

Rent Proposal for 2025-26

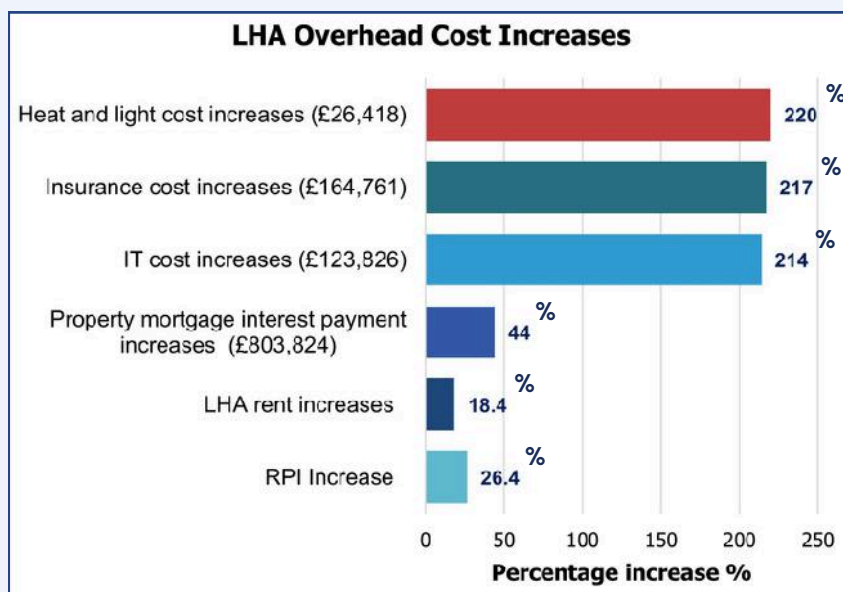
Have your say....

It is crucial to involve you in the decisions that impact us all. We need your feedback on the proposed rent increase we are considering charging for next year, and how we plan to budget that income, so we can continue to invest in our properties and provide value for money services to you.

The cost-of-living crisis has resulted in a demanding and difficult period for you and for us as a business. Most people are struggling with higher prices for food, energy and general living costs and many of you will be making difficult choices about buying food and heating your home.

Why do rents have to increase?

The graph demonstrates some of the huge increase in overhead costs over the last three years 2022/23 to 2024/25.



Over the last three years we have spent **£2.8 million** on reactive, planned and cyclical repairs and a further **£5.2 million** investment in our existing properties, on windows, doors, heating systems, kitchens and bathrooms. This is an average of **£2,680** spent on each of our properties.

The initial budget we are working on for next year is approximately **£572,000** on planned and cyclical repairs, and a continuation of our investment in our existing properties of approximately **£1.5 million**.

Balancing investment and controlling costs to limit the impact on rent levels and affordability, with our costs rising faster than inflation, make it challenging when assessing rent levels and business requirements. Our final budget will take account of all efficiencies we can make, what income we have and what we can afford to spend.

Nevertheless, our maintenance schedules and commitment to you means that we will continue to ensure your homes are safe and free from health hazards, including any damp and mould cases. We have effective systems for managing and monitoring your safety, ensuring compliance with

How we set our rents

Our rents are set using the criteria in our Rent Policy and Business Plan, both of which have been approved following valuable feedback from our Your Voice members.

One of our priorities, is to keep rents affordable, whilst also generating sufficient rental income to meet all our obligations to tenants, and maintaining viability in an increasingly challenging economic climate.

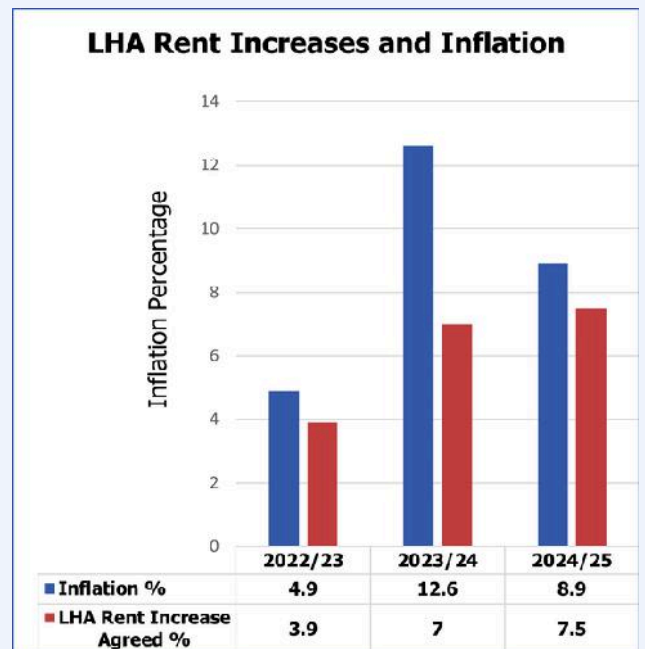
The graph demonstrates that the rent increases in the last few years have been consistently below that set out in our rent policy. For more information, visit:

