

# Rent Consultation 2018 – April 2019 increase

## Consultation Results

In December 2018 all tenants were sent a consultation notice on the proposed rent increase from April 2019. **In the consultation we showed that we've kept our increases below other local landlords for the last 9 years, that our rents are now lower than other local housing associations and that our rents meet the Scottish Federation of Housing Association's Affordability checker. The Board have approved a 3% core rent increase for this year - which they confirmed as the prudent minimum given the ongoing uncertainties around Brexit.**



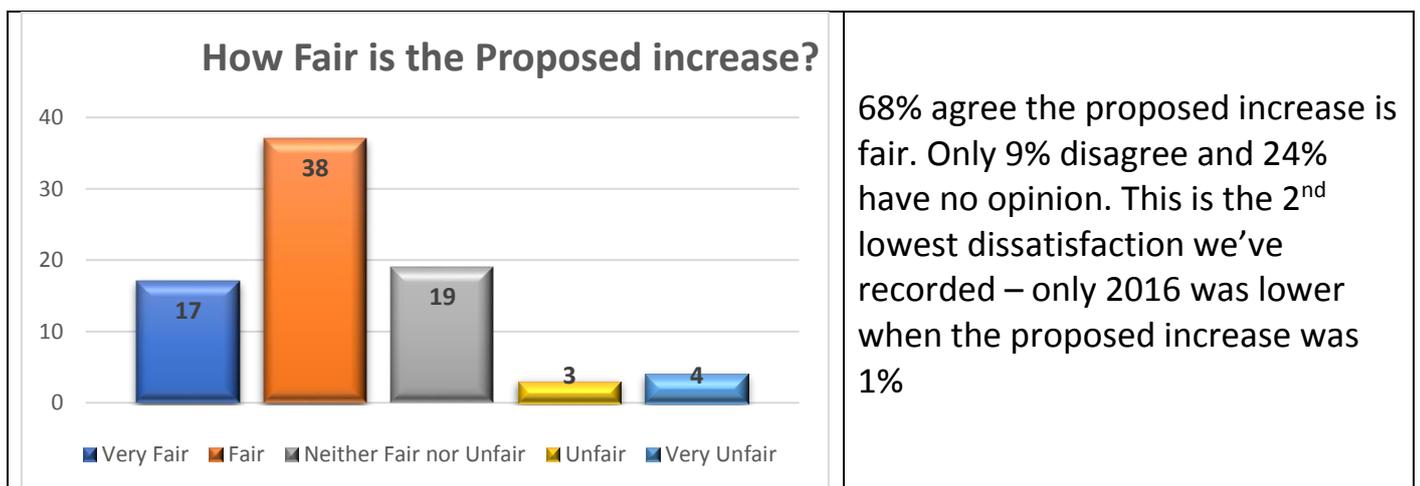
### 2017/2018 Average Rent Comparability with other RSLs

Size of (self contained) homes	Homes for Life Average Weekly Rent (2017/18)	Local RSL (excluding ELC) Average Weekly Rent	Scottish RSL Average Weekly Rent
1 bed/2 apt	74.21	79.17	73.33
2 bed/3 apt	83.84	89.14	74.94
3 bed/4apt	90.05	98.15	81.37

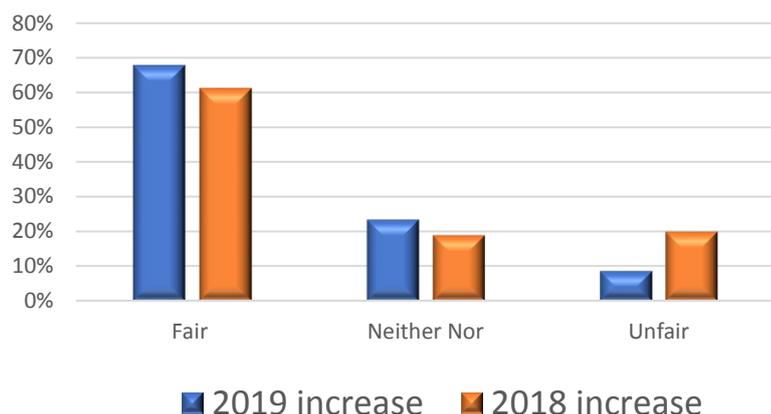
We had **82** responses to this year's survey – the second highest response rate we've had to date after an exceptional response last year. 100% of respondents felt that we had provided enough information for the Rent Increase Consultation.

	2011 consult 4.7%	2012 consult 2.5%	2013 consult 2.5%	2014 consult 2%	2015 consult 1%	2016 consult range 2%, 2.5%-3%	2017 consult 3%	2018 Consult 3%
Nos. who responded	46	35	34	54	58	42	97	82

Only 7 tenants felt the proposed increase was unfair.



