

RENT REVIEW 2024-25



HAVE YOUR SAY ON RENT LEVELS FOR 2024-25

Every year, Almond Housing Association must decide on a rent increase to ensure that we can provide services and maintain your home for the following year. This is an important decision which impacts all customers and it is vital that you have the opportunity to provide feedback on the increases being considered.

This leaflet will provide you with information about this year's rent review process and our proposal for 2024-25. When approving the rent increase, our Board will consider feedback received from this consultation so it's important to get involved and have your say on the options being considered. Any increase agreed would be effective from 1 April 2024.

The financial crisis has resulted in increased costs, fuelled by high levels of inflation. When preparing for this year's rent increase we anticipate that inflation will be around 3.9% by April 2024.

We have implemented lower than inflation increases over the last few years, meaning we will need an increase of at least 4.9% in 2024-25 to maintain the level of service we currently provide. We recognise the impact an increase of this size could have on our tenants, which is why we are also proposing a lower option with reductions in services.

Please review the options for next year's rent and leave us your comments using the **feedback slip** on page 4.

66 Have your say on a **4.4%, 4.9% OR 5.4%** rent increase next year.



INCREASES EXPLAINED

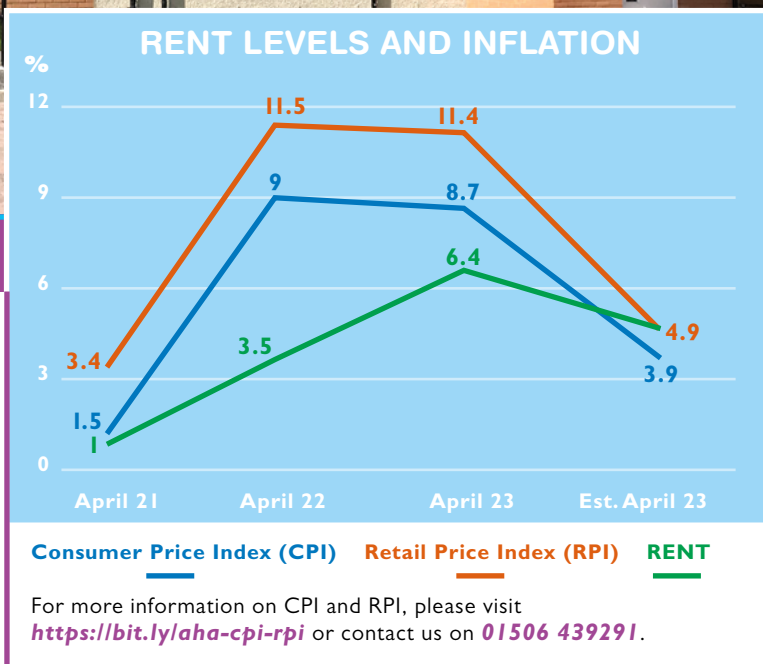
Almond Housing Association has traditionally prepared its financial plans utilising an inflation plus an amount to provide new homes. Over the past few years we have tried to lessen the burden on our customers by keeping rent increases below the rate of inflation as can be seen from the graph.

Rent increases were kept significantly below inflation in 2022 and 2023, which meant each year we had proportionately less income to spend on upgrading your home, building new properties and providing the services you have come to expect. To keep the services we currently have in place, we cannot continue with these low increases.

What a rent increase looks like for 2024-25

The level of inflation is predicted to reduce from 6.7% (as of September 2023) to 3.9% by April 2024. This is an overall percentage and a number of our contracts such as repairs and maintenance are likely to have a higher increase, meaning the cost to maintain your homes will increase by approximately £400,000.

We are anticipating that the average cost of borrowing will be just under 5% next year which is significantly more than it has been in recent years. The increases in interest rates have seen the Associations borrowing costs increase by more than £300,000 in recent years, when we have been repaying debt during the same period.



If inflation doesn't reduce to the predicted level of 3.9% by April 2024, the Board will need to consider a higher rent increase than those outlined in this leaflet.

4.4% rent increase ~ impact on services

This will result in a cut of £65,000 to our budget.

If this increase is agreed, we will prioritise the comfort, safety and affordability of your home over other works such as fencing replacements.

4.9% rent increase ~ impact on services

This will allow us to maintain the level of services we currently provide and deliver the works outlines on page 3.

5.4% rent increase ~ impact on services

As well as the works outlined on page 3, this will allow us to deliver some smaller landscaping projects and additional energy efficiency measures to help cut the costs to heat your home.



WHAT WILL AN INCREASE MEAN FOR YOU?

Below we have outlined some examples of rent levels and what they would become next year with the increase options.

CURRENT RENT	Rent + 4.4% increase	Rent + 4.9% increase	Rent + 5.4% increase
£300	£313.20	£314.70	£316.20
£350	£365.40	£367.15	£368.90
£400	£417.60	£419.60	£421.60
£450	£469.80	£472.05	£474.30
£500	£522.00	£524.50	£527.00

These are examples only and the increase will be based on the rent you currently pay. Please contact us if you would like to discuss your individual circumstances before submitting your preferred option.

Almond Housing Association is committed to continually improving your homes. With a 4.9% increase, we plan to complete the following upgrades in the coming year:

ROOFING
REPLACEMENTS



FLOORING
REPLACEMENTS
IN COMMUNAL
STAIRS



BATHROOM
REPLACE-
MENTS



FENCING
REPLACEMENTS



£1.5M ENERGY
IMPROVEMENT
WORKS



The numbers and location of works will be finalised as part of the budget preparation and agreed by our Board in February 2024 when the rent increase has been agreed.



SHARE YOUR VIEWS WITH US

Please use the form below to have your say on the proposed rent increase. You can return the form using the prepaid envelope provided or by emailing us at

enquiries@almondha.org.uk by **22nd December 2023**.

Feedback can also be provided via the text/email that will be sent in the next few days.



HAVE YOUR SAY

Please select your preferred option for our Board to take into consideration when setting next year's rent:

4.4% This will result in a reduction of works such as fencing replacements.

5.4% This will allow us to deliver some additional landscaping projects and energy efficiency measures.

4.9% This will allow us to maintain the level of service we currently provide.

Name: _____ Address: _____
Postcode: _____

Comments: _____

If you are worried about paying your rent, please let us know so we can talk about how we can help. We have access to a number of advice services which can help if you are struggling. If you have any questions, please get in touch.