



## Rent increase agreed by the Board

Every year Horizon's Board reviews the rents with an aim of keeping them affordable and as low as possible. At the same time it makes sure that we have enough money coming in to provide our services and are able to repair and improve our homes and estates now and into the future.

After a lot of thought and discussion the Board has agreed on an increase of 2.7%, below the current inflation rate of 3%.

**So how did the Board make their decision? They looked at and considered a number of factors.**

### Tenants' views

We sent out a survey in December 2017 asking tenants for their views on the options for a rent increase.

We explained why it was necessary to increase rents and gave a range of three options – an increase of 2.5%, 2.7% or 3%.

94 people replied- around 12% of our tenants.

Board members also considered feedback from the satisfaction survey carried out last year.

In the survey, over 90% of tenants said that, when considering whether rents were value for money, they took into account the quality of the service they received and investment in their homes.

Board members considered this and agreed that it was important to keep rents at a level which allowed Horizon to maintain good services and invest in improvements.

### **Tenant's incomes**

The Board understands that many of our tenants struggle financially. Pensioners are coping on fixed incomes, people are facing a benefits freeze and the wages of those who work are not keeping up with inflation.

This is why the Board wants to keep rent increases as low as possible while still delivering quality services and maintaining our homes.

### **Comparisons to other landlords**

Last year our rent increase was 2%, compared with a national average of 2.3%. This year, it looks likely that the average increase will be over 3%, so for the second year Horizon's increase is likely to be below average.

### **Our costs**

After a few years of very low rates, inflation has been rising and by December 2017 it had reached 3%.

This is the Consumer Price Index Inflation rate (CPI). The Retail Price Index (RPI) was even higher at 4.1%.

Inflation means that our costs (what we need to spend to run our business and maintain our homes) rise. We need to make sure our income rises so we can meet our costs. Since our income comes mostly from rents this means that they have to rise too.

In setting the budget the Board takes into account our asset and housing management requirements and feedback from tenants on service levels, and develops detailed income and expenditure plans.

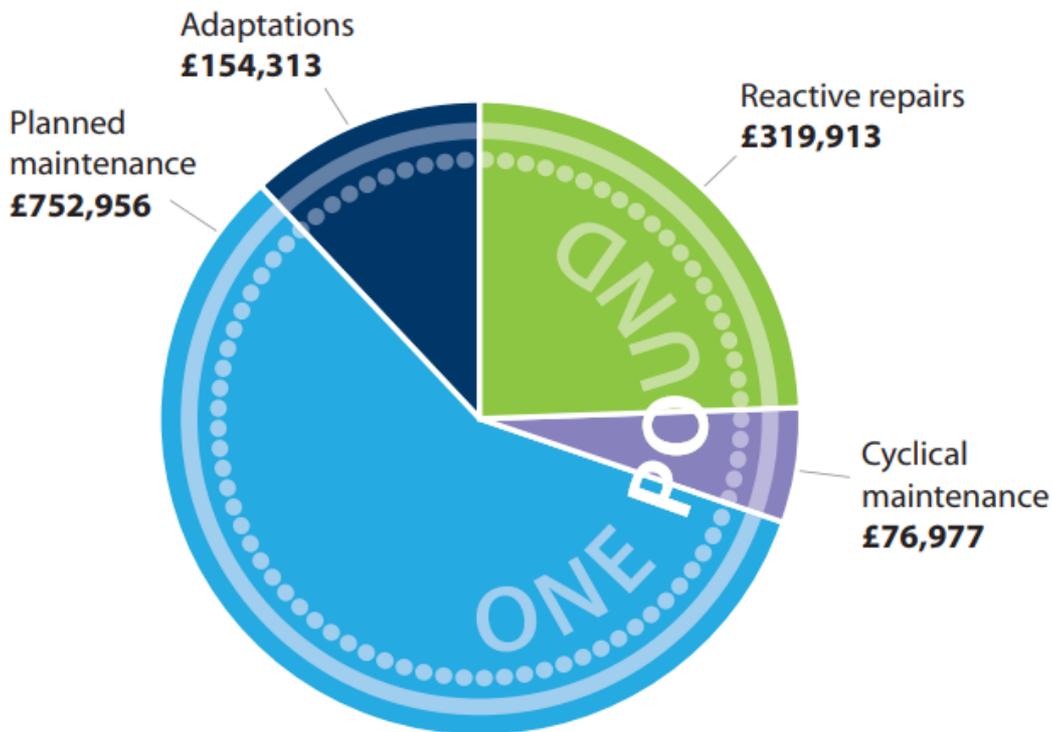
The Board members carefully considered the money needed to deliver our plans as well as what they know about tenants' incomes and views and decided that we could do what we need to do in 2018/19 by limiting our increase to 2.7%.

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## **What are we planning for next year?**

- We will spend £540,000 on new boilers, kitchens and bathrooms.
- We will look at how we can deliver our estates services more efficiently while maintaining service quality and tenant satisfaction.
- We will review our rents and other charges to ensure transparency, fairness and affordability.
- Our Residents Improvement Group will be involved in the scrutiny of our services and making recommendations for improvement.
- We will invest in estate improvements and develop new ways for tenants to have their say and get involved in how their neighbourhoods look.
- We will expand our Tenancy Sustainment Service to help meet the increase in demand from our tenants coping with the effects of welfare cuts.
- We will make it easier for tenants to report repairs, pay their rent or check their rent balance by developing an online 'tenant portal'.

# Maintenance Expenditure 2017/18



## What does the rent increase mean for you?

The letter enclosed with this leaflet tells you how the rent increase affects you and what your new rent will be.

If you have an arrangement to pay any rent arrears, this needs to be increased to take account of the rent increase. Please call your Housing Officer if you have any queries.

<b>If you are on Housing Benefit</b>	We will let the Council know about the rent increase, but check with them by the end of April if you haven't had a new entitlement letter.
<b>If you are on Universal Credit</b>	YOU must let DWP know about the increase through your on- line journal. If you do not do this they will not increase your entitlement to cover the new rent.
<b>If you pay by Direct Debit</b>	You don't have to do anything – we will arrange for your direct debit to be changed.



## Having problems paying your rent?

Please don't struggle on or bury your head in the sand.

Contact our friendly team and we will support you to make sure you are getting the benefits and tax credits you are entitled to. We can also provide advice on managing your money.

If you need additional help we can also refer you to Link's Money Advice Service.

This confidential, free and independent service can provide advice and assistance on debt of all kind and other money matters.

Please contact us on **0330 303 0089** or email **e-mail@horizonhousing.org**

We are here to help you.

Horizon will produce this information on request in Braille, Audio Tape, Large Print and Community Languages.

To find out more, telephone us on **0330 303 0089**



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