



RENT REVIEW 2024

Your questions answered



**Introduction
from Julie Doyle,
Chief Executive,
Longhurst Group**

As outlined in your tenancy agreement with us, we review our rents and service charges at the beginning of each financial year.

After extremely careful consideration, to enable us to keep up with rising costs, we need to increase rents and service charges for the year ahead.

This pack contains details of your new charges and explains exactly what this means for you.

We've also provided answers to some questions that you may have and some further information that's relevant to your agreement with us, where applicable.

I understand that this increase isn't welcome news, particularly given other cost-of-living challenges.

However, with our costs rising all the time, increasing our rents and charges is critical to ensuring we're able to maintain and improve our homes and the services we provide.

We're working incredibly hard to continually improve the service we deliver to you and for us to continue this vital work, we need to make this increase to manage ever-rising costs.

I'd like to reassure you that, as a not-for-profit organisation, any surplus money is reinvested to deliver services, maintain our homes (where applicable) and build much-needed affordable housing.

If, after reading through this information pack, you still have questions or concerns, please don't hesitate to get in touch by calling **0800 111 4013**. Our colleagues are ready and waiting to help you.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Julie Doyle', with a stylized, flowing script.

Julie Doyle
Chief Executive, Longhurst Group

Rent review

Why are you increasing my charges?

In the current circumstances, we understand that any increase to your rent and/or other charges isn't good news. However, to enable us to keep up with rising costs, we need to increase rents and service charges for the year ahead. Increasing our charges is essential to making sure that we, as a social housing provider, can continue to fulfil our responsibilities to keep our customers safe and secure, as well as continuing to provide – and improve – essential services, while also delivering more much-needed affordable housing.

Why are my charges going up by 7.7 percent?

The increase figure has been reached using the formula of Consumer Price Index (CPI) plus one percent. The CPI rate measures changes in the prices of goods and services that households consume and is used to help calculate social rent rates. At September 2023, the CPI rate was 6.7 percent, so the new charge has been calculated as $6.7\% + 1\% = 7.7\%$.

Subject to Government approval, inflation-linked benefits, tax credit elements and benefits administered by HRMC will rise by this amount from April 2024.

The Government also confirmed that benefits and State Pension were to be increased by 10.1 percent, in line with inflation – a move that we welcomed as we know from research that around 70 percent of all social housing customers have their rent paid in full via benefits.

How is my rent spent?

All of the rent we receive from our customers is reinvested into our business. This helps us to maintain our homes, improve the services we provide and build more affordable housing.

Much of the money we receive is spent on housing management costs and improving repairs and other key services.

A proportion of our income is also spent on repaying loans from investors who've provided funding to help us to grow and deliver more homes.

This year is a 53 week year—what impact will that have on me?

This year is what's known as a 53-Monday or 53-week year. Due to the way the calendar falls, your rent will be charged 53 times instead of the usual 52. This occurrence happens every six or seven years.

This will have no effect on customers who pay their rent weekly as we charge rent every Monday, so this doesn't change.

However, if you pay by monthly Direct Debit, the amount you pay may be slightly higher to account for this.

This particularly affects customers who claim Universal Credit as the Department of Work and Pensions (DWP) only ever work on 52-week year basis.

This means UC claimants will receive slightly less in benefits than their rent amount. This particularly impacts those customers on Alternative Pay Arrangements (APAs), which sees their UC benefit coming straight to us, as they will be one week short over the course of the year and arrangements will have to be made to pay for the shortfall.

If you have any questions about the above, please contact us on **0800 111 4013** and **press option 2 for the Income Team**.

I pay a service charge, do the same increases apply?

Service charges may increase but the same formulas won't apply. Please be assured that we'll only set service charges in line with our service charge policy.

If applicable, your new charges for 2024/25 are explained in the personalised letter accompanying this booklet.

The revised service charge cost is based on the actual cost of the service last year and the price charged by our contractors. We've provided a full explanation of your service charges later in this booklet.

What do I do if I can't afford the increase?

We know it's been a challenging few years and that people are facing a range of financial pressures, including an increase in energy and food costs as well as household bills. As always, our priority is to support customers to sustain their tenancies as we want to help prevent rent arrears as much as you do.

We have a team of highly-skilled and dedicated Money Advisors who are trained to ensure you maximise your benefits, help you manage your finances and support you through any change in circumstance. Please use the contact details on page 9 to take advantage of this service now and help you prepare ahead of the rent increase.

What happens if I refuse to pay?

We understand that you might be unhappy with these increases and consider refusing to pay.

However, your rent is legally considered to be a priority bill and should be paid before other bills such as gas, electricity, and water.

If you decide not to pay your rent, it'll result in arrears building up on your account and we'll then have to take action to recover the money that's due. This can affect your credit rating and even put you at risk of losing your home.

We want to avoid this unnecessary situation as it may mean you face more debt and possibly legal fees, which would only make your financial circumstances more difficult.

We appreciate times are tough and people may be struggling to pay their bills which is why we follow a firm but fair procedure when it comes to missed rent payments or rent arrears.

