



Proposed Rent increase 2020/21 What do you think?

Each year we review our rent levels and set new rents from 1st April. We always consult our tenants on proposed rent increases. It is very important that you tell us your views. All views expressed are considered before a final decision is taken and help us with future business planning.

Please take the time to complete and return the consultation section on the enclosed information leaflet which also provides more details on:

- our budget for the coming year
- value for money
- rent increase comparisons with other housing providers
- how the proposed rent increase will affect your rent
- affordability of our rents should the proposed rent increase be applied.

Proposed increase for 2020/21

Formal, in depth discussion has taken place with our Board about the proposed rent increase.

Decisions about rent increases are always difficult. The Board must balance its duty to consider the long-term viability of the Association to protect the interests of our tenants with the desire to keep rents at the lowest possible level.

The Association is doing all it can to minimise costs. We continue to improve our use of technology to streamline processes. We are also looking at methods of making saving on repairs, including investigating if grant funding may be available to offset the cost of replacing electric heating due for renewal in the next few years.

Government grants and bank loans, which enable us to build new homes, have strict conditions attached which effect the long-term financial planning and viability of the Association. New fire safety and energy efficiency regulations will also require significant investment in homes over the next few years. However, we also appreciate that interest rates have been high over the last two years resulting in higher rent increases. We know that household incomes have not, in most cases, followed suit. For this reason, it has been agreed to consult tenants on a ***proposed rent increase of 2.4% for 2020/21.***

This level of increase is what we think we need to comply with new regulations, maintain current service levels, achieve our plans for improvements to our existing homes and allow us to continue to build new ones.

The Board will make a final decision on the 20th February 2020 based on the feedback from this consultation and the latest information about how our costs are likely to increase in the coming year.