

Rent Increase Proposals For 2018/19

The annual rent review influences the amount of money we have available to provide repairs, maintenance and estate management services, as well as tenancy support services and the resourcing of wider role initiatives (including, our Rent Reward Scheme, Garden Grants and Bookworms). Also improvement works such as lift renewals, stonework and fabric repairs, window replacements and medical adaptations.

Alert to the challenges of affordable rents, and the ongoing pressures on household budgets, each year our Management Committee is faced with very difficult decisions; and this year is no different. Whilst our prudent management of resources (including efficiency savings through robust procurement practices, staff restructuring, and fewer sales than anticipated), have helped contain the impact of rising inflation this year, the landscape remains particularly challenging as we endeavour to counter the impact of external influences on our budgets, including cuts in public services (such as refuse disposal and bulk uplift).

For 2018/19 an increase of 3.2% is required to balance the budget, with an increase of less than 3.2% impacting on our commitment to improve services, deliver major investment works, and support our contractors to achieve living wage. An increase of 3.2% equates to average of £2.59 per week; with each 0.25% increase the equivalent of £15,500 in rental income for GWAH.

INCREASE	0%	3.2%	3.5%
BUDGET	£198,000 Savings Required	Balanced Budget	+£17,000
IMPACT	Core Service Impact + Withdrawal of initiatives	No provision for new services or contingency for unforeseen costs	New Initiatives (e.g. Environmental Projects)
RENT (AVE)	£81.15 p/w	£83.74 p/w (+£2.59)	£83.99 p/w (+£2.84)

This leaflet provides only a brief summary of the things that influence our annual rent review. More detail will be presented at our ATC on Saturday 20/01/18 and we encourage you to come along to this very important event and take part in the discussions. If you are unable to attend, please write to us, or telephone your Area Services Officer with your comments. Alternatively, you could arrange an appointment with a member of staff or you could complete the tear off slip below, send us an email at admin@glasgowwestha.co.uk or a message via facebook.

2018/19 RENT CONSULTATION TEAR-OFF SLIP

Do you agree to a 3.2% increase (£2.59 p/w) to avoid impact on service provision? **Y / N**

If not, what do you consider a reasonable increase? _____% £_____p/w

What services should be reviewed to deliver the savings required?

What would be your priority for new/additional services?

Wheelie Bins Environmental Improvements Other (please note below)

Any Other comments? _____

NAME _____ ADDRESS _____

2018/19 Rent Review Factors

COSTS £6.55m (est)



£1 Rent =

39p	Running Costs
25p	Repairs & Services
31p	Future Improvements
1p	Loan Repayments
4p	Insurance/Legal/Gen

How much does it cost to provide services?

Rents are our main source of income and we estimate that we will need £6.55m next year to cover our costs which include repairs and improvements to your home and managing tenancies.

We monitor our costs very closely to make sure we get value for money.

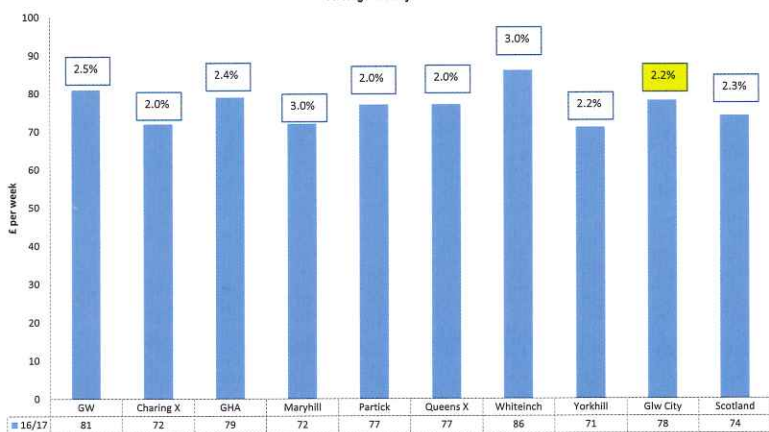
Our rent increase, although not directly linked to inflation is a question we are often asked. In October 2017 RPI was 4% and CPI 3% : the highest levels for more than 5 years.

How do our rents compare with others?

Whilst on average GWAHA rents are at the higher side of the spectrum in comparison to local RSLs, our rent increase remains comparable with local RSLs and with the Scottish average.

Comparison information is available by selecting "**statistical information**" from the "**find and compare landlords**" tab on the Scottish Housing Regulator's website www.scottishhousingregulator.co.uk.

Average Weekly Rents



Are our rents affordable?

Recognising weaknesses in the previous Housing Benefit dependency model of affordability, the Scottish Federation of Housing Associations undertook extensive research to identify a new measure. The "Moderate Incomes" approach to rent affordability was launched mid-2017 and considers the amount of household income spent on rent (ratio measure) and the amount of income left over after payment of rent (residual income measure). Further details on these measures will be presented at the Annual Tenants Conference.

Pass Rate	2016	2015	2013	2012	2011
16 hr	100%	90%	74%	84%	91%
35 hr	92%	93%	92%	93%	98%

Affordability Definition:

Under the previous definition of affordability, GWAHA rents (including Housing Benefit eligible service charges) were affordable to at least 92% of working households.

5 Royal Crescent Glasgow G3 7SL

Tel: 0141 331 6650 • Fax: 0141 331 6679

Email: admin@glasgowwestha.co.uk • Website: www.gwha.org.uk

Office opening hours: Monday, Wednesday, Thursday, Friday - 9am to 4pm.

Tuesday - 11.30am to 4pm.

Appointments are available at other times on request.

Registered with the Scottish Housing Regulator HEP 126.

Registered under the Co-operative and Community Benefit Societies Act 1955 RS.

Registered as a Scottish Charity SC001667

