

RENT REVIEW 2019/2020

HOW WE CALCULATE YOUR RENT



Each year we carry out a rent review, based on how much income we think we need to provide services for the following year. This leaflet will provide you with information about this year's rent review process and our proposals for the rent increase for 2019-2020. If approved, this would be effective from 1 April 2019.

Inflation is predicted to be around 2.5% in the coming year, although 'Brexit' may cause an increase. We are proposing limiting the rent increase to 2.5%. This means that the rent you currently pay, not including service charges such as stair cleaning, would increase by 2.5 pence for every pound in rent paid.

Please review the options for next year's rent and give us your comments using the feedback slip on page 4.

TELL US WHAT YOU THINK FOR YOUR CHANCE TO WIN...

Take part in our consultation and you will be entered in a prize draw.
THREE lucky winners will receive a £100 voucher!



WHY 2.5%?

When we carry out a rent review, we try to strike a balance between two key factors:

- 1 The Association needs income in order to carry out the services it provides to a satisfactory standard. And the costs of providing these services are subject to inflation. This means that year on year our contractors may apply an inflationary increase to the services that we purchase from them (e.g. repairs).

And we always keep in mind that:

- 2 We have a duty to all of our tenants to keep rents affordable, supporting our tenants to stay in their homes for as long as they choose.

Following the rent review, our proposal for this consultation is an inflation only increase for next year of 2.5%, based on a predicted rate of 2.5% inflation for 2019/20.



WHAT EACH **£1** OF YOUR RENT WILL PAY FOR IN 2019/20...

Management &
Administration **26p**



Loan repayments &
Interest payable **17p**



Repairs & Improvements **39p**

This is broken down as follows:

- Repairs – 16p
- Landscaping & cleaning – 2p
- Property improvements – 21p



Building
new homes **18p**




WHAT WILL THE INCREASE MEAN FOR YOU?

| EXAMPLES... | 2018/19 | 2019/20 |
|--------------------------------|---------|---------|
| 1 Bedroom Flat (Common Entry) | £280 | £287.00 |
| 2 Bedroom Flat (Common Entry) | £290 | £297.25 |
| 1 Bedroom Flat (Private Entry) | £330 | £338.25 |
| 2 Bedroom Terraced House | £350 | £358.75 |
| 3 Bedroom Terraced House | £420 | £430.50 |
| 4 Bedroom Terraced House | £440 | £451.00 |


The estimated increase will mean that for every £1 in rent you are charged, you will pay an extra 2.5p. To give you an example, for a tenant currently paying a net rent of £280.00, a 2.5% increase will mean that the tenant will pay an extra £7.00 per month from 1 April 2019. Any service charges that might apply to your property have been excluded in this calculation and will be added to your net rent.

**Almond Housing Association is committed to continually improving your homes.
If we get 2.5% we plan to complete the following upgrades in the coming year.**

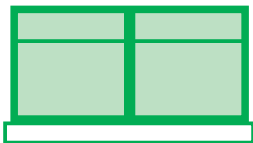
IN 2019/20 WE AIM TO:




REPLACE
75
EXTERNAL
DOORS



REPLACE AROUND
300 BOILERS



REPLACE WINDOWS
IN **160** HOMES



UPGRADE
ELECTRICAL
SYSTEMS
TO **150**
PROPERTIES

SHARE YOUR VIEWS WITH US

As our tenant, your opinion is very important and we encourage you make your views on the rent review known by posting the feedback slip back to us in the prepaid envelope provided, or email us by **21st December 2018**.

We check your rent for affordability taking into account average incomes and rents for West Lothian. However, our calculation tool cannot take into account every single one of our 2500 tenants' circumstances.

If you feel that the proposed rent increase will create difficulties for you, please tell us in the box below. We have access to a number of advice services which can help if you are struggling.



TELL US WHAT YOU THINK

We are asking tenants which of their preferred options our Board should take into consideration when setting next year's rent:

☐

Inflation only (2.5%) will allow services to be maintained

☐

Inflation (2.5%) + 0.5% = 3.0% will allow services to be improved

☐

Inflation (2.5%) + 1% = 3.5% will allow services to be improved and greater investment in properties

Please cut off this slip and return your comments to us **before the 21st of December**.

You can also phone us on **01506 439 291** or email us at: **enquiries@almondha.org.uk**

Alternatively, you can complete our online survey. Find the link on our website **www.almondha.org.uk** or on our **Facebook** or **Twitter** pages.

If you have any questions, do not hesitate to get in touch with us.

Name: _____

Address: _____

_____ Postcode: _____

Comments: _____
