

Rents 2023-24

Tenants & Leaseholder Panel update

7 February 2023

Recap of the government consultation

- In September 2022 the government issued a consultation on the impact of implementing a rent ceiling or cap from 1 April 2023 to 31 March 2024. This cap would act as an upper limit on the maximum amount by which the local authority can increase rents in that year.
- Existing legislation would allow for Bank of England September CPI +1% increases to be (9.9% & 1%) therefore a 10.9% rent increase
- We met with our tenants in October & November via TLP and advised of the impact that the initial modelling of any rent increases would represent

Recap of the government consultation – Feedback from TLP

- The return was submitted to government with the feedback from TLP included :
 - *ask is to have safe, affordable warm homes*
 - *questioned the impact of any significant rent increase would have on other sectors within health and adult social care E.G mental health*
 - *concerned that the impact of potential cuts would have on their communities noting that the condition of their properties has a big impact on that overall community & behaviours*
 - *do not want to see services being cut and have works that need to be done in any way lessened due to the saving cuts*
 - *concerns raised over existing bad debt & potential for that to increase*

Rent & Tenants Service Charges 2023-24

- 25 January Cabinet approved the proposal to increase tenants rents and tenants service charges by 7% & have recommended it for full council approval.
- The recommendation will be implemented for the period 1 April 2023 to 31 March 2024
- Increasing the tenants service charges notes the significant increase in the utilities costs in the 2022-23 year that have been absorbed within the current budget.
- Draft budget for 2023-24 will be submitted to cabinet on 22 February on the basis of the 7% increase

Draft HRA budget 2023-24

- As per the statutory requirement a balanced draft HRA budget is proposed for 2023-24 and consists of:

NOTE the below is draft

- HRA Income net increase of £4.845m
- HRA Expenditure net increase of £4.845m :
 - Growth requirements & investment needs
 - Increase in utilities £2.3m
 - Increase in depreciation £1.4m
 - Increase in revenue contribution to capital spend £4.64m
 - Decrease in HRA central recharges £8.2m

Rents following 2023-24 increase

Rent increase based on 7% ceiling

Bedroom Size	Average rent 2022-23 £ p/w	Average rent 2022-23 £ p/w	Increase £p/w
0 Bedsit	80.21	85.82	5.61
1	96.04	102.76	6.72
2	114.34	122.34	8.00
3	138.05	147.71	9.66
4	156.48	167.43	10.95
5	171.18	183.16	11.98
>5	191.68	205.10	13.42

How we will support tenants

- Residents responded to the online survey prioritising the services to them
- These priorities will feed into the services that are procured on behalf of the residents through Service Level Agreements (SLA's) with the council
- In addition a number provided their email address to find out about financial support that might be available to them
- The Housing Resident Engagement team will be advising those tenants
- A HRA hardship fund will be established from 1 April 2023 the criteria and guide for the distribution of the funds will be made available once secretary of state approval has been received