

## RENT LEVEL CONSULTATION 2016-17

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 every year on our proposals to increase rents. This year, the consultation will end on Friday 8th January 2016.

We will use the results to prepare a report for a meeting of the full council in February 2016 at which the council will set the budget. At this meeting, councillors will decide the level of rent and service charge increase for council tenants in the year 2016-17. We will then write to tell you what your rent and service charges will be for 2016-17. You should receive this letter at least four weeks before the 4th April 2016, which is the date that your payment will rise.

Last year, the majority of tenants opted for a 5% increase and identified their top spending priorities as providing more council homes, increasing bathroom upgrades and improving the repairs service. This letter explains how your rent money is spent and we will provide further updates through the Homefront newsletter.

### PROPOSALS

This year, the council is considering a rent increase of 5%. This is our best estimate of what it will take to maintain existing services and continue with our investment in the development of new council houses and maintenance and improvement of existing council houses. I would really like to hear your opinion on our proposals and hope that you can spare a few minutes to complete the enclosed questionnaire to let us know your views.

### HOW TO PROVIDE FEEDBACK

To provide feedback please:

- complete and return the enclosed questionnaire, or
- complete the same questionnaire 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 local library. It's best to book as library computers are often busy!*

## PAY TO STAY



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

Remember, you may be entitled to Housing Benefit to help you with your council rent payments. To find out more, please contact our Benefits Section: Phone 01620 827 730 or email [benefits@eastlothian.gov.uk](mailto:benefits@eastlothian.gov.uk)

If you are experiencing financial difficulties, please get in touch 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.

Call us on: 01620 827 528 or visit us at: [www.eastlothian.gov.uk/paytostay](http://www.eastlothian.gov.uk/paytostay)

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

## 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:

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 until 8 January 2016.

I do hope you will take part in the rent consultation.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'T. Shearer'.

**Tom Shearer** MBE

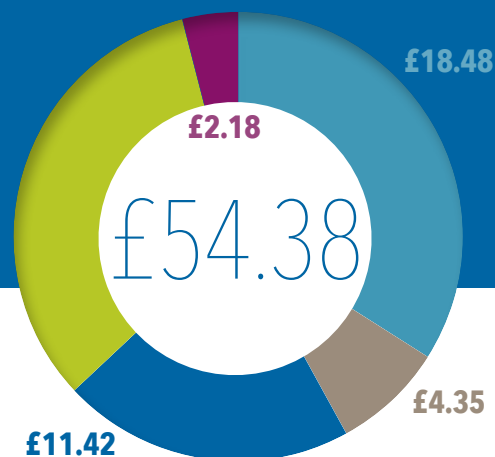
**Head of Communities and Partnerships**



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

# HOW RENT IS SPENT

BASED ON 2015/16 AVERAGE WEEKLY RENT



## EMPLOYEE COSTS

Salaries and associated costs of those delivering landlord services to tenants.

## OPERATING COSTS

Information Technology systems and equipment, accommodation costs and service running cost.

## REPAIR & MAINTENANCE

All costs associated with maintaining and improving our properties.

## VOIDS & BAD DEBTS

Money that can't be recovered such as rent loss due to houses being vacant or chasing debt that is uneconomical to recover.

