

## HOUSING REVENUE BUDGET

To pay for the significant investment required to improve and maintain existing council homes and provide more new homes, 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 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 2017-18 is shown below:

Housing Capital Investment Programme	(£ million)
Modernisation (existing stock and includes extensions)	11,297
New Affordable Housing	10,120
Fees	1,254
Mortgage to Rent*	750
Total	23,421

\*(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)

Last year, as part of our rent consultation, we asked tenants if they agreed with our commitment to build new homes and continue to modernise our existing housing stock. Of those who responded, 93% agreed to our new build commitment and 98% agreed that we should continue with our modernisation programme.

We delivered the following improvements in 2016-17:

**536 kitchen replacements**

**485 bathroom replacements**

**241 full house rewires**

**589 central heating upgrades**

**65 major and 619 minor adaptations for tenants with physical disabilities**

In 2017-18 we plan to continue with our investment and aim to achieve targets of:

**506** bathroom replacements

**521** kitchen replacements

**750** heating upgrades

Lift upgrades in sheltered housing are planned for this year and will continue into 2018/19.

We will continue to deliver disabled adaptations such as wet-floor showers for tenants with mobility issues, to make their homes more accessible and help them to live safely and independently for as long as possible.

We also continue to invest in new homes, delivering **100** in 2016-17 with a further **53** new council houses planned during 2017-18. We are also purchasing properties on the open market to further increase the supply of council houses.

We are pleased to report an improvement in our repairs performance again this year, with day-to-day repairs being completed on average one day quicker than they were during the last financial year. We will continue to focus on delivering a better service and are looking at improving internal processes and investing in new technology to ensure that we continually improve the service provided to tenants.

The council continues to work hard to meet the Energy Efficiency Standard for Social Housing (EESH) by 2020, which aims to improve the energy efficiency of all social housing in Scotland through a range of measures including boiler replacements, insulation and new technology (e.g. solar panels). It will help to reduce energy consumption, and should make it easier to heat your home, reducing fuel poverty and the emission of greenhouse gases. This requirement will result in the council surveying some council homes to inform our plans to meet this target.

On conclusion of this consultation, we will use the results to prepare a report for a special budget meeting of East Lothian Council in February 2018. At this meeting, councillors will decide the level of rent and service charge change for council tenants in the year 2018-19. We will then write to tell you what your rent and service charges will be for 2018-19. You should receive this letter at least four weeks before Monday 2 April 2018, which is the date that your payment will be adjusted, subject to the decision at the council's budget meeting.

Once the budgets have been set for the coming years, we will update you on our Capital Investment Programme in **Homefront**, our tenants newsletter.

## RENT LEVEL CONSULTATION 2018-19

Dear Tenant

I am writing to ask you to take part in this year's Rent Consultation. As you know, East Lothian Council consults with tenants, tenants' and residents' groups, and East Lothian Tenants and Residents Panel (ELTRP) every year on our proposals to increase rents. This year, the consultation will end on Friday 22 December 2017.

Last year, the majority of tenants who responded to our consultation regarding a 5% rent increase agreed with the council's commitment to build new homes and continue with the modernisation of its existing housing stock. They also said that they thought the rent they pay is good value for money, and that the council were proposing a fair increase. This letter explains how your rent money is spent. We will also provide further updates in our Homefront newsletter.

### PROPOSALS

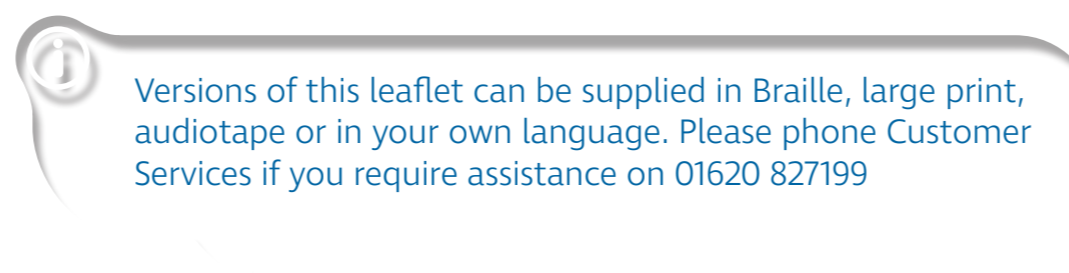
As provisionally indicated within the budget approved earlier this year for 2018-19, the council are considering a rent increase of **5%**. This is our best estimate of what it will take to maintain existing services, continue with our investment in the development of new council homes, and maintain and improve our existing housing stock. We would really like to hear your opinion on our proposals and hope that you can spare a few minutes to complete the enclosed questionnaire and let us know your views.

### HOW TO PROVIDE FEEDBACK

To provide feedback please:

- complete the enclosed questionnaire, or
- complete the same questionnaire online\* at [www.eastlothianconsultations.co.uk](http://www.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 or community centre. Library computers are often busy so it's best to give them a phone to book ahead. You can also book the ELTRP resource room by phoning 0131 665 9304.



