

Rent Review 2019-20

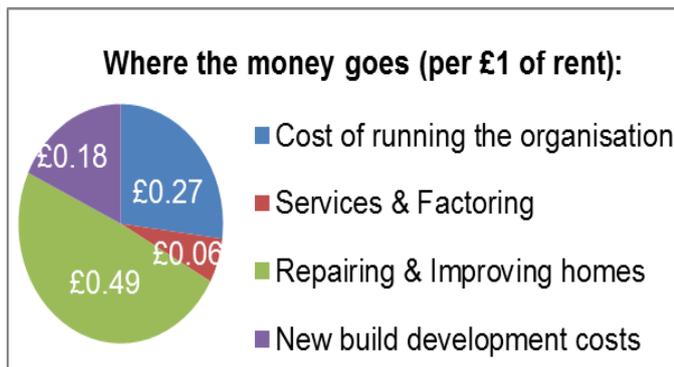
What do I need to know?

Frequently Asked Questions

Why do we consult?

We are required to consult with you on any proposed changes to your rent and to provide you with clear information on how your rent payments are spent, how our rents compare with other social landlords in our peer group, and how affordable our rents are.

How is the rent spent?



Why do the rents have to increase?

We must ensure that the rental income is sufficient to meet our expenditure which includes energy efficiency measures and planned maintenance and property improvements.

Funding New Properties

When we build new properties the costs are only partly funded by the Scottish Government and we need mortgages to meet the remainder of the costs which must be met from the rental income.

As well as providing a service to existing tenants, we are committed to providing housing for the **628** households on our rented housing list.

Planned Maintenance and Property Improvements

A percentage of the rent you pay goes towards the cost of the longer term planned maintenance of the rented housing stock. This means that all rented properties will, over a set period of time, receive upgrades to certain fixtures eg kitchens, windows, doors.

During the current year, the planned maintenance and property improvements include the following upgrades and/or replacements:

- ◆ **kitchen replacements** - 29 properties;
- ◆ **heating upgrades** - 47 properties;
- ◆ **facias & gutter replacements** - 8 properties; and
- ◆ **window replacements** - 18 properties

How is the rent calculated?

Points for certain characteristics of the property are set and each point has a Rent Point Value (RPV).

The RPV is then applied to the

characteristics of the property as follows:-

- ◆ Property area;
- ◆ Property type;
- ◆ Conservatory;
- ◆ Single bedrooms;
- ◆ Double bedrooms;
- ◆ Dining room;
- ◆ Additional public room;

- ◆ Separate kitchen
- ◆ Utility room;
- ◆ Additional washroom;
- ◆ Cooking appliances provided;
- ◆ Garage;
- ◆ In curtilage parking;
- ◆ Garden with sole use;
- ◆ Shared garden.

What is the Service Charge for and how is it set?

The Association charges for garden and grounds maintenance, chimney sweeping and stair cleaning (in some areas). Charges are calculated on an individual scheme basis. Service Charges are calculated separately but included in the total weekly rent figure shown in the table below.

How do the Association's rents compare with others?

Rents within the private sector (taken from those claiming Local Housing Allowance) currently range from **£91.81 to £160.38** per week depending on the size of the property.

Where services, garden and grounds maintenance for example, are provided our rents include the costs for these services (OIC do not provide any of these services). **Even taking this into account, our rents are below the Scottish national average.**

Average Rents by No of Bedrooms	2018/19 OHAL average weekly rent	2018/19 OIC average weekly rent
1 bedroom	£77.49	£70.03
2 bedrooms	£82.42	£83.12
3 bedrooms	£91.29	£82.94
4 or more bedrooms	£99.28	97.13

What are the options?

Management Committee have a preferred option that balances the need to maintain the services for current tenants and continues to meet the needs of applicants.

Management Committee Preferred Option New build programme of 20 properties per year for the next 5 years.	RPI + 1%
Alternative 1 Reducing the new build programme to 15 properties per year for the next 5 years.	RPI + 0.5%
Alternative 2 Increasing the new build programme to 25 properties per year for the next 5 years.	RPI + 1.5%

What Happens Next?

We would like your views so please complete and return the enclosed questionnaire in the freepost envelope or, alternatively, log onto our Facebook page or website at: www.ohal.org.uk and take part in the online survey.

All responses will be collated and a report presented to the Association's Management Committee for their consideration prior to them making a decision on any change to the rent charge.

You will be provided with feedback on the consultation and decisions made by our Management Committee.

The closing date for responses to the survey is on Monday 5 November 2018.

If you want to be entered into the Prize Draw for a chance to win a Food Hamper to the value of £40, you will need to complete the survey and provide us with your contact details

Contact us:-

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