



CALEDONIA RENT INCREASE SURVEY 2024/25

Our rent setting policy states we will not normally increase our rents by more than the September rate of inflation (CPI) plus 1%. September CPI was 6.7%.

After completing work on our budget for 2024/25 we are consulting on a rent increase proposal of 7.7%. Service charges are charged at cost & the service charge budget is projected to remain on average at 2023/24 levels.

The increase will generate rental income of £27,343,508, the average 2024/25 rent will be £104.93 per week an average increase of £6.67 per week*.

**Rents only as service charges are charged at cost*

We recognise that this is a high increase and much higher than Caledonia has undertaken previously. The rent increase proposed has not been an easy decision & we would assure residents that it is the lowest increase possible following detailed & challenging budget considerations.

Like all businesses, Caledonia has been impacted by the high rate of inflation & rising costs. This was particularly so in 2023/24 where the prevailing inflation rate was as high as 11.1%. During the year Caledonia rents were only increased by 5%. This meant that Caledonia had to pay a much higher price for the services & goods it bought.

Our costs for items such as energy, insurance, our interest rates, building materials & labour for repairs often rose at levels much higher than inflation. These increased costs were absorbed & ongoing cost pressures make it especially important we find the right balance for 2024/25 between having enough rental income to ensure that Caledonia can maintain your services, we can continue to invest in your homes whilst keeping rents as low as possible.

We would remind residents that we are here to help & would advise anyone who thinks they may have issues with their rent payment to contact their Neighbourhood Officer who can assist them to access a range of advice & support. In the first instance call 0800 678 1228 & speak to one of our Customer Service Advisors.

To further support our tenants during these difficult times we have established a dedicated energy advice service with Scarf. This is available for all Caledonia residents & Scarf will provide free & impartial advice on saving money on fuel bills, managing energy use & making your home warmer & more comfortable. Please contact Scarf by:

CALLING: 0808 129 0888

EMAILING: info@scarf.org.uk

WEBSITE: [Scarf.org.uk](https://www.Scarf.org.uk)



Extensive consideration is undertaken when setting our budget & our rents to ensure that these remain fair & affordable. For over a decade Caledonia rent increases have been consistently lower than the national average, they have never exceeded CPI plus 1% & in many cases have been inflation only.

CALEDONIA RENT INCREASE COMPARED TO NATIONAL AVERAGE												
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Average
CHA GROUP	3.2%	2.7%	2.2%	1%	2%	3%	2.4%	2.7%	0.5%	3.1%	5%	2.53%
NAT. AVE	3.7%	3.6%	2.7%	1.9%	2.3%	3.2%	3%	2.5%	1.2%	3.2%	5.1%	2.95%
CPI RATE	2.2%	2.7%	1.2%	0.0%	1%	3%	2.4%	1.7%	0.5%	3.1%	10.01%	2.53%

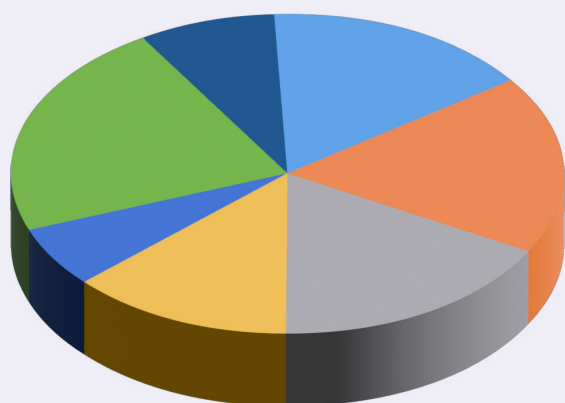
We also compare our rent increases to other social landlords of a similar size or who operate in our areas. The comparable rent increases proposed for 2024/25 are:

Landlord	Increase	Landlord	Increase
Caledonia Group	7.7%	Abertay	7.7%
Hillcrest	7.75%	Home	7.7%
Link	7.5% or 8%	Queens Cross	5%
Wheatley Goup	6.9% or 7.5% or 7.9%	Angus	7%
Cairn	5.7%	Clyde Valley	6%
Kingdom	6% or 7%	Blackwood	7%
Albyn	7.7%	Harbour	5% or 9%

OUR BUSINESS PLAN PRIORITIES & FOCUS IN 2024/25 WILL BE TO:

- Maintain a strong focus on our existing local customer service approach, continuing to engage positively with tenants to develop local neighbourhood plans that reflect their priorities.
- Review the improved feedback from the tenant satisfaction survey to identify areas where further service improvements could be made.
- Develop projects to provide proactive cost of living support to our tenants, exploring funding initiatives to extend or expand existing services.
- Continue to review our repairs service arrangements ensuring residents receive the best possible service, including measures to help responses to damp or condensation issues.
- Work with the Scottish Government to progress several new build projects providing 84 new homes in 2024/25, progress our regeneration plans for Bellsmyre & assist our subsidiary association Cordale to complete the Dalquhurn new homes project.
- Complete a review of our ICT infrastructure & strategy, ensuring it provides resilience & flexibility for the future & our technology supports our customer service aims.
- Continue to invest in our staff to improve their skills & the service they provide to our customers. Optimising our agile working arrangements, our management development programme & support to our governing bodies to deliver our business plan aims.
- Invest over £9 million to repair or improve our existing homes – including £4.5 million planned improvements.

What each £ of rent will be spent on in 2024/25



Management overheads	16p
Staff costs	18p
Planned maintenance	17p
Reactive maintenance	13p
Cyclical maintenance	6p
Mortgage interest	22p
Surplus	8p

We very much want to hear your views on the rent increase, our business plan proposals & would encourage everyone to reply by:

- Completing the form & returning in the freepost reply envelope
- By sending a private message to our Facebook page
- By completing the online survey on our website
- By completing the survey sent by email

All replies will be reported to the Management Board & entered into a £50 voucher prize draw.

We would stress again that we are here to help & would advise anyone who thinks they may have issues with their rent payment to contact us.



Cordale rent increase reply form 2024/25

First line of address.....

Given what is mentioned here do you think the proposed charge increase is reasonable?

☐ Yes

☐ No

Do you have any comments to make about the proposed increase?

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Please return by 20th February, 2024