

Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 3 October 2023

Housing Revenue Account Budget Strategy 2024/25

Executive/routine
Wards

Routine
All

1. Recommendations

- 1.1 Housing, Homelessness and Fair Work Committee is asked to:
 - 1.1.1 Note the increased financial pressure on the Housing Service and the updates made to HRA Business Plan financial assumptions; and
 - 1.1.2 Agree to seek tenants' views on the Housing Revenue Account (HRA) budget strategy.

Paul Lawrence

Executive Director of Place

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Housing Revenue Account Budget Strategy 2024/25

2. Executive Summary

- 2.1 The 30-year Housing Revenue Account (HRA) Business Plan 2024/25-2053/54 is the financial framework that underpins the Housing Service. The plan is reviewed annually in consultation with tenants and a five-to-10-year Capital Programme and one-year Capital Investment Budget is approved by the Council.
- 2.2 This report sets out the outcome of the annual review and the impact that has on delivery. It sets out options to mitigate the impact of increases in costs and seeks approval to seek tenants' views on the options as part of the annual budget consultation.

3. Background

- 3.1 Each year the Council reviews the 30-year business plan and produces a draft five to 10 year capital investment programme and a one year revenue budget. This forms the basis of the annual rent consultation and rent options.
- 3.2 On 24 February 2022, the Council [approved](#) a rent freeze for the second year in a row. The report highlighted that an increase in rent of 2.5% per annum for the next four years (2023/24 to 2026/27) would be required to mitigate the second rent freeze, if the planned 10-year capital investment programme in new and existing homes was to be delivered.
- 3.3 Since then, the impact of the Ukrainian war, as well as the long-term impact of the pandemic has seen costs in the construction sector increase significantly. The cost-of-living crisis and inflationary rises have meant that the day-to-day delivery of core landlord services are costing more, reducing the capacity to borrow to invest in improving existing homes and neighbourhoods and building new affordable homes.
- 3.4 In addition to this, the development of a detailed delivery plan to meet statutory requirements of the Scottish Government's ambitious Energy Efficiency Standard for Social Housing 2 (EESH2) has seen the estimated cost of compliance almost double, as more accurate costs for bespoke measures across the Council's housing estate are confirmed. These unprecedented circumstances resulted in a projected increase of £600m being required to deliver the 10-year capital investment

programme, against the previous year's business plan. The 2.5% per annum rent increase for four years as highlighted in February 2022 was no longer sufficient to mitigate the second rent freeze.

- 3.5 In December 2022, COSLA published a Statement of Intent, prepared in consultation with the Association of Local Authority Chief Housing Officers (ALACHO) and approved by COSLA leaders. Comments were also invited from SOLACE and Directors of Finance. As providers of social housing and Gypsy/ Traveller pitch or site provision, Scotland's Council Leaders committed to keeping the rental and fee increases to an average of less than £5 a week across the country in 2023/24. It is not yet known if a similar commitment will be made in 2024/25.
- 3.6 On 23 February 2023, the Council agreed a 3% rent increase in 2023/24 and noted that based on 3% annual rent increases over the next 10 years (2% p.a. thereafter), around 86% of existing homes could be brought up to EESSH2 over the 30-year business plan and that c.2,400 social rented homes could be delivered.
- 3.7 A Tenant Hardship Fund (THF) was also introduced to support tenants, including those who cannot access benefits. The Fund is administered by a team that has specialist expertise in relation to rent collection and the benefits system and provides support to tenants to access benefits, including Universal Credit, and advice and training to housing officers to support rent collection.
- 3.8 The Business Plan seeks to make financial provision for the ongoing delivery of core commitments to:
 - 3.8.1 Continue to deliver and improve housing management and maintenance services and support tenants to sustain tenancies;
 - 3.8.2 Continue the programme to build new social rented Council homes to meet housing need;
 - 3.8.3 Deliver the Scottish Government's requirement for social housing to meet the EESSH2 standard and contribute to the city's ambition to be net zero carbon;
 - 3.8.4 Deliver improvements to mixed tenure blocks to make all blocks with Council tenancies warm, energy efficient, modern and secure;
 - 3.8.5 Deliver an area-based approach to design and management of our wider estates aligned to investment in new and existing homes; and
 - 3.8.6 Support and enable large scale regeneration in the city; such as the regeneration of Granton waterfront.

4. Main report

Current Financial Context

- 4.1 Assumptions used in the business plan have been reviewed and updated to reflect the latest operating environment. The details of the changes are set out in the

Financial Impact section below. The updated assumptions have resulted in the cashflow deficit increasing from £11.9m (as per 2023/24 budget) to £295.4m over the 30-year business plan and the reserve exhausted in 2042/43, thus unable to absorb the overall deficit.

