

2025/26 Council housing rent consultation

Help us plan how we spend and invest in your homes, neighbourhoods and services.

Summary

Every year we ask for your views about the rent you pay.

In February this year, councillors agreed to increase rent by 7% every year, for five years, starting in April 2024. This longer-term strategy will give you more certainty about the rent you'll pay and help us to better plan our spending to improve your homes and services. Now we'd like to hear from you on how you'd like your rent to be spent.

Below we've provided you with some information on how your rent is currently spent and the investment priorities planned for the next 10 years. Please read the information provided and let us know your thoughts by completing the short online survey.

You could win a £100 shopping voucher by completing our short survey and telling us about your views on rent.

If you have any questions, please email housing.research@edinburgh.gov.uk or call 0131 529 7805.

Please complete the online survey by 29 November 2024.

2024/25 Council housing rent consultation - results overview

Last year's consultation ran between 9 October and 17 December 2023. It received a record high of 2,159 responses. We want to thank everyone who took the time to respond to the consultation.

Key findings from the consultation include:

- There was an understanding of the need to increase rents to pay for increased costs, but financial pressure from the cost-of-living crisis remained a concern to some tenants.
- Nearly 60% of respondents thought the Council should consider charging a higher rent for new built homes and/or newly modernised homes.
- There was support for investing in new homes, but tenants also believed investment priority should be given to improving existing homes.
- Just over a third of the respondents had found it more difficult to pay rent over the last 12 months, but less than half of them had sought advice or help.

In addition to the rent increase, Councillors also agreed to continue the Tenant Hardship Fund, to support tenants facing financial hardship, including those who cannot access benefits. If you need help paying your rent, please contact your local Housing Officer and speak to them about what help is available to you, or visit www.edinburgh.gov.uk/costofliving

Your rent

Almost all of the funding for the housing service comes from your rents and we must balance keeping rents affordable with having enough money to spend on improving homes and services. The following information describes how your rent was spent in 2023/24.

- Planned investment accounts for approximately 35p in every £1. Building new homes and improving existing homes are funded mainly by borrowing. We repay the borrowing using the rent collected from tenants.
- Repairing and maintaining homes accounts for approximately 29p in every £1. This includes responsive repairs and maintenance to all our 20,000 council homes. They are one of the main reasons you get in touch with us and we're working hard to improve the service.
- Employee costs accounts for approximately 12p in every £1. These include the concierge teams and housing officers, and all the training and equipment staff need to do their jobs.
- Supplies and services accounts for approximately 11p in every £1. These include important services provided by other parts of the Council and/or contractors to make sure homes are safe and well maintained, such as grass cutting and pest control.
- Support services accounts for approximately 7p in every £1. Support from other Council teams makes sure housing services run well, such as, Finance, Human Resources, and the Contact Centre helpline.
- Premises costs accounts for approximately 6p in every £1. These are the costs for running the offices and other places used by staff.
- Contingency and savings accounts for less than 1p in every £1. After paying out all expenses, any money left is set aside for unforeseen circumstances & future investment.

Our priorities

Our investment priorities have remained the same in the last few years and we aim to deliver the following core commitments:

- Continue to deliver and improve housing management and maintenance services and support tenants to sustain tenancies;
- Continue the programme to build new social rented Council homes to meet housing need;
- Make homes more energy efficient and easier to heat and contribute to the city's ambition to be net zero carbon;
- Deliver improvements to mixed tenure blocks to make all Council tenancies warm, energy efficient, modern and secure;
- Deliver improvements to your estates i.e. the areas surrounding our homes, to align with the investment made to the new and existing homes; and
- Support and enable large scale regeneration in the city (such as the regeneration of Granton waterfront).

Planned investment in the next ten years

Earlier this year, the Council agreed to a £3.8 billion 10-year capital investment programme to support the delivery of the core commitments by building new homes and improving existing homes and surrounding areas. This investment is to be supported by a 7% annual rent increase for five years, with an assumption that 7% annual rent increase for the following five years.

The money we invest in the capital programme is mostly funded through borrowing, which is repaid by rents over 20-30 years. This is like a mortgage, where the repayments include both the money used to invest and interests on the loan.

The Housing Service repays its borrowing using the rental income we collect from tenants. As shown under the 'Your rent' section, repaying borrowing for previous investment accounted for about 35% of the housing budget in 2023/24.

For every £1 million of additional rental income we raise, we're able to borrow and invest around £16.5 million. In other words, if we borrow £16.5 million to invest in new and existing homes, it will require a repayment of £1 million every year for 30 years.

The investment is also funded in other ways, which helps reduce the amount of money we need to borrow. These other ways of funding include government grants, receipts from sale of assets and using savings we have. This is similar to a deposit for a mortgage, the more deposit we can raise, the less borrowing we would require.

Unfortunately, the grant funding we get from Scottish Government for delivering new affordable homes has been reduced. When this is combined with increased costs, it means we either need to look at new ways to fund homes or different funding sources or we will have to reduce the number of homes we can deliver overall.

Have your say

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