

Rent Setting Policy Consultation 2018/2019

The Association is required to regularly review its rents and service charges. This is your opportunity to **comment on our proposals for the charges that will apply from 1st April 2018**.

What does your rent pay for?

All rental income received by the Association is set aside to pay for the cost of the services we provide to tenants.

Included within these costs are:-

- The management of our housing stock, including items like staff costs, insurance premiums and office expenses.
- Day-to-day repairs, e.g. faulty heating systems, electrical problems, burst pipes, etc.
- Cyclical Maintenance which includes our external painting and ground maintenance programmes.
- Planned Maintenance involving installing replacement kitchens, bathrooms, doors, windows and heating systems.
- Loan charges on the money we borrow to construct our properties.

How do our rents compare to other similar landlords?

As part of our Policy, we need to ensure that our rents are comparable to the rents charged by similar social landlords in Scotland and we have consistently managed to achieve this. A comparison of our rents and those of the other main housing providers in the Highlands and Islands area is shown below.

Weekly Rents	2 Apt	3 Apt	4 Apt	5 Apt
Scottish Average	£71.67	£73.13	£79.42	£88.02
Albyn Housing Society	£69.52	£78.66	£86.16	£96.76
Hjalmland Housing Association	£76.77	£84.54	£88.93	£100.29
Lochaber Housing Association	£78.87	£80.03	£87.00	£99.94
Lochalsh & Skye Housing Association	£66.82	£72.63	£80.13	£85.06
Orkney Housing Association	£71.84	£73.94	£84.51	£92.33
Pentland Housing Association	£55.76	£65.26	£81.34	£92.86
Osprey Housing Moray	£67.76	£82.21	£89.37	£100.65
West Highland Housing Association	£74.73	£87.23	£96.12	£113.94

What is the proposed rent increase in 2018/2019?

The Association is proposing to increase rents from 1st April 2018 by the **Consumer Price Index** figure in October 2017 plus 1% which will result in a **total increase of 4%**. This is the increase we calculate that we need in order to continue to provide the level of services that tenants require.

£66.82	£72.63	£80.13	£85.06
£69.49	£75.54	£83.34	£88.46
Weekly costs from 2017 increased by 4%			

Why the increase?

The Association's costs are subject to inflationary pressures and many of our costs are increasing by more than the rate of inflation.

Will Service Charges increase?

Yes. It is proposed that these increase in line with the change to rents.

What happens next?

We are inviting all our tenants to respond to this consultation by 31st January, 2018. All comments and submissions will be considered by our Management Committee who will take the final decision on rent levels for 2018/2019. We will then advise tenants of their new rent figure **no later than the end of February 2018**.

Please let us have your views no later than 31st JANUARY 2018