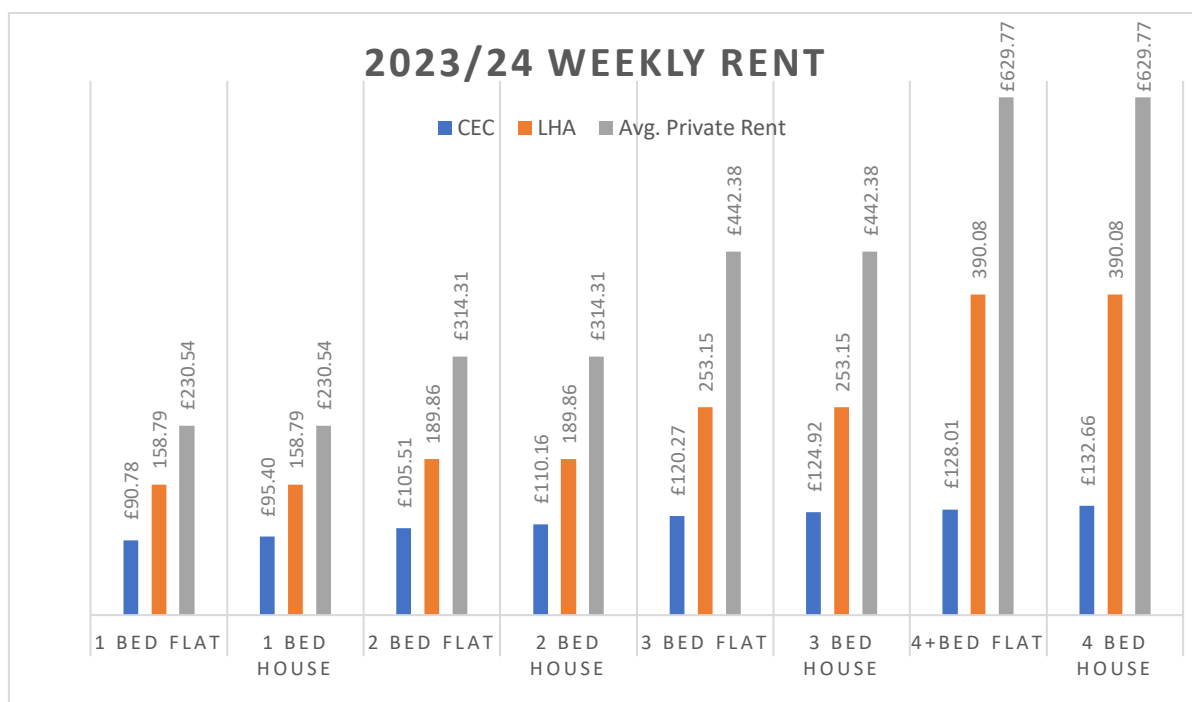
- 4.2 Therefore, the financial capacity of the HRA to fund long-term delivery has deteriorated significantly. Without increases in income or a reduction in operating expenditure, the HRA will not be able to sustain the level of investment required to meet its objectives (set out at 3.8 above). The table below sets out the rent increases that will be required to return to 2023/24 levels of delivery or to restore the investment plan to pre-pandemic levels:

Options	To deliver the same level of outputs as in 2023/24 approved budget – 2,400 new social rented homes (3,000 since 2017) and 86% of homes achieving EESSH2 over the 30-year Business Plan period	To restore investment plan to pre-pandemic level – 4,400 new social rented homes (5,000 since 2017) and 100% of homes achieving EESSH2 over the 30-year Business Plan period
Increasing rents	4.1% p.a. for 5 years; <i>then 3% for 4 years before returning to 2% p.a.</i>	8.4% p.a. for 5 years; <i>then 3% for 4 years before returning to 2% p.a.</i>

- 4.3 A reduction in expenditure has been considered. With the Business Plan already assuming a recurrent 8.36% reduction in annual operating expenditure being delivered in eight years' time through service efficiencies (as part of the Housing Service Improvement Plan), this option did not seem realistic.
- 4.4 If income is limited to the 3% rent rises (as in the 2023/24 approved budget) and assuming the new build programme remains the same, the energy efficiency investment in existing homes would have to reduce by c.15% from the 2023/24 agreed budget, with 83% of homes being brought up to EESSH2.
- 4.5 It is also estimated that Scottish Government grant funding of £412 million for EESSH2 and affordable housing grant of £227 million would be required to deliver the same level of outputs as the 2023/24 budget. To restore the investment plan to pre-pandemic levels, around £1.1 billion would be required for EESSH2 and £417 million of grant funding for new affordable homes.
- 4.6 Current inflation is 6.7% (CPI, August 2023), for business planning purposes CPI has been set at 5% in 2024/25. The consultation, set out in Appendix 1, proposes to consult tenants on three rent options – 4.1% taking account of cost increases and to deliver the same level of outputs as in 2023/24 approved budget, 5% in line with forecasted inflation and 8.4% required to restore investment plan to pre-pandemic levels.

