

3 REVIEW OF RENTS AND OTHER CHARGES (AN217-2008)

The Director of Housing and Head of Finance will submit a report to Housing, Dundee Contract Services and Environment Services Committee on 26 January, 2009 which it is proposed may recommend a rent rise of inflation + 1% which is £3.66 per week on average, subject to a maximum increase of £4.50 [subject to consultation] and the following increases on other Housing charges, as calculated by the Head of Finance and the Director of Housing:-

- concierge service be increased by 30p per week;
- garage lock ups be increased by 50p to £8.50 per week;
- underground parking bays be increased by 25p to £2.25 per week;
- garage sites be increased by 25p to £2.25 per week;
- sheltered housing service charge be increased by 50p to £26.00 per week.
- travelling people's site rents be increased by £1.74 to £59.61 per week.
- heating charges be increased by 25p to £6.25 per week.

These increases are proposed to be applied from 6 April, 2009.

As part of the rent increase consultation exercise, the following options have been put to the Tenants Forums in October, 2008 and Dundee Federation of Tenants Association General Meeting on 18 November, 2008:

<u>Rent Increase</u>	<u>Capital Borrowing</u>
Inflation + 1%	The approved Capital Plan
Inflation + 2%	Additional £4.26m
Inflation + 3%	Additional £8.52m
Inflation	Reduction of £4.26m
Inflation - 1%	Reduction of £8.52m

Inflation has been calculated using a basket of indices comprising the retail price index, the producer prices index and pay awards. The largest increase being in respect of the producers index which reflects the increased inflation on the capital programme and the lowest increase of 2.5% being in respect of pay awards. This produces an inflation rate of 6%.

The Housing Department propose to further consult tenants on the proposals by posting the details as to how and when to comment as follows:-

- information will be provided on public information boards in Housing Offices;
- information will be displayed on the Council's website;
- information will be included in a public notice to be advertised in a local newspaper.
- Housing Bulletin and feedback form issued to all tenants in December.

Following the consultation period and having regard to the proposals and the views expressed during the consultation, there will be a report to Housing, Dundee Contract Services and Environment Services Committee on 26 January, 2009.