### Satisfaction with fairness of increase



	Fair	Neither Nor	Unfair
2019 increase	68% <span style="color: green;">↑</span>	23%	9% <span style="color: green;">↓</span>
2018 increase	61%	19%	20%

Satisfaction has increased by 6% and dissatisfaction has decreased by 11% since the 2018 rent consultation

### Comparison with previous satisfaction feedback

Increase Year	2012	2013	2014	2015	2016	2017	2018	2019
<b>Proposed Increase</b>	4.70%	2.50%	2.50%	2%	1%	2%-3%	3%	<b>3%</b>
% proposed increase fair?	44.4%	57.1%	64.7%	75.9%	87.9%	n/a	61%	<b>68%</b>
Dissatisfaction with proposed increase	51.1%	25.7%	21.0%	22.2%	3.6%	n/a	20%	<b>9%</b>

Table showing comparative rent increases over last 8 years for local RSLs

Local landlord	% Rent increase over last 9 yrs									Consulting	Average increase over last 10 years
	2010	2011	2012	2013	2014	2015	2016	2017	2018		
Homes for Life	2	3.3	4.7	2.5	2.5	2	1	2	3	3	2.6
East Lothian Council	3	4.5	4.3	4.3	4.3	5	5	5	5	5	4.5
ELHA	3.4	5.8	4.8	4.7	3.6	3	2.1	5	4.4	4.2	4.1
Castle Rock/Edinvar	5	5.1	5.6	3.6	4.2	2.3	1	2	3	2.5	3.4
Dunedin Canmore	4.9	4.9	4.9	4.3	3.5	2.5	2	2.4	3.2	n/a	3.6
Average for local RSLs	3.7	4.7	4.9	3.9	3.6	2.7	2.2	3.3	3.7	3.7	3.6

### Ex East Lothian stock

Last year highlighting the difference between the rents of the ex East Lothian Council homes and our own build drew criticism from both sides. In spite of increasing these by the agreed 2% above our own build increase there is little to no difference in monetary terms. Average increase across the stock is £2.52 per week. The lowest increase is £2.08 for an ex East Lothian bungalow to £3.08 for an own build 3 storey house.

## Your Comments and answers

***Due to rising costs and new investment I think this is a fair increase.***

***I would be happy to pay the rent increase if HfL considered gas central heating in Macfarlane Ct). Don't feel electric heating do heat the property, storage heaters are very antiquated –Although gas has now been brought to Elphinstone, this would be prohibitively expensive to bring it in to the development and make the necessary changes to the properties and is not viable.***

***Consideration for renewing the kitchens and new boilers (Gullane) Gullane benefitted from 1<sup>st</sup> time shower installs early last year and are not due kitchens until 2020/21***

***As a new tenant for HfL I think this is very fair. I've paid more for private rent and the accommodation and service I receive is top class. Beautiful homes and wonderful staff. I can't see any reason why there should be any complaints. Homes for Life are fair look after their tenants and supply a fantastic service. Thank-you – that's a lot to live up to!***

***I'm happy with the increase being proposed. However as these increases happen annually, what will happen a few years down the line if wages are not rising and taxes, rents etc continue to rise? As I cannot attend the meeting, I think this would be a fair question to put to the Board. – The Board take affordability very seriously and have to balance their decisions between ensuring that Homes for Life remains viable as a landlord and are able to continue to provide the services tenants would expect; and making sure rents are kept at a reasonable level. They do this by comparing rents with other local landlords and by use of the Scottish Federation of Housing's Affordability checker (we provided details of this in the consultation)***

***I would say that 3% is fair. But I am concerned about the lack of general Maintenance and upkeep of my building and surrounding area. When no maintenance is being carried out you are reluctant to support an increase! (Prestonkirk) We have spent, and continue to spend a great deal on this development. We provide a stair cleaning service at no cost, new kitchens and boilers last year, as well as ongoing repairs to the roof and cupola***

***Difficult to manage so 5% is a lot to find (Ex East Lothian Council property) The average weekly increase for our own build is £2.52 p.w and for the ex ELC even at 5% it is still lower at £2.30***

***As I receive full HB I feel I have no comment to make. Everyone's opinion is valuable.***

***Why should ex ELC have a larger increase in rental? – We have always included an explanation for this in our consultation. There was a full consultation on a rent restructure in 2009 following tenant representation that there wasn't sufficient difference in rent between 1 bed and 3 bed properties. There are also a small number of ex East Lothian properties which were still on the old East Lothian Council rent structure. It was agreed that rather than impose a one off very large increase to bring their rent in line with rest of Homes for Life homes of a similar size, that it would be done more gradually by increasing their rents by 2% above whatever was proposed across the rest of the stock.***

***Not much point in commenting as HfL will have already decided what increase they intend to apply -We can only reiterate the importance of tenant involvement in decision making. Our Board is made up of a majority of tenant Directors and we are constantly seeking tenants contributions and feedback.***

***Finally thank you very much to all those who took the time to return the survey!***

The prize draw took place at the Board meeting on 20<sup>th</sup> February:

The first draw

**£75 –Porteous, Gullane**

**£50 –Watt, Westbarns**

**£50 – McMillan, Cockenzie**

**£50 – Kellet, Gullane**

**£50 – M, Haddington**

The 2nd Draw –

**£25 –Smith, Gullane**

**£25 – W, Aberlady**

**£25 – Ross, East Linton**

**£25 – S Haddington**

We have notified East Lothian Council of the increase for tenants who receive **Housing Benefit** and **Allpay** for those who pay by **Direct Debit**.

However **Universal Credit** rules require claimants to **individually, personally advise DWP** of any changes through their on line journal, we cannot do a bulk schedule for these. You will need to update your online journal on 1<sup>st</sup> April 2019