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13th February 2014

Dear <<Name>>

Nottingham City Council, along with Nottingham City Homes, recognises the difficult financial situation many of our tenants face. Over the last few years, the Council has kept your rent as low as possible to help you through these tough times.

The Council will shortly be making a decision on setting the rent for next year and would like your views on the options before it makes a final decision.

Your rent is spent directly on managing, maintaining and improving council homes in Nottingham. 82% of you have told us you believe the rent you pay represents good value for money for the services you receive. We are determined to continue to offer good value for money in the future.

The Government is changing the rent policy for all Councils and Housing Associations. A rent increase of 5.48% (or an increase of £3.74 per week to the average council rent) is needed to continue investing in your homes. This includes maintaining them to our decent homes standard and making thousands of homes more energy efficient through our cladding and insulation works – helping you to save money on your fuel bills.

We recognise that such an increase will be difficult for many people and want to do all we can to help. So, we've been working with the Council to think of ways to reduce this impact, continue to make sure your homes are maintained to a high standard and reward the many responsible tenants who look after their homes, pay their rent and are good neighbours.

As such, there are two rent increase options that the Council is considering: Option 1: an option that rewards responsible tenants by reducing the effect of the rent increase to 4.68% or, Option 2: the option of a flat 5.48% increase for all tenants. The two options are explained in the enclosed leaflet. Please read this carefully.

We know that pensioners and people on low incomes will be particularly concerned by the increase. If you are on full or partial Housing Benefit you will see your benefit increase to help cover any rent increase – so long as your circumstances remain the same.

Nottingham City Council's Executive Board will be meeting on the 25th February where they will set the rent for next year.

We are keen to get your views on which option you would prefer so that we can pass these on to Councillors to consider. Please read the information and complete the enclosed form and return it in the FREEPOST envelope provided by **Friday 21**st **February**. Or you can email us at rentsetting@nottinghamcityhomes.org.uk or tell us what you think online at www.nottinghamcityhomes.org.uk

We will make sure that Councillors receive your views before they make a final decision.

Yours sincerely

Nick Murphy

Chief Executive, Nottingham City Homes