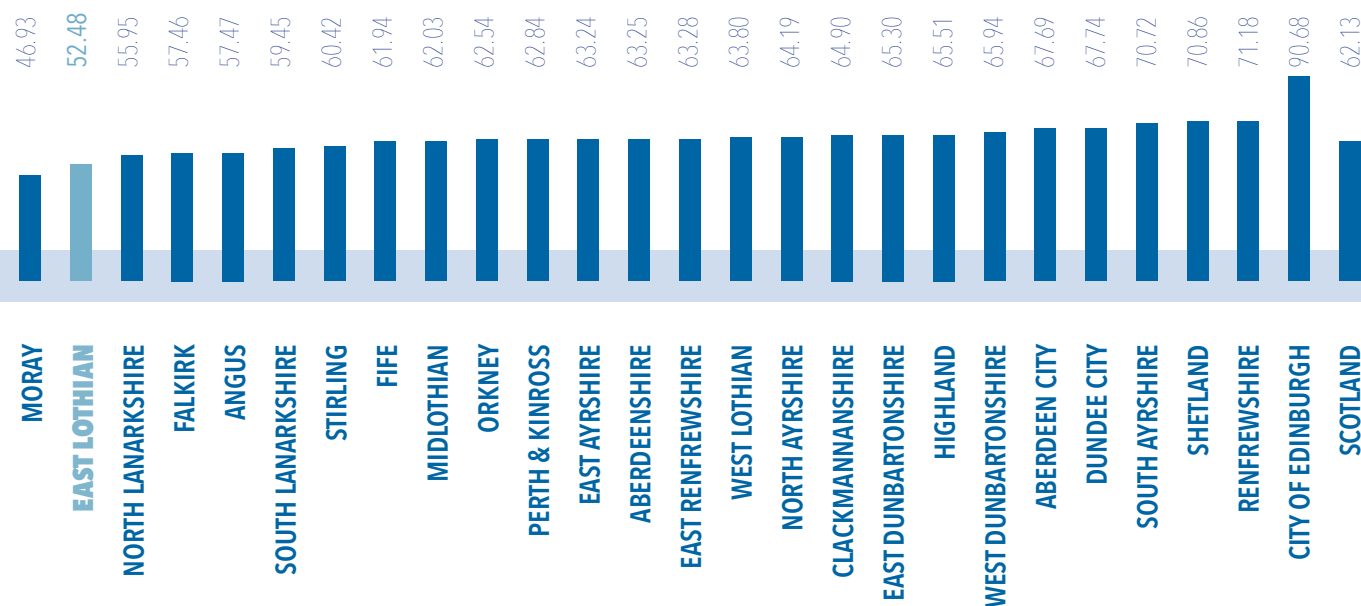
## LOAN CHARGES

These are the 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 modernisation of existing stock and the delivery of new council houses.

You will 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.

## WEEKLY RENT (£s)

ESTIMATED AVERAGE 2014-15



Visit [www.eastlothian.gov.uk/RentConsultation](http://www.eastlothian.gov.uk/RentConsultation) and look at our ready reckoner to calculate what your proposed rent would be. If you don't have access to the internet then please contact us and we can send you a copy.

## BUDGET HEADLINES

To pay for the significant investment required and based on our plan to improve existing council houses 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 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 2015/16 is shown below:

Housing Capital Investment Programme	(£million)
Modernisation/Extensions	10,678
New Affordable Housing	14,094
Mortgage to Rent	678
<b>Total</b>	<b>25,450</b>

Last year as part of our rent consultation we asked tenants whether we should increase rents by more than 4.3%. Of those responding, 65% of tenants said that we should and the favoured option was to increase rents by 5%.

You told us your **TOP THREE SPENDING PRIORITIES** were:

- Provision of more council houses
- Bathroom upgrades
- Improved repairs service

We delivered the following improvements in 2014/15:



In 2014/15 we improved our repairs performance and reduced the average number of days it takes us to complete a repair. This continues to be a priority and we are in the process of changing the way we work to help reduce this time further. In **2015/16** we plan to continue with our investment and will use the increased income from the rent increase to help provide around **550 bathroom replacements** and around **550 kitchen replacements**. We also continue to invest in new houses, delivering 61 in 2014/15 with a further 132 new council houses planned over the next 2 years.

The council is also working hard to meet the Energy Efficiency Standard for Social Housing (ESSH) by 2020, which aims to improve the energy efficiency of all social housing in Scotland through a range of measures including boiler replacements, insulation, new technology etc. It will help to reduce energy consumption, fuel poverty and the emission of greenhouse gases. This requirement will result in the council surveying some council houses to inform our plans to meet this target.



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.