## PAY TO STAY

Paying rent is the most important part of a tenancy agreement. It is important that rent is paid on time and in full.

If you are experiencing financial difficulties, please contact the Rent Income Team immediately. Don't be afraid to ask for help and don't delay. Friendly and experienced Rent Income Officers are available to deal with your concerns confidentially and sensitively and will make sure that you get the help and support you need.

For more information visit [www.eastlothian.gov.uk/paytostay](http://www.eastlothian.gov.uk/paytostay)

Failure to deal with rent arrears could result in legal action being taken against you and you could be at risk of losing your home.

### Make sure you are getting the benefits you are entitled to:

You may be entitled to Housing Benefit or Universal Credit to help you with your council rent payments. To find out more about Housing Benefit email [benefits@eastlothian.gov.uk](mailto:benefits@eastlothian.gov.uk) or for more on Universal Credit visit [www.gov.uk/universal-credit](http://www.gov.uk/universal-credit)

For help with any other benefits please contact our Welfare Rights team who offer free, confidential information and advice with welfare rights and benefits. The service is available to anyone in East Lothian and you can contact them by email [welfare@eastlothian.gov.uk](mailto:welfare@eastlothian.gov.uk)

If you would like to speak to someone in the Rent Income Team, Benefits Section or Welfare Rights Team, please telephone 01620 827 827 and ask for the service that you need.

## ADDITIONAL INFORMATION

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

- Freephone **0800 413 721**
- Email [tenantconsultation@eastlothian.gov.uk](mailto:tenantconsultation@eastlothian.gov.uk) or
- Write to Community Housing, East Lothian Council, Penston House Macmerry Industrial Estate, Macmerry, EH33 1EX.

Deborah and the team will be able to deal with your enquiries up until 22 December 2017.

This is an important opportunity for you to have a say on our rent proposals and plans for continued improvements in 2018-19 and **I would urge you to take part in this rent consultation.**

Yours sincerely

Douglas Proudfoot  
Head of Service (Development)



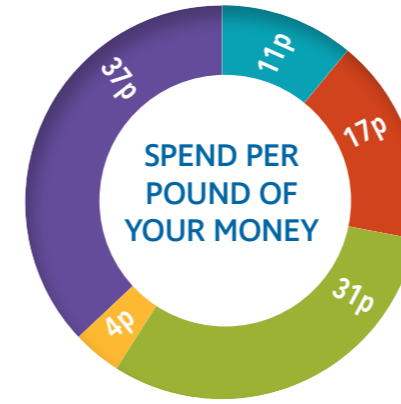
## HOW YOUR RENT IS SPENT

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

The wheel shows how each £1 of rent money is spent.

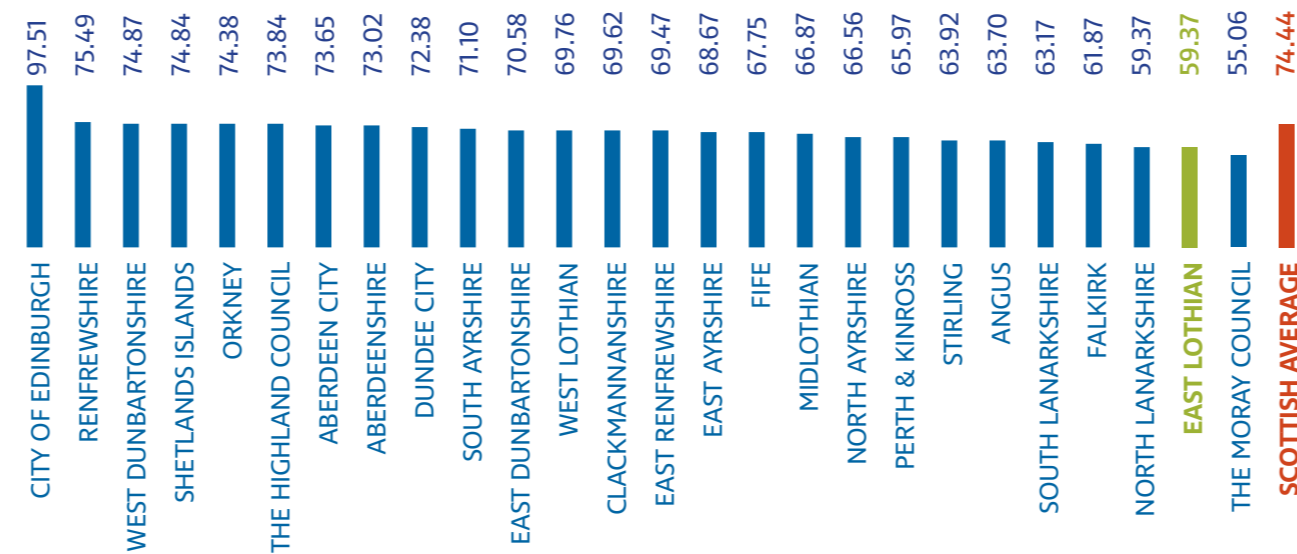
Based on the **2016-17 average weekly rent of £59.37** these costs cover:

