

Rent Consultation

FREE PRIZE DRAW
All returned forms will
be entered in to a prize
draw for a £25 gift voucher.

This leaflet explains the options for this year's rent increase.

Please complete and return the questionnaire on the back page, or online via the QR code below, to let us know what you think.



*Please return by Friday 20th December
in the envelope provided.*

Rent Increase April 2025

Calvay HA does not make a profit which is distributed to shareholders. We are a registered charity and any surplus we make is used for the benefit of Calvay's tenants. We are an independent organisation, and this means we must make sure we have enough income to pay for our expenditure. Almost all our income is from the rent you pay us.

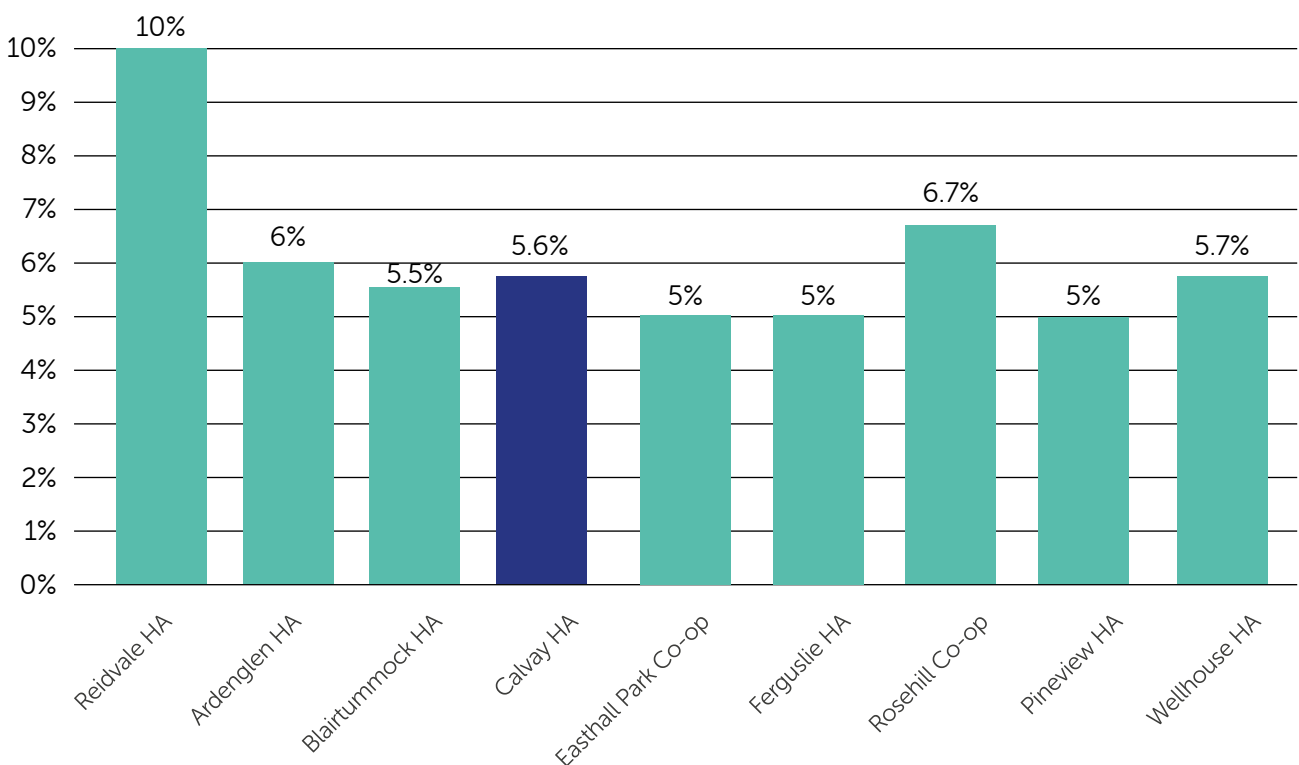
Each year on the 1st April, all housing associations including Calvay HA increase their rent. Before we decide how much to increase the rent by, we consult with all tenants. We will be making the decision about the rent increase early in the New Year, so we want to consult with you before then.

What happened last year

Last year, we worked hard to keep the rent increase as low as possible because of the cost-of-living crisis and we decided to increase the rent by 5.6%. In January 2024, when we made our decision about the rent increase, inflation (CPI) was 4% which means in real terms our income has increased by 1.6%, this however only partially offsets a real terms income reduction of around 5% the previous year.

Our rent increase was in line with other housing associations. The graph below shows how we compare to other similar sized urban housing associations in Glasgow.

Rent Increases in April 2024 for Housing Associations Similar to Calvay HA



Proposal for April 2025 rent increase

In October 2024, CPI rose to 2.3%. Our financial plans assume an increase of CPI plus 1% for the next few years. We need to increase our rent because our costs have increased. Some of our costs have increased a great deal more than inflation, for example our buildings insurance.