Rents

- 4.7 Private rents have increased by an average of 6.6% a year over the last five years, while local authority landlords have increased rents by an average of 2.6% a year in the last five years and housing associations have increased rents by an average of 3.1% a year over the same period. For the last five years, Council rents have increased by an average of 1.4% a year.
- 4.8 The average council rent (two-bedroom flat) is 44% below Local Housing Allowance and 66% below the average market rents in the city.



- 4.9 Between 70% and 80% of tenants each year receive assistance with their rent payment responsibilities through Housing Benefit or the housing element of Universal Credit. Tenants on full or partial benefit would not have to pay anything extra if the rent charge is increased, as benefits are based on a person's income and ability to pay, not on rent levels. Therefore, any increase in the rent charge would normally be covered by an increase in the benefit received if there are no other changes in the household circumstances and they are not affected by benefits cap and/or under-occupation reduction.
- 4.10 In 2023/24 a Tenant Hardship Fund (THF) was introduced to support tenants, including those who cannot access benefits. The current version of the 2024/25 business plan assumes that the Fund will continue to operate in 2024/25 with a budget provision based on the estimated uptake in current year. A report on the THF will be considered by Committee in December 2023, the outcome of which will be factored into the draft 2024/25 budget.

Long term rent strategy

- 4.11 This year's consultation will seek to agree a five-year rent strategy and the associated investment that can be achieved. The last few years has provided a lot

of uncertainty and financial instability for tenants. It has also made financial planning in the medium to long term very challenging. Building new homes takes on average 18 - 24 months from start to finish. The scale and complexity of whole house retrofit required to existing homes means that often 12 - 18 months of planning, design and consultation can be carried out before the works even commence. It can therefore be extremely challenging to plan and deliver such programmes, whilst responding to annual rent fluctuations. Previously, the Council did have an agreement on a rent structure (inflation + 2.7%) to meet statutory commitment of bringing homes up to meet the Scottish Housing Quality Standard.

- 4.12 The Housing (Scotland) Act 2001 requires social landlords to consult tenants and take account of their views when making decisions about proposed rent increases. The Social Housing Charter does not prescribe how landlords should consult tenants about proposed rent increases. With regards implementing a longer term rent strategy, there is no statutory requirement to consult tenants during the in-between years.
- 4.13 Even with a five-year rent strategy in place, it would still be up to the Council to set annual rent increase and respond to any significant market changes. However, the strategy would provide a solid baseline for planning and decision making.

New build premium

- 4.14 New homes generate rental income, and rents from existing homes are supporting the delivery of the new build programme with in-year surpluses being used to reduce capital borrowing requirements. New homes are modern and energy efficient, and easier to run and cheaper to heat than existing homes. Rent charges are based on house types and sizes with tenants living in older homes, often in mixed tenure blocks, currently paying the same amount of rent as tenants in new build homes.
- 4.15 The costs for delivering new homes (including both land and development costs) assumed in the business plan have increased by 50% over the last two years while grant funding benchmarks have not kept pace and only increased by 17% over the same period. Additional funding is therefore required to make the new build developments viable, as well as, increasing the amount of investment available to bring existing homes up to modern, energy efficient standards.
- 4.16 In-house research and a Scotland Housing Network's members survey found that eight local authority landlords currently apply a "premium" to the rents of their new build homes, including neighbouring local authorities in East Lothian, Midlothian and West Lothian. The premiums applied range from 10% to 30% (applied to some/all property elements) above the existing rents. Two local authority landlords applied a fixed amount premium regardless of the size and type of the properties. One landlord applies different "premiums" on a scheme-by-scheme basis, based on the affordable housing grant available; these rents are between £5 and £15 a week higher than the "standard" rent for a property. Seven of the eight local authorities concerned apply the premiums indefinitely while Midlothian Council applies the

premiums for 15 years, then reduces the rent levels to the same as existing/ older homes.

- 4.17 The draft consultation document (Appendix 1) asks tenants whether they would in principle support the idea of charging additional rent for new homes. Further consultation on potential rents would be carried out over the next 18 months in advance of any new build premiums being implemented from 2025/26 onwards.

5. Next Steps

- 5.1 Assuming the report is approved, the consultation will launch on Monday 9 October and run for 10 weeks.
- 5.2 Review the Business Plan in light of tenant priorities and develop one-year revenue and five-to-ten-year capital investment plan.
- 5.3 Briefings will be held with elected members on the outcome of the consultation, investment priorities and different options for funding the strategy.
- 5.4 The outcome of the consultation and draft budget strategy will be presented to Finance and Resources Committee in February 2024.

