

2020/21

Rent Level Consultation



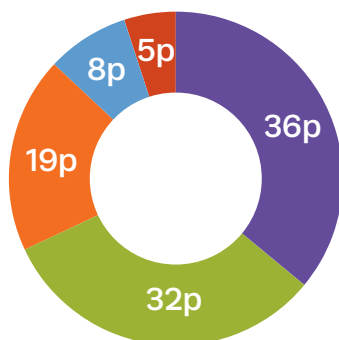
Every year East Lothian Council consults with tenants, tenants' and residents' groups, and East Lothian Tenants and Residents Panel (ELTRP) on our proposals to increase rents.

The council is considering a rent increase of 5%. Based on our budget planning this is an estimate of what it will take to maintain existing services, continue with our investment in the development of new council homes, and maintain and improve our existing housing stock.

How 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 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 2018–19 average weekly rent of £65.60):



- Loan charges 36p**
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.
- Repairs and maintenance 32p**
All costs associated with maintaining and improving our properties.
- Operating costs 19p**
Information Technology systems and equipment, accommodation costs, tenant participation, and running costs of the service.
- Employee costs 8p**
Salaries and associated costs of those delivering landlord services to tenants.
- Voids and bad debt 5p**
Money that can't be recovered such as rent loss due to houses being vacant or chasing debt that is uneconomical to recover.

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 2020–21 and we would urge you to take part.

Please spare a few minutes to feedback by completing and returning the following questionnaire in the prepaid envelope provided by **Friday 15th November 2019**.

The questionnaire is also available online* at <https://eastlothianconsultations.co.uk>

**If you would like to do the survey online but don't have internet access, why not book some time on a computer at your local library. You can do this by phoning your library, if you need assistance to complete the survey, please talk to the library staff when you visit. For more information visit our website at www.eastlothian.gov.uk (if you are not a library member you will need to show proof of ID).*

Alternatively you can contact East Lothian Tenants and Residents Panel (ELTRP) to book a computer in the Resource Room, at their offices in 47 Bridge Street, Musselburgh, EH21 6AA. Please contact ELTRP direct on 0131 665 9304 or visit www.eltrp.co.uk

Comparing Rent Levels

Rent levels in East Lothian are low compared to other local councils.

The average weekly rents for 2018–19, from highest to lowest, of Scottish local authorities were:

Landlord	£s
City of Edinburgh Council	103.83
Aberdeen City Council	78.69
Aberdeenshire Council	78.56
West Dunbartonshire Council	78.36
Shetland Islands Council	78.06
Orkney Islands Council	77.85
East Renfrewshire Council	76.50
Renfrewshire Council	76.37
Highland Council	75.76
Dundee City Council	75.33
East Dunbartonshire Council	75.25
South Ayrshire Council	73.99
Midlothian Council	73.86
Fife Council	73.22
Clackmannanshire Council	72.45
West Lothian Council	72.32
East Ayrshire Council	72.02
North Ayrshire Council	70.24
Perth & Kinross Council	68.02
Angus Council	67.99
South Lanarkshire Council	67.50
Falkirk Council	66.53
East Lothian Council	65.60
Stirling Council	65.10
North Lanarkshire Council	64.30
Moray Council	59.88
Scottish Average	79.08

Housing Revenue Account

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 gross spending commitment for 2019–20 is:

Housing Capital Investment Programme	£s
Modernisation (existing stock and includes extensions)	11,998,000
New Council Housing	18,657,000
Fees	1,395,000
Mortgage to Rent*	840,000
Total	32,890,000

**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.

Further information on what the HRA is spent on is available in our Landlord Report to Tenants. Copies available on request – see below.

Additional Information

If you would like more information or to talk to someone about the rent proposals, please get in touch with Deborah Piner in the Service Development Team before the 15th November:

- Freephone **0800 413721**
- Email **tenantconsultation@eastlothian.gov.uk**
- Write to Community Housing, East Lothian Council
Penston House, Macmerry Industrial Estate, Macmerry, EH33 1EX

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 2020. At this meeting Councillors will decide the level of rent and service charge change for council tenants in the year 2020–21. 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 6 April 2020 which is the date that your payment will be adjusted, subject to the decision at the council's budget meeting.



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

Rent Level Consultation

- 1 Each year, we write out to all our tenants, provide a questionnaire and ask tenants to fill in the form to let us know their views. We also hold a series of consultation events in partnership with East Lothian Tenants and Residents Panel.

Are you happy with the level of consultation and information you get about the annual rent increase?

Yes No If **no**, please tell us why:

- 2 By increasing rent the council continues to deliver existing services, invest in our housing stock and deliver new homes. In 2018/19 the council:

- had a housing stock of 8,740 as at 31st March 2019
- had 3,409 applicants on the housing list as at 31st March 2019
- let 509 properties
- the average re-let time was 39.92 days
- built 20 new council houses and bought 25 properties on the open market
- carried out 102 major adaptations.

Do you think the rent you pay is good value for money?

Yes No If **no**, please tell us why:

- 3 Please look at the rent table included with this letter to see what your proposed increase would be.

Do you think that the proposal to increase rents by 5% is fair for the services you receive and the investment we are making in our new build and modernisation programme?

Yes No If **no**, please tell us why:

- 4 We continue to invest in new homes, delivering 20 new council houses in 2018-19 with a further 99 expected in the financial year 2019-20.

Do you agree with the council's commitment to build new council homes to help address the housing shortage in East Lothian?

Yes No If **no**, please tell us why:

5 Last year as part of our modernisation programme, we installed 406 new kitchens, 460 new bathrooms and carried out 129 electrical rewires.

Do you agree that the council should continue to modernise its existing housing stock?

Yes No If **no** please tell us why:

6 **Do you agree that your rent should be used to pay for delivering the housing service to tenants?**

For example, we managed 8,732 tenancies, carried out 19,639 non-emergency and 2,739 emergency repairs in 2018/19 (other housing services include rent collection, rent arrears, antisocial behaviour, tenancy management).

Yes No If **no** please tell us why:

7 **Please tell us how we can improve the service.**

Equalities monitoring

Please complete the following questions which will help us to make sure we are capturing the views of a wide range of tenants and to help ensure we are meeting the housing needs of our tenants.

All responses are completely confidential.

Are you: Male Female Other

Are you:

16-24 25-34 35-44 45-54 55-64 65-74 75+

Do you have a health condition or disability which impacts on your day-to-day life?

Visual impairment Hearing impairment Difficulties with mobility

Mental health condition Other

What is your ethnic origin? White

Mixed or multiple ethnic group

Asian, Asian Scottish, Asian British

African, Caribbean or Black

Other ethnic group

What area do you live in?

Dunbar

North Berwick

Haddington

Prestonpans

Musselburgh

Tranent

Are you currently:

In work: Part-time Full-time Retired Studying Currently out of work

Does your household currently receive benefit to help with your housing costs? Yes No

(e.g. Housing Benefit or Universal Credit)

Thank you for taking the time to complete this questionnaire.

Please return it in the prepaid envelope provided.

East Lothian Council, Service Development Team, Penston House, Macmerry EH33 1EX