If you miss a payment or fall into arrears, you must get in touch with our Income Team as early as possible to discuss any difficulties and arrange an affordable repayment plan based on your income and expenditure. If you're struggling, we'd also encourage you to speak to our Income Team to discuss

your situation or to take advantage of our specialist Money Advice Team. Please contact one of our trained advisors to explore how they may be able to help you. For more on our Money Advice Team, visit our website on the link below, call **0800 111 4013** or speak to your Housing Officer or Scheme Manager, if applicable.



**longhurst-group.org.uk/
money-advice**

I'm on Universal Credit – what do I need to do?

You must inform the Department for Work and Pensions (DWP) as soon as possible after these changes have taken effect. You can do this by reporting a change of circumstances in your Universal Credit journal account.



It's crucial that you don't update your Universal Credit journal until Monday, 1 April or soon after. It's important to report the change as soon as possible after it's taken effect, otherwise, you might miss out on payments.

I'm on Housing Benefit – what do I need to do?

You must immediately tell your local council's Housing Benefit team about this increase before the change takes effect.

You can do this by taking the rent notification letter included in this pack to your benefits office. The benefit team may also be able to accept a scan or photo of your rent review notification as evidence.

Please check with your benefit office how they'd like to receive this.



IMPORTANT: Intentionally failing to report a change in your circumstances that entitles you to less benefit can constitute fraud.

Do I have to adjust my Direct Debit or will you do this?

Don't worry, your Direct Debit will be adjusted automatically. Please check your Direct Debit has been adjusted as you'd expect, and contact us if you wish to query the calculation.

I'm struggling financially, how can you help me?

Many people have struggled financially or found themselves in debt and experienced the emotional pressure it can cause. If you have financial concerns, it's important not to panic, but you can't ignore them either – they won't go away.

If, because of this increase, you believe that you'll be unable to pay your rent and/or service charges on the due dates, you should contact us as soon as you can. We may be able to help with alternative payment arrangements and can signpost you to our additional support services, such as our in-house Money Advice or Employment and Skills teams.

Our Cost-of-Living Support Hub also has a range of self-help support. This includes an online benefit calculator to help you check you're receiving what you're entitled to, access to independent debt advice from PayPlan and the BudgetSmart tool, which features a range of hints, tips and advice if you're struggling with the cost-of-living. Don't suffer in silence. We're here to help.



**longhurst-group.org.uk/
cost-of-living**

Service charge FAQs

What is a service charge?

Your service charge is the money you pay towards the day-to-day running costs of the scheme or area where you live. Your charge covers many different services, depending on where you live.

A fixed service charge means that you pay the same amount every week or month during the financial year (April to March). This charge is based on how much we know or estimate it'll cost to provide services in the scheme or area where you live.

If the service charges don't cover the actual cost of the services provided, we'll make up the shortfall, however, any surplus won't be refunded.

How do we calculate a fixed service charge?

Your service charges are reviewed annually. We'll make this review of your service charge as accurate as we can – and use information about what's been spent in previous years and the contracts we've entered into for the coming year.

How will you inform me about my service charge?

If we send you information about changes to your rent, we'll also send you a service charge schedule (this will usually be in February).

Your service charge schedule will be in a clear format, which details the services you receive and the costs of each service provided.

Can I choose not to use the services provided?

The total cost of the services provided are shared equally by everyone who benefits from them.

Customers can't opt out of these services. For example, if the service charge contributes to maintaining a lift in a block of flats, you can't opt out of the service charge by saying you always use the stairs.

Service charge items explained



CCTV maintenance

This is the estimated/contract cost of any repairs to any security camera monitoring system.



Communal cleaning

This is usually for the cleaning of the communal areas, floor cleaning and window cleaning in a block of flats.



Communal electricity rates

We pay the utility supplier for communal lighting and heating.



Communal grounds maintenance

This covers the cost of maintaining the communal gardens at your scheme.



Communal heating rates

We pay the utility supplier for communal gas and hot water. Where a heating system also supplies the gas and hot water to your home, you'll have a separate charge for this in addition to your service charge.



Communal TV aerial maintenance

This is the estimated cost of any repairs to the communal TV aerial system.



Communal water rates

This is where there's a communal water supply – such as a communal tap – and we pay the water supplier.



Door entry costs

This covers the service and maintenance of communal door entry systems.



Fire alarms and emergency lighting

This includes the cost of servicing fire appliances, emergency lighting, the servicing and maintenance of alarm systems, smoke alarms and the cost of any out of hours security arrangements.



Intensive Housing Management

The Group offers an enhanced level of housing management to some customers. The service helps them sustain their tenancy and live independently.



Laundry equipment

This covers the costs of providing communal laundry facilities.



Lift servicing and maintenance

This covers the cost of maintaining a lift, including insurance.



Management charge

This is the management overhead for delivering services to you. It's charged at 15 percent of the total direct cost of services. A management charge is not added to the renewals allowance.



Renewals and depreciation

This covers the future replacement costs of facilities such as lifts, fire alarms, door entry systems, CCTV equipment, communal TV aerials and communal furniture.

If any of the above services aren't provided to you by Longhurst Group, but by a management company on your estate, we'll pass on the costs via your service charge.