6. Financial impact

- 6.1 The HRA annual revenue budget of c.£100m is almost exclusively funded from tenants' rents (95%), with the remaining 5% coming from charges for services provided to tenants and assets held on the HRA account.
- 6.2 The majority of annual expenditure is on day-to-day service delivery (97%) including staffing and central support costs, repairing and maintaining homes and servicing borrowing of capital investment in previous years.
- 6.3 The remaining c.3% is either used to support capital investment (in-year or placed in a sinking fund for future years) or to build up a small contingency to deal with any emergencies or unforeseen circumstances. The HRA is self-contained and has no direct impact on the Council's General Fund budget.
- 6.4 Capital investment is funded through a combination of prudential borrowing, Scottish Government grant funding, capital receipts, in-year revenue surplus and/or sinking fund built up in previous years.
- 6.5 New homes are funded from a combination of:
- 6.5.1 Government grant funding, which covers around a third of the costs;
 - 6.5.2 An element of HRA revenue funding, which includes reserves drawdown and ringfenced in-year surpluses;
 - 6.5.3 An element of Council Tax Discount Funding from long term empty homes;

- 6.5.4 Private developer contributions (as part of mixed tenure regeneration development); and
- 6.5.5 Prudential borrowing which is repaid by rental income.
- 6.6 The last HRA Budget Strategy approved by the Council in February 2023 included a 10-year £1.7b capital programme and £1.1b revenue programme. Key changes listed below have resulted in significant increase in HRA expenditure. These include:
- 6.6.1 **Cost of delivering services (inflationary increases, staff cost increases, and fuel costs).** Current inflation is 6.7% (CPI, August 2023), for business planning purposes CPI has been set at 5% in 2024/25; 2% higher than last year's assumption. This has an impact on all aspects of service delivery costs. The inflation assumptions used for business planning will be monitored and reviewed as the draft budget is developed. The inflation increase in staff costs for 2023/24 is still to be determined (currently estimated at 5.5%) and future year's assumption has been updated to align Council-wide business plan assumption. A higher level of inflation has also been assumed for gas and electricity costs to better reflect market conditions;
- 6.6.2 **New build programme cost increases.** Assumptions on new build development costs have been updated, based on the most competitive tender prices for recent housing projects. Although the affordable housing grant has increased, it still leaves a considerable gap when compared to the increase in assumed development costs; and
- 6.6.3 **Bringing existing homes up to EESSH2.** Detailed design principle work is well underway and able to inform more accurate cost assumptions, resulting in the assumed unit costs increasing by a further 3.6% from last year.
- 6.7 By the end of August, 600 applications for Tenant Hardship Fund assistance had been received, a total of £82,000 has been paid out to tenants. Assuming applications continue at a similar level throughout the year, it is estimated that c.£450,000 would be spent in 2023/24. For budget planning purposes, a similar amount will be ringfenced for 2024/25 and uplifted in line with the proposed rent increase.
- 6.8 A small contingency, c.10% of operating expenditure, has been built up to date to deal with any emergencies or unforeseen circumstances.
- 6.9 Two years of rent freezes and a below inflationary increase of 3% in 2023/24 have had a significant impact on the borrowing capacity to fund the medium to long term capital investment programme. Without rent increases in future years or an increase in Scottish Government funding the HRA will not be able to sustain this level of investment in the medium to long term.
- 6.10 Grant funding for new homes comes from the Affordable Housing Supply Programme (AHSP). As set out in 4.5 above £227million and £417million are required to deliver 2,400 and 4,400 social rented homes respectively. Edinburgh

currently has Resource Planning Assumptions until 2025/26 at an average of £45million per annum. As it stands the Council's House Building team would need to claim between 40% and 85% of the total allocation for the city.

- 6.11 The core funding stream currently available to the Council for energy retrofit and heat decarbonisation is the Social Housing Net Zero Heat Fund. This fund provides up to 50% match funding for zero emission heating systems and fabric first energy efficiency projects. Council's must bid into the national pot of £200m on a project by project basis. This is limited and provides no certainty for long term planning. Without grant funding, the majority of the costs would have to be met by prudential borrowing, funded from tenants' rents.

7. Equality and Poverty Impact

- 7.1 The current strategic investment approach for existing homes is to target investment in areas that fall within the 20% most deprived areas as per the Scottish Index of Multiple Deprivation (SIMD), in line with a climate justice approach. By prioritising investment in the most deprived and socially disadvantaged areas, the retrofit interventions will help to target those most at risk of fuel poverty and properties most in need of investment due to their existing fabric and energy performance.
- 7.2 Increasing the number of new affordable homes in the city remains a top priority. Investment in new homes and partnership working as part of Health and Social Care integration will help increase the supply of homes built specifically for older people or people with complex health needs.
- 7.3 The proposed rent increase may have a disproportionate impact on tenants not receiving assistance with their rent, increasing the financial challenge faced by the tenants. The Council works with key agencies to deliver a network of crisis support to tackle the impacts of the cost of living crisis. The Council adopts a cash-first approach for people facing financial hardship, whilst also offering a range of holistic support and advice. In addition to the support services already available, a Tenant Hardship Fund was set up in 2023/24 to help tenants experiencing financial hardship; including those who cannot access benefits.
- 7.4 Energy Advice Service, which was further expanded in February 2023, provides advice and information to Council tenants to operate heating systems efficiently, applying grants and loans, accessing suitable tariff, and referring tenants to Income Maximisation Service where appropriate, which help to alleviate fuel poverty.

