



CALEDONIA RENT INCREASE 2021/22

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 0.5%.

AFTER COMPLETING WORK ON OUR BUDGET REQUIREMENTS FOR 2021/22 AND IN LINE WITH REGULATORY GUIDANCE WE ARE CONSULTING ON A RENT INCREASE OF 0.5%

THE INCREASE WILL GENERATE RENTAL INCOME OF £19,361,627 AN EXTRA £96,327 ON 2020/21. .

THE AVERAGE 2021/22 RENT WILL BE £81.30 PER WEEK, AN AVERAGE INCREASE OF 40p PER WEEK.

THIS INCREASE WILL ENSURE THAT CALEDONIA HAS SUFFICIENT INCOME TO REMAIN VIABLE, TO CONTINUE TO PROVIDE SERVICES & MAINTAIN HEALTHY LEVELS OF INVESTMENT IN ITS HOMES.

AS EVERYONE IS NO DOUBT AWARE, THIS LAST YEAR HAS BEEN VERY DIFFICULT FOR ALL CONCERNED, INCLUDING CALEDONIA & ITS RESIDENTS.

WE HAVE HAD TO ADAPT SERVICES & SERVICE DELIVERY TO KEEP IN LINE WITH CORONAVIRUS LAWS & REGULATIONS, IN PARTICULAR THE REQUIREMENTS FOR STAFF TO WORK REMOTELY. AT ALL TIMES OUR FOCUS HAS BEEN ON ENSURING THAT WE KEEP OUR RESIDENTS, OUR STAFF & OUR CONTRACTORS SAFE. THESE REGULATIONS HAVE CHANGED REGULARLY DURING THE PERIOD & WE HAVE HAD TO AJUST ACCORDINGLY, SOMETIMES AT VERY SHORT NOTICE.

CALEDONIA HAS MANAGED TO ENSURE THAT WHEREVER POSSIBLE OUR KEY SERVICES HAVE CONTINUED THROUGH THE CORONAVIRUS PERIOD – INCLUDING REPAIRS, ADVICE ON RENTS & RENT COLLECTION, HOUSING MANAGEMENT, GAS SERVICING & LETTING MUCH NEEDED EMPTY HOMES. HOWEVER, WE ARE VERY CONSCIOUS THAT THERE HAVE BEEN SOME SERVICE ALTERATIONS & SOME TASKS HAVE TAKEN A LITTLE LONGER THAN WE WOULD HAVE LIKED, BUT WE APPRECIATE THE PATIENCE & UNDERSTANDING THAT HAS BEEN SHOWN BY OUR CUSTOMERS IN THESE VERY DIFFICULT TIMES.

CALEDONIA STRIVES TO ENSURE THAT ITS RENTS ARE FAIR & REMAIN AFFORDABLE & THAT ANY RENT INCREASE COMPARES FAVOURABLY WITH OTHER HOUSING PROVIDERS. THE TABLES BELOW DEMONSTRATE THAT OUR RENT INCREASES HAVE BEEN ONE OF THE LOWEST & USUALLY LESS THAN THE NATIONAL AVERAGE.

CALEDONIA RENT INCREASES COMPARED TO NATIONAL AVERAGE

COMPARABLE ASSOCIATION	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
HILLCREST	3.7%	3.6%	2.8%	1.7%	1.75%	3.5%	2.4%	1.5%
CAIRN	4.9%	2.9%	3%	3%	2%	3.9%	3.3%	2.4%
CALEDONIA	3.2%	2.7%	2.2%	1%	2%	3%	2.4%	2.7%
NAT. AVE	3.7%	3.6%	2.7%	1.9%	2.3%	3.2%	3%	2.5%

