

## Proposed Rent Increase 2016/2017

Work is now underway on what our budget will be for 2016-2017. This includes a review of our rent and other related charges for tenants across Eildon's housing.

This letter sets out what we are proposing. We would welcome feedback from you which you can provide in the following way:

- Complete the questionnaire attached to this letter – please complete and return in the envelope provided
- Complete the questionnaire online at [www.eildon.org.uk](http://www.eildon.org.uk)
- Email us at [housing@eildon.org.uk](mailto:housing@eildon.org.uk) and mark your email "Rent Consultation Feedback"

We would encourage you to let us know what you think of our proposed increases **no later than Friday 22 January 2016**. Feedback received from you will be shared with our Board when they meet on 3 February 2016 to make a final decision on what our charges should be.

### What we are Proposing - Rent Charges

Rental income is used to cover the cost of a range of repairs, maintenance and modernisation works across our properties, along with the delivery of housing management and property maintenance services to tenants. Many of our costs relate to external factors which we cannot control though we know these will increase over the coming year. We continue to look at how we can be more efficient and how we can keep costs down, whilst ensuring we still offer a good service to you. We also know money is tight for many tenants and that our rents must remain affordable for those tenants on low incomes.

With this in mind, we are proposing **to increase rents by no more than 1.7% from 1 April 2016**. This increase is in line with our Rent Setting Policy which states that we will set rents based on the Retail Price Index as at October of each year which was 0.7%, plus 1%. We have gathered information from a range of other similar landlords to compare our rents and are confident we remain broadly comparable, with increases applied by others landlords likely to range between 1.5% - 3%.

### What we are Proposing - Service Charges

In September 2015 we wrote to you to advise that we have been remodelling service charges with the aim of simplifying your monthly charge, and to explain how this will affect your current charges. We also held a number of pop up shop events across the Borders which enabled tenants to meet with Eildon staff to discuss these changes further.

We can now confirm that as from 1 April 2016, service charges for our mainstream properties will cease with tenants only paying a single rent charge. We will however continue to apply a standard charge where a property receives one or more of the following services:

- Communal ground maintenance
- Cleaning within the common areas including stair and window cleaning
- Provision of electrical supplies within the common areas

**The standard charge for these services are now included in the overall rent charge.**

When we wrote to you in September we advised you at that time whether your overall charge would increase or reduce go down as a result of this change. Where charges are due to increase due to this review, a cap of £5 per month will be applied meaning that the basic rent will increase by no more than

this amount. However on top of this, all rents will increase by 1.7%. So even where we have capped the increase by £5 per month, a further increase of 1.7% will be applied.

As this affects our housing developments in different ways, we are unable to illustrate within this letter what this will mean for you on a personal level but we will be set this out in our rent increase notification which will be issued to you in February 2016. However, in the meantime, should you have any concerns, please contact your Housing Officer.

### Revised Rent Charges

If the Board approve the proposed increase of 1.7%, the new monthly rents based on property size, amenity/services and size are as follows:

| Property Type   |   | Flat   | Flat with Individual Access | Terraced/ Semi Detached | Detached House | Car Parking  |  | All Properties |
|-----------------|---|--------|-----------------------------|-------------------------|----------------|--|--|----------------|
| 1 Person, 1 bed | £ | 255.05 | 265.25                      | 267.80                  | 280.56         | (Only one of these can be added)                         |  |                |
| 2 Person, 1 bed | £ | 280.56 | 290.76                      | 293.31                  | 306.06         | In curtilage parking                                     |  | £10.20         |
| 2 Person, 2 bed | £ | 293.31 | 303.51                      | 306.06                  |                | Carport  |  | £10.20         |
| 3 Person, 2 bed | £ | 311.16 | 321.36                      | 323.91                  | 336.67         | Garage   |  | £25.51         |
| 3 Person, 2 bed | £ | 310.40 | Flats at Dovecot Court      |                         |                | Amenities (can be a number of these)                     |  |                |
| 4 Person, 2 bed | £ | 326.46 | 336.67                      | 339.22                  | 351.97         | Additional Shower Room                                   |  | £10.20         |
| 4 Person, 3 bed | £ | 339.22 | 349.42                      | 351.97                  |                | Additional WC  |  | £7.65          |
| 5 Person, 3 bed | £ | 351.97 |                             | 364.72                  | 377.47         | Separate Dining  |  | £10.20         |
| 5 Person, 4 bed | £ |        |                             | 377.47                  |                | Sun Space  |  | £12.75         |
| 6 Person, 3 bed | £ |        |                             | 377.47                  | 390.23         | No Drying Area (reduction)                               |  | (£7.65)        |
| 6 Person, 4 bed | £ |        |                             | 390.23                  | 402.98         | Common Grounds Charge                                    |  | £6.84          |
| 7 Person, 4 bed | £ | 390.23 |                             | 402.98                  |                | Common Cleaning Charge                                   |  | £5.22          |
| 7 Person, 5 bed | £ |        |                             | 415.73                  | 428.48         | Other Common Charges                                     |  | £7.34          |
| 8 Person, 4 bed | £ |        |                             | 415.73                  | 428.48         | Building Regulations (only 1 of these can be additional) |  |                |
| 8 Person, 5 bed | £ |        |                             | 428.48                  |                | Built to 2010 Building Regulations                       |  | £7.65          |
| 9 Person, 5 bed | £ |        |                             | 441.24                  | 451.44         | Built to 2013 Building Regulations                       |  | £12.75         |
|                 |   |        |                             |                         |                | Built to 2016 Building Regulations                       |  | £17.85         |

## “Have Your Say”

### Review of Rent Charges 2016-2017

The attached letter explains why we need to increase charges and what increases we are proposing.

Your views are important to us and we would like you to share your thoughts with us by completing the questions below by placing a  $\surd$  in one of the boxes which reflects your view. The information you provide will be treated as confidential unless you choose to provide your name and contact details.

**Q1 What are your thoughts on the proposed level of increase in rent of 1.7%?**

I/we agree this is a fair increase

The increase is high but I/we understand it is necessary

Not happy with the proposed increase level

**Q2 How satisfied are you with the information we have provided and how we consult with you about the review of rents?**

Very Satisfied  Satisfied  Neither/Nor  Dissatisfied  Very Dissatisfied

**Q3 Do you think the rent you pay represents good or poor value for money?**

Very Good  Good  Neither/Nor  Fairly Poor  Very Poor

Please use the space below if you would like to make any comments regarding the proposed charges or to provide any additional comments with regard to the questions above.

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**Contact Details (Optional)**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Thank you for taking the time to complete this questionnaire. Please return this along with your Tenant Information Review form in the enclosed envelope by **Friday 22 January 2016** at the latest.