<https://www.lochaberhousing.org.uk/policies>

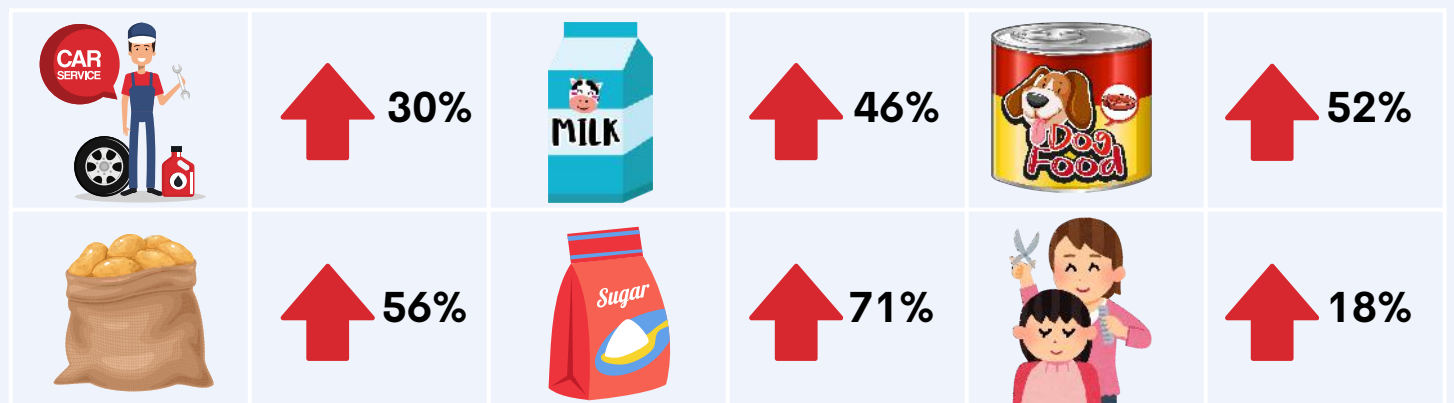
What happens if the rent increase continues to be below inflation?

If we do not increase rents in line with inflation and our costs, we will have much less money to spend on your home and the services we provide, and we will need to make difficult choices to reduce costs.

Put simply, having lower than inflation rent increases has huge impacts on the cash balances as our income does not meet our expenditure.



Just as your food shopping and everyday expenses have increased, unfortunately so have ours, meaning that each job we complete, now costs significantly more. We are all aware of the increase in fuel costs, and these are just a few examples of how some other everyday costs have increased from October 2021 to October 2024 (taken from the Office of National Statistics).



The Proposal

Based on an increase of **5.0%** within our draft budget is a spend of approximately **£572,000** on reactive, planned and cyclical repairs and a massive **£1.5 million** for continued investment on our existing properties. With this proposal, there will unfortunately still be a significant cash shortfall for 2025–26, however we wish to continue our commitment to maintaining and upgrading the quality of our properties and services, whilst being mindful of rent affordability for our tenants.

What Next?

Do you agree that the Association should increase rent by 5.0% in 2025/26? This figure continues to meet the affordability criteria set out within the rent policy as agreed by our tenants.

Please provide your feedback on this proposal. You can choose which way you prefer:

Online: Complete the [Rent Increase Proposal](#) feedback form.

Email: Please email your feedback to: info@lochaberhousing.org.uk.

Telephone: If you would like to discuss this rent proposal or have any questions, we encourage you to get in touch with either Margaret Moynihan, Chief Executive or Isla Gray, our Housing Services Manager on **01397 702530**.

In-person: If you would prefer, we can also arrange an in-person meeting to suit you.

All tenants responding with contact details will be entered into a prize draw to win £100.

Please respond by close **17th January**. Thank you.