8. Climate and Nature Emergency Implications

- 8.1 The Whole House Retrofit programme will ensure all existing homes achieve high energy efficiency standards (e.g. EESSH2), meeting the Council's net zero commitment. The Council's approach is designed to deliver most benefit to tenants, while mitigating capital cost uplift and maintenance implications as follows:

- 8.1.1 Fabric first principles, to minimise energy demand and losses for example by setting minimum u-values and air-tightness levels to be achieved;
 - 8.1.2 Provision of low carbon/ renewable heating such as an air-source heat pumps;
 - 8.1.3 Level of on-site renewable electricity generation that can be achieved with photo-voltaic panels based on the available roof area / type and orientation etc.; and
 - 8.1.4 The balance of energy demand and emission is calculated to determine the level of offset required.
- 8.2 Within the above approach the design guide requires designers to undertake an energy options appraisal to determine the best low carbon/renewable heating option for the specific development based on a number of parameters including cost for tenants to run and cost to install and maintain for the Council.
- 8.3 The Mixed Tenure Improvement Service aims to improve the common area of mixed tenure blocks, including the external fabric which helps to improve the energy efficiency of the buildings.
- 8.4 The Council led house-building programme seeks to maximise delivery of homes on brownfield sites, reducing pressure on Edinburgh's green belt. Building more homes will inevitably produce more carbon, however, Council aims to build homes as energy efficiency and sustainable as possible. Since November 2020 all new build Council homes have been designed to achieve net zero carbon.
- 8.5 The Energy Advice Service provides advice and information to Council tenants to operate heating systems efficiently, applying for grants and loans which help to alleviate fuel poverty and reduce carbon emissions.
- 8.6 Opportunities have arisen to work with officers in Neighbourhood Environmental Services to ensure that housing land in proximity of park open space is also considered for essential investment and that increasing numbers of community trees remains forefront in our designs for wider estate improvements.

9. Risk, policy, compliance, governance and community impact

- 9.1 Each year the views of tenants are sought on the HRA budget strategy, investment plan, services and associated rent levels.
- 9.2 The consultation document appended to this report was developed with input from Edinburgh Tenant's Federation (ETF) and Tenant Information Service (TIS).
- 9.3 The HRA Budget strategy consultation have been reviewed by the Consultation Advisory Panel. The Consultation will run from 9 October until 17 December 2023.
- 9.4 Tenants will be able to respond to the consultation survey online through the Consultation and Engagement Hub. A separate printed insert will be posted to every tenant as part of the Tenant's Courier newsletter and will include a freepost return

envelope. The consultation will be promoted through email footers and targeted social media posts. Registered Tenant Organisations (including Living Rent) also received an email prompt to complete the survey and promote it to tenants within their groups.

- 9.5 In addition, the rent consultation will be complemented by the annual Tenant's Survey of 1,000 Council tenants, which will be carried out by an independent third party, procured by the Council. The Council will provide a random sample of tenants contact details to the research company, weighted by locality and property type to be representative of the made up of our tenants.

10. Background reading/external references

- 10.1 [Housing Revenue Account \(HRA\) Budget Strategy 2023/24 – 2032/33](#) – City of Edinburgh Council, 23 February 2023.
- 10.2 [2023/24 Housing Revenue Account \(HRA\) Capital Programme](#) – Housing, Homeless and Fair Work Committee, 9 March 2023.
- 10.3 [Housing Service Improvement Plan - Update](#) – Housing Homeless and Fair Work Committee, 9 March 2023.

11. Appendices

Appendix 1 – Draft 2024/25 HRA budget consultation document

Appendix 1 - Draft 2024/25 HRA budget consultation document

Summary

Every year we ask tenants to give their views on the rent they pay. With budgets being set for next year and beyond, we want to let you know how your rent is being spent and ask you what you think we should be doing next.

We understand that many people have been affected by the rising cost of living over the last two years, which is why getting your feedback is so important. Understanding your views on rent will help us to balance keeping rents affordable with having enough money to spend on improving homes and services.

You could win a £100 shopping voucher by completing our short survey to tell us about your views on rent.

Please complete and return the short survey at the end of this leaflet using the FREEPOST envelope provided or do it online by 17 December 2023

<https://consultationhub.edinburgh.gov.uk/XXXX>

What we've delivered so far

Over the last five years (2018/19 to 2022/23), we've built 563 new social rented homes. There are also around 300 social rented homes under construction and a further 2,000 in the design or pre-construction stage.

