revenue Account

The money you pay in rent goes into the Housing Revenue Account to pay for delivering the housing service and towards paying loan charges. The Scottish Government provides guidance on what we can spend Housing Revenue Account (HRA) money on. There is legislation in place to make sure that money from rents is used to provide services that will benefit tenants. To pay for the significant investment required to improve existing and provide more new council homes, we must also borrow money and make repayments over a number of years. Part of the money you pay in rent goes towards servicing these loan charges so that 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 homes and providing new ones. Our spending commitment for 2024-25 is shown below;

Housing Capital Investment Programme	£s
Modernisation (existing stock including extensions)	10,600,000
New council Housing	16,732,000
Fees	1,467,000
Mortgage to Rent*	280,000
Energy Efficiency	2,500,000
Total	**31,579,000**

The Mortgage to Rent Scheme is run by the Scottish Government. The scheme aims to help people, whose homes are at risk of being repossessed, to stay in their homes.

East Lothian Council are considering a proposed rent increase of 7%.

Have your say

We value your views on East Lothian Council's Rent Level Consultation and proposed rent increase. This consultation is an important opportunity for you to have a say on our proposals and plans for continued improvements in 2025-26 and we urge you to take part. We consult with tenants, tenants and residents' groups, and East Lothian Tenants and Residents Panel (ELTRP) on any proposals to increase rents.

At the end of this consultation, we will use the results to prepare a report for a special budget meeting of the Council in February 2025. At this meeting, Councillors will decide the level of rent and service charge change for council tenants in the year 2025-26. We will then write to tell you what your rent and service charge will be. You should receive a letter at least four weeks before Monday 7th April 2025, which is the date that your payment will be adjusted, subject to the decision at the Council's budget meeting.

Please spare a few minutes to feedback by completing and returning the enclosed questionnaire in the prepaid envelope provided by Friday 20th December 2024.

Yours sincerely

Wendy McGuire, Head of Housing

The questionnaire is also available to complete at**:
www.eastlothian.gov.uk/rent-consultation** or scan the QR code.