<b>EMPLOYEE COSTS</b>	<b>£6.53</b>	Salaries and associated costs of those delivering landlord services to tenants
<b>OPERATING COSTS</b>	<b>£10.09</b>	Information Technology systems and equipment, accommodation costs, tenant participation, and running costs of the service
<b>REPAIRS &amp; MAINTENANCE</b>	<b>£18.40</b>	All costs associated with maintaining and improving our properties
<b>VOIDS &amp; BAD DEBTS</b>	<b>£2.37</b>	Money that can't be recovered such as rent loss due to houses being vacant or chasing debt that is uneconomical to recover
<b>LOAN CHARGES</b>	<b>£21.98</b>	These are payments the council makes to the Public Works Loan Board for the finance it has borrowed to deliver its capital investment plans, principally for the modernising of existing stock and the delivery of new council houses.



You may be aware that the rent levels in East Lothian are very low compared to other local authorities and neighbouring councils. The graph below shows how our average weekly rent compares with other local authorities in Scotland.

## AVERAGE WEEKLY RENT (£s) 2016-17



## CALCULATE YOUR PROPOSED RENT

Please use this ready reckoner 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.

Current fortnightly rent	Proposed increase 2018/19	New fortnightly rent	Current fortnightly rent	Proposed increase 2018/19	New fortnightly rent	Current fortnightly rent	Proposed increase 2018/19	New fortnightly rent
£104.28	5%	£109.49	£149.40	5%	£156.87	£167.50	5%	£175.88
£106.22	5%	£111.53	£150.88	5%	£158.42	£167.52	5%	£175.90
£109.84	5%	£115.33	£150.90	5%	£158.45	£167.56	5%	£175.94
£111.06	5%	£116.61	£150.94	5%	£158.49	£169.00	5%	£177.45
£112.26	5%	£117.87	£152.40	5%	£160.02	£169.02	5%	£177.47
£113.46	5%	£119.13	£152.42	5%	£160.04	£169.04	5%	£177.49
£114.68	5%	£120.41	£152.44	5%	£160.06	£170.50	5%	£179.03
£115.88	5%	£121.67	£153.90	5%	£161.60	£170.54	5%	£179.07
£117.08	5%	£122.93	£153.92	5%	£161.62	£170.56	5%	£179.09
£118.30	5%	£124.22	£153.94	5%	£161.64	£170.58	5%	£179.11
£119.50	5%	£125.48	£153.96	5%	£161.66	£170.62	5%	£179.15
£120.70	5%	£126.74	£153.98	5%	£161.68	£171.42	5%	£179.99
£121.92	5%	£128.02	£155.42	5%	£163.19	£172.00	5%	£180.60
£123.12	5%	£129.28	£155.44	5%	£163.21	£172.02	5%	£180.62
£124.34	5%	£130.56	£156.92	5%	£164.77	£172.04	5%	£180.64
£125.54	5%	£131.82	£156.94	5%	£164.79	£172.06	5%	£180.66
£126.74	5%	£133.08	£156.98	5%	£164.83	£173.52	5%	£182.20
£127.96	5%	£134.36	£157.02	5%	£164.87	£173.54	5%	£182.22
£129.16	5%	£135.62	£157.28	5%	£165.14	£173.56	5%	£182.24
£130.36	5%	£136.88	£158.14	5%	£166.05	£173.58	5%	£182.26
£131.58	5%	£138.16	£158.42	5%	£166.34	£175.04	5%	£183.79
£132.78	5%	£139.42	£158.44	5%	£166.36	£175.06	5%	£183.81
£133.98	5%	£140.68	£158.46	5%	£166.38	£175.08	5%	£183.83
£135.20	5%	£141.96	£158.48	5%	£166.40	£175.10	5%	£183.86
£136.40	5%	£143.22	£158.50	5%	£166.43	£178.04	5%	£186.94
£137.60	5%	£144.48	£159.94	5%	£167.94	£178.06	5%	£186.96
£138.82	5%	£145.76	£159.96	5%	£167.96	£199.16	5%	£209.12
£140.02	5%	£147.02	£160.12	5%	£168.13			
£141.22	5%	£148.28	£164.52	5%	£172.75			
£142.44	5%	£149.56	£165.96	5%	£174.26			
£143.64	5%	£150.82	£165.98	5%	£174.28			
£144.84	5%	£152.08	£166.00	5%	£174.30			
£146.06	5%	£153.36	£166.02	5%	£174.32			
£149.38	5%	£156.85	£167.48	5%	£175.85			