We've also invested £190 million on existing homes and neighbourhoods, including:

- 2,800 homes with new kitchens and bathrooms
- 4,300 homes with new modern heating systems
- 1,500 homes with new doors and windows
- 12,000 homes with electrical upgrades (rewiring or new smoke detectors)
- 4,600 Council and privately owned homes benefitting from external fabric
- 3,000 adaptation measures to help tenants to live independently
- 700 blocks of flats with new door entry systems

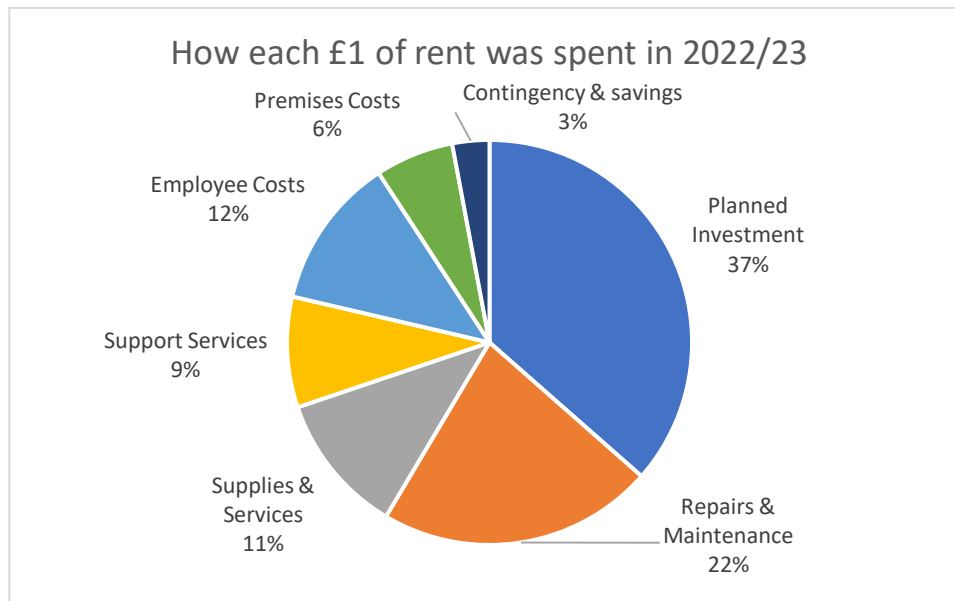
We've also bought back almost 300 ex-council homes in the last eight years. This has helped to increase the number of available council homes and consolidate block ownership, which in turns helps us to manage block repairs and improvements.

We've made improvements, including energy efficiencies, to more than 900 Council and privately owned homes in Murrayburn, Dumbryden and Hailesland as part of our Mixed Tenure Improvement Service. A further 370 homes are expected to be upgraded this year.

Your rent

Almost all of the funding for the housing service comes from your rents and we must balance keeping rents affordable with having enough money to spend on improving homes and services. The diagram below shows how your rent was spent in 2022/23.

What your rent pays for:



Key

- **Planned investment** - Building new homes and improving existing homes are funded mainly by borrowing (about two thirds of all housing service costs). We repay the borrowing using the rent collected from tenants.
- **Repairing and maintaining homes** - Repairs are a key priority for both you and us. They're one of the main reasons you get in touch with us and we're working very hard to improve the service.
- **Supplies and services** - This includes important services provided by other parts of the Council and/or contractors, to make sure homes are safe and well maintained, such as grass cutting and pest control.
- **Support services** - Support from other Council teams makes sure housing services run well, for example, Finance, Human Resources, and the Contact Centre helpline.
- **Employee costs** - These include the concierge teams and housing officers, and all the training and equipment staff need to do their jobs.
- **Premises costs** - This is the costs for running the offices and other places used by staff.
- **Contingency and savings** - This is money set aside for any unforeseen circumstances and to fund future investment.