COMPARABLE RENT INCREASES PROPOSED FOR 2021/22

COMPARABLE ASSOCIATION	Increase	LOCAL ASSOCIATION	Increase
CALEDONIA	0.5%	FAIRFIELD HA (Perth)	1.5% or 2%
HILLCREST	0.7%	ABERTAY HA (Dundee)	0%
CAIRN	1.1%	HILLHEAD HA (Kirkintilloch)	0.7%
SANCTUARY	1.4%	QUEENS CROSS (Glasgow)	0.7%

INFORMATION ABOUT WHAT WE INTEND TO USE THE RENT MONEY TO DELIVER, INCLUDING DETAILS OF KEY COST ITEMS AND BUSINESS PLAN ACTIVITIES ARE SET OUT OVER THE PAGE

CALEDONIA'S LONG TERM BUSINESS VISION IS FOCUSED ON
"Homes and services that make life better"

OUR FOCUS IN 2021/22 WILL BE:

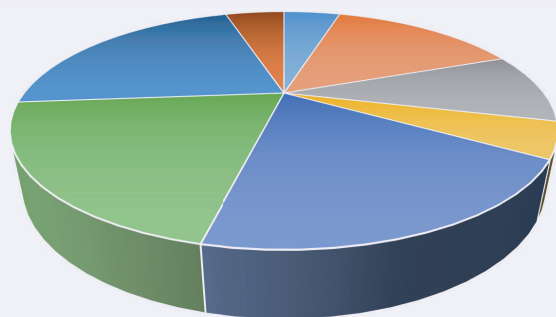
Achieving Excellence Continue with our ongoing business transformation & improvement plans, including a focus on the digitalisation of services & actions to support digital inclusion. Incorporate feedback from our main stakeholders on operating within Covid restrictions to identify opportunities to "build back better".

Building Success Continue with our plans to provide 1000 new homes, including the completion of 244 units in 2021/22 & the incorporation & completion of the Bellsmyre regeneration programme. Establish a working group to consider climate change/net zero issues & their impact. Maintain & invest £6.5M in our existing homes. Determine our approach to the restructure of our rents following review & the development of a Rent Affordability Statement.

Creating Innovation Implement the Group Governance review outcomes ensuring Caledonia achieves required standards of governance. Implement a revised ICT Strategy to ensure new technology supports Group service improvements.

Developing our People Continue to implement the Group People Strategy, focussing on the skills, behaviours & attributes required to improve business performance. A key priority will be supporting the "build back better" aims & their impact on our people & workforce.

THE CHART BELOW SHOWS HOW EACH £1 OF RENT WILL BE SPENT WITH 35% ON MAINTENANCE.



Voids and bad debts	4p
Customer Service	15p
Reactive repairs	10p
Cyclical repairs	5p
Planned Investment	20p
Management & Overheads	20p
Financing Costs	21p
Surplus	5p

WE VERY MUCH WANT TO HEAR YOUR VIEWS ON THE RENT INCREASE, OUR BUSINESS PLAN PROPOSALS AND WOULD ENCOURAGE EVERYONE TO REPLY BY:

- COMPLETING THE FORM & RETURNING IN THE FREEPOST REPLY ENVELOPE
- BY LEAVING A COMMENT ON OUR FACEBOOK PAGE
- BY COMPLETING THE SURVEY ON OUR WEBSITE
- IF WE HOLD YOUR EMAIL ADDRESS THE ONLINE SURVEY WILL BE SENT TO YOU

ALL REPLIES WILL BE REPORTED TO THE BOARD AND ENTERED INTO A £50 VOUCHER PRIZE DRAW

TEAR HERE

CALEDONIA RENT INCREASE REPLY FORM 2021/22

NAME AND FIRST LINE OF ADDRESS

GIVEN WHAT IS MENTIONED HERE DO YOU
 THINK THE PROPOSED RENT INCREASE IS FAIR?

YES

NO

DO YOU HAVE ANY COMMENTS TO MAKE ABOUT THE PROPOSED RENT INCREASE?

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PLEASE RETURN BY 15th FEBRUARY, 2021