We have also committed to spend a lot of money this year on our older properties that Calvay originally took over in the mid-1980s. These properties are in Calvay Crescent, Calvay Road and Barlanark Road. This project will cost in the area of £5 million pounds. We have been awarded grant funding to pay for almost half of the cost and have had to borrow to pay for the rest. Borrowing money means we can spread the cost over several years, but this also means we will have extra expense to pay off the loan.

CPI plus 1% is 3.3% so one of our proposals, Option 1, is to increase our rent by 3.3% on 1st April 2025.

Could we reduce our costs by stopping delivering some services?

Some of the services we deliver, such as our bulk collection service, our welfare rights/ financial support, go above and beyond traditional 'landlord services'. However, we know that our welfare rights / financial support are valued by customers and bring in a lot of extra local income to the area. For these reasons we do not propose to reduce these services.

We will be exploring other ways to reduce costs by achieving value for money over the coming year to see where we can make savings without reducing our service.

Are our rents affordable?

We understand that many people are struggling financially, so every year we check to make sure rent levels for Calvay HA homes are affordable to those on moderate incomes.

We try to keep the annual increase as low as possible and to charge rents that are similar to those of other local social housing providers.

Our rents are generally less than the levels considered affordable for families, single parent families and couples, although the rent levels of some of our one bed flats are only just affordable for single people on moderate incomes.

Obviously, the higher the rent increase the more likely it is that our rents will become unaffordable.

Rent choice

We want to offer a choice about how much the rent goes up. An extra 1% on the rent means our income goes up by about £41,000. However, if we increased our rent by 4.3% we would have about £41,000 more to spend next year than if we put the rent up by 3.3%. This money would be added to our Wider Role budget which we spend on supporting our community. Some of the outcome delivered by our Wider Role Team over the last year includes baby and toddler sessions, free back to school uniforms, a number of courses and accredited qualifications, as well as 1700 free meals which were provided to children during the summer holidays.

A higher rent increase next year will also improve Calvay's finances in the years to come.

What does this mean in pounds and pence?

Calvay HA		Option 1 3.3% Increase		Option 2 4.3% Increase	
Size of Home	Current Average Weekly Rent 2024/2025	Increase in weekly rent	New Average Weekly Rent 2025/2026	Increase in weekly rent	New Weekly Rent 2025/2026
1 Apt	63.63	£2.10	£65.73	£2.74	£66.37
2 Apt	81.43	£2.69	£84.12	£3.50	£84.93
3 Apt	90.21	£2.98	£93.19	£3.88	£94.09
4 Apt	97.70	£3.22	£100.92	£4.20	£101.90
5 Apt+	115.10	£3.80	£118.90	£4.95	£120.05

Note: The rents in the table above are average rents for the property size.

What happens next?

Please complete the survey about the proposed rent increase. We have included a pre-paid envelope so you can return the survey for free. If you prefer you can put your response in the letter box to the right of the main door at the Calvay Centre.

All feedback will be reported to the Association's Management Committee.

Help we can offer

If you are struggling to make ends meet or to pay your rent, our Welfare Rights Officer can help. There are benefits and grants available that you may not be aware of, and our team can support you to access these services.

Call us on **0141 771 7722** for an appointment.

We also have information available on our website **www.calvay.org.uk**

Consultation Questionnaire: Feedback Form

We are consulting on the rent increase for 2025/26

The options presented are either 3.3% (Option 1) or 4.3% (Option 2)

Please give us your views by completing this form and returning it to us

Q1. Do you understand why we need to apply an annual rent increase?

Yes

No

Q2. Please indicate your preferred option:

Option 1 – 3.3%

Option 2 – 4.3%

Q3. Do you feel that the information provided allows you to make an informed decision on the options presented?

Yes

No

Q4. Do you have any other comment?

Your Details

(OPTIONAL – BUT IF YOU WANT TO RECEIVE A REPLY AND/OR BE ENTERED IN THE PRIZE DRAW PLEASE LET US KNOW YOUR CONTACT DETAILS)

Name

Address.....

Telephone..... Email.....

Please use the pre-paid envelope (no stamp needed) to return to us:

Calvay Housing Association, 16 Calvay Road, Barlanark, Glasgow G33 4RE

Thank you for taking the time to complete this questionnaire. Your feedback will be considered by the Management Committee on 23 January 2025.

PLEASE RETURN THIS FORM BY FRIDAY 20TH DECEMBER 2024

Calvay Housing Association Ltd, The Calvay Centre, 16 Calvay Road, Barlanark, Glasgow G33 4RE.

Tel: 0141 771 7722 Email: enquiries@calvay.org.uk www.calvay.org.uk

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