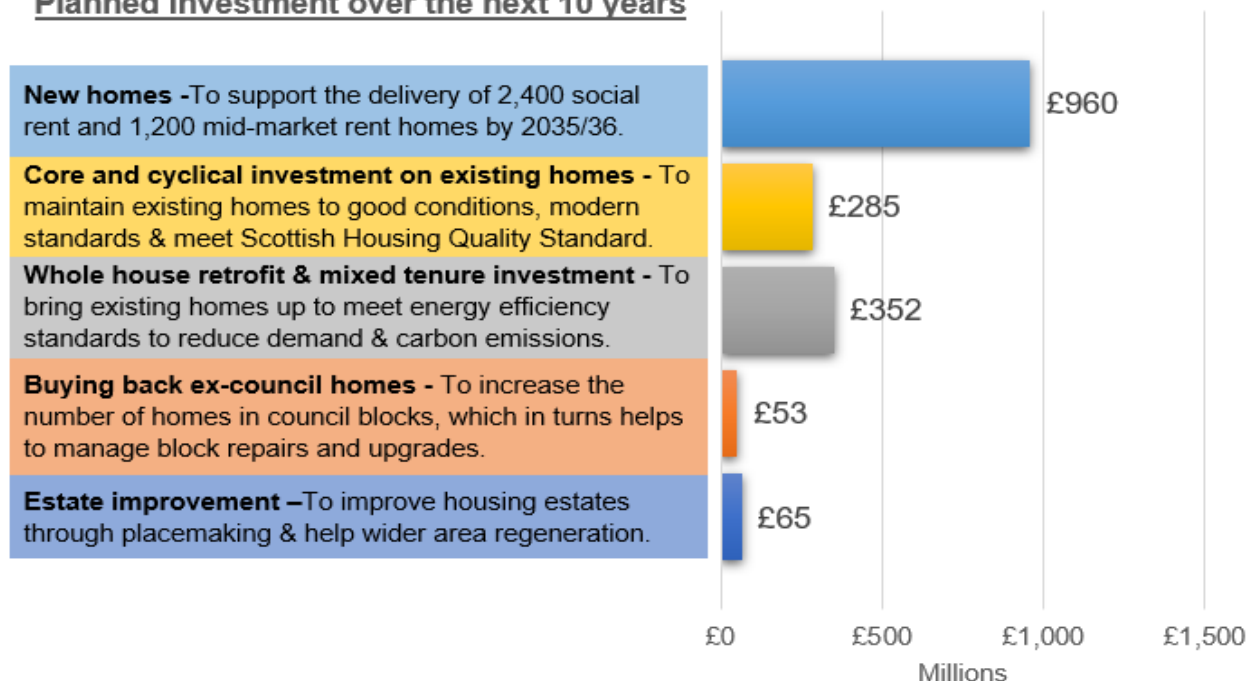
Fast facts about Edinburgh's rent level

- Weekly rent for two-bedroom Council flat is £105.51.
- Weekly Local Housing Allowance for two-bedroom properties in Edinburgh is £189.86.
- Weekly rent for two-bedroom private rented properties in Edinburgh on average is £314.31.

Planned investment

Earlier this year we agreed to invest a further £1.7 billion over the next ten years to build new homes and improve existing homes to make them easier to heat, which will help you to save money and us to meet our net zero carbon commitments. This was to be supported by a 3% rent increase a year for ten years.

Planned investment over the next 10 years



Paying Rents

We understand that many tenants are under increasing financial pressure. Last year's survey found that almost half of respondents had found it more difficult to pay some costs/bills, but only a third of them had got advice.

Around 8 out of every 10 tenants get help to pay their rents through Housing Benefits (HB) or Universal Credit (UC). These tenants are usually not affected by any proposed rent increase as their HB/UC entitlement will increase to the same amount to cover the increase, assuming there are no other changes in the household circumstances, and they are not affected by a benefits cap and/or under-occupation reduction.

A Tenant Hardship Fund was set up in April this year to support tenants facing financial hardship, including those who cannot access benefits. The Fund is administered by a team with specialist expertise in relation to rent collection and the benefits system, who can support tenants to access benefits where appropriate.

If you're worried about money or having difficulty paying your rent, contact your housing officer in the first instance, who can refer you to suitable advice and support services, including the Tenant Hardship Fund. Information on help with the costs of living can be found on <https://www.edinburgh.gov.uk/costofliving>.

Rent proposals

Most tenants who took part in last year's Tenant Survey agreed with setting up a longer-term plan for rent charges. This year we're proposing setting a fixed percentage rent increase every year for the next five years - this would give you and us certainty on what the rent increase would be from 2024/25 to 2028/29.

We're consulting on three rent increase options:



INCREASE NEEDED TO DELIVER LAST YEARS PLAN	INCREASE IN LINE WITH INFLATION	INCREASE NEEDED TO DELIVER PRE-COVID PLAN
4.1% increase each year for the next 5 years	5% increase each year for the next 5 years	8.4% increase each year for the next 5 years
What will this deliver over the next 10 years?		
<ul style="list-style-type: none"> • 2,000 more social rented homes • Make over a quarter (27%) of existing homes (about 5,200 homes) modern and energy efficient as new homes 	<ul style="list-style-type: none"> • 2,300 more social rented homes • Make about a third (30%) of existing homes (about 5,800 homes) modern and energy efficient as new homes 	<ul style="list-style-type: none"> • 3,560 more social rented homes • Make about two thirds (65%) of existing homes (about 12,400 homes) as modern and energy efficient as new homes
How would your rent change next year (based on average rents)?		
Avg. weekly rent £109.37	Avg. weekly rent £110.31	Avg. weekly rent £113.89
Weekly increase +£4.31	Weekly increase +£5.25	Weekly increase +£8.83
Monthly increase +£18.67	Monthly increase +£22.76	Monthly increase +£38.24
Annual increase +£223.99	Annual increase + £273.16	Annual increase +£458.90

We're also proposing that tenants who move into new build homes (completed after March 2025) pay a bit more. This seems fair as new homes are in better condition and cheaper to run than our older, existing homes.

The new build premium and longer-term rent increase would mean that we could still carry out our investment plan to provide more and better homes and improve communities and services.

We would still consult with you every year on other things to do with your rent and ask for your opinions on each year's budget.

Please let us know what you think by completing the short survey and returning it using the contacts on the form.

Do you want to get more involved?

Feedback really lets us know how you feel about the housing service and identifies areas for improvement. The rent consultation is developed every year with a volunteer group of tenants, who have helped shape everything from the information included to the questions and design of the survey. Getting involved with this process is open to any tenant and we always welcome new members in the group. If you're interested, please contact HSIP@edinburgh.gov.uk or the Edinburgh Tenants Federation (ETF) at info@edinburghtenants.org.uk or 0131 475 2509.

Council tenants, tenant volunteers, ETF, council officers and councillors work together to consult on and set your rent: Council officers carry out financial planning to set out a balanced budget; tenants indicate their preferences in the rent consultation, and councillors agree the budget at their meeting.

Have your say

You could win a £100 shopping voucher by completing our short survey to tell us about your views on rent.

Please complete and return the short survey to 'FREEPOST Housing Research' or do it online by 17 December 2023 <https://consultationhub.edinburgh.gov.uk/XXXX>

1) We're looking for your views on three rent increase options, please choose your preferred option:

OPTION 1 <input type="checkbox"/>	OPTION 2 <input type="checkbox"/>	OPTION 3 <input type="checkbox"/>
4.1% increase each year for the next 5 years	5% increase each year for the next 5 years	8.4% increase each year for the next 5 years
<ul style="list-style-type: none"> • 2,000 more social rented homes • Make over a quarter (5,200 homes) modern and energy efficient as new homes 	<ul style="list-style-type: none"> • 2,300 more social rented homes • Make about a third (5,800 homes) modern and energy efficient as new homes 	<ul style="list-style-type: none"> • 3,560 more social rented homes • Make about two thirds (12,400 homes) as modern and energy efficient as new homes
Avg. weekly rent £109.37	Avg. weekly rent £110.31	Avg. weekly rent £113.89

2) We're considering charging higher rents for newly built homes (completed after March 2025) in the coming years. This seems fair as new homes are in better condition and cheaper to run. The extra money would help bring existing council homes up to the same energy efficient standard or build even more new homes.

Do you agree we should consider charging a higher rent for newly completed homes? (please tick only one option)

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

3) Have you sought any advice or help to assist you with paying your rent in the last 12 months?

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>
Don't know	<input type="checkbox"/>

4) If yes, how satisfied were you that the assistance you received met your needs?

Very Satisfied	<input type="checkbox"/>
Fairly Satisfied	<input type="checkbox"/>
Neither/Nor	<input type="checkbox"/>
Fairly Dissatisfied	<input type="checkbox"/>
Very Dissatisfied	<input type="checkbox"/>

5) What more could we do to help?

6) Do you have any other comments about our proposed five-year rent strategy and introduction of a premium rent for newly built homes?

About You

This information is really helpful for us. It tells us a bit more about who is responding to our consultation. **Your response will still be completely confidential.**

Name:	Phone/Email:
Address:	
Postcode:	

Please tick this box if you want to enter the £100 shopping voucher prize draw. We will use the contact information provided to contact the winner.

What age group are you?

14-24	<input style="width: 100%;" type="checkbox"/>	25-34	<input style="width: 100%;" type="checkbox"/>
35-44	<input style="width: 100%;" type="checkbox"/>	45-54	<input style="width: 100%;" type="checkbox"/>
55-64	<input style="width: 100%;" type="checkbox"/>	65+	<input style="width: 100%;" type="checkbox"/>

How long have you been a tenant with the City of Edinburgh Council?

Less than 1 year	<input style="width: 100%;" type="checkbox"/>	1-2 years	<input style="width: 100%;" type="checkbox"/>	3-5 years	<input style="width: 100%;" type="checkbox"/>	6-10 years	<input style="width: 100%;" type="checkbox"/>	10 + years	<input style="width: 100%;" type="checkbox"/>
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Do you get help from government to pay your rent through Housing Benefits (HB) or Universal Credits (UC)?

Yes, all of my rent by HB		Yes, all of my rent by UC	
Yes, some of my rent by HB		Yes, some of my rent by UC	
No, none of my rent		Prefer not to say	

The Council uses this information to make sure responses to consultations are genuine and that each person is submitting only one response. The Council will also use the contact information provided to contact the winner of the prize draw. For more information about your rights and the City of Edinburgh Council's Privacy Notice visit www.edinburgh.gov.uk/privacynotices