Here are some Frequently Asked Questions which will hopefully answer any queries you have about the

Annual Rent Increase Consultation.

* **Why is my opinion on the rent increase important?**

As your landlord we want to know what you think about your home, tenancy, and community. In addition, under Section 25 of the Housing (Scotland) Act 2001, Dundee City Council has a statutory duty to consult with its tenants when it proposes to increase the rent or service charges they pay to the Council.

In recent consultations you have told us that your main priorities are:

* + continued investment in improving the energy efficiency of your home;
  + helping people who are struggling to keep their tenancies;
  + building new homes;
  + and ensuring we continue to maintain and improve your neighbourhood.

We have reviewed the budget and calculated that the minimum increase is 3.50%, or an average weekly increase of £2.90. This will enable us to continue delivering key housing priorities as outlined in Option 1 below.

Every penny we collect from rent goes back into housing services and improving the housing stock. What you tell us could affect the amount of rent you pay now and in the future. Please take a moment to review all 3 options.

* **What are the options that are being consulted on?**

The following table provides details of each option and impact on service delivery available for tenants to indicate their preference.

|  |
| --- |
| **Option 1 – Rent Increase 3.50% (or average weekly increase of £2.90)** |
| This option would allow for the additional adjustments outlined in paragraphs 5.1 to 5.5 of the committee report (please click [here](https://www.dundeecity.gov.uk/sites/default/files/294-2023_-_review_of_rents_other_housing_charges_202425_1.pdf) to access the report and provides sufficient resources to allow for the current level of service to be maintained and to continue to deliver on key service priorities.  This level of service includes the provision of the existing housing repairs service, external cyclical maintenance together with funding to deliver key housing priorities including:  - tenancy sustainment  - reducing the level of households in fuel poverty  - ongoing investment in existing stock and creation of new affordable housing  - continued investment in environmental improvements programme |
| **Option 2 – Rent Increase 3.75% (or average weekly increase of £3.11)** |
| This option would also provide resources for the level of service outlined in Option 1 above.  The higher increase would provide additional income of £134,500 in financial year 2024/25 that would be invested in additional borrowing. This borrowing would provide extra capital expenditure of approximately £2.350m which would be targeted specifically to progress towards meeting the Energy Efficiency Standard in Social Housing 2 (EESSH2) on all council houses. An example of what this investment can typically provide would be resources to provide external wall insulation for 164 houses.  As well as the continuation external wall and other insulation programmes these additional resources could be spent on a range of other energy efficiency initiatives including solar panels, new decarbonised heating systems and piloting emerging technologies for our houses to meet the new requirements of EESSH2.  It should be emphasised that the above expenditure would be over and above that included in the latest Housing HRA Capital Plan 2023-28. The Council is already investing significant resources to meet these requirements and the above plan includes over £46m for this purpose. The agreement of option 2 would simply increase these resources and give an opportunity for these improvements to be delivered within a shorter timeframe. |
| **Option 3 – Rent Increase 4.00% (or average weekly increase of £3.32)** |
| This option would also provide resources for the level of service outlined in Option 1 above.  The higher increase would provide additional income of £269,000 in financial year 2024/25 that would be invested in additional borrowing. This borrowing would provide extra capital expenditure of approximately £4.7m which would be targeted specifically to progress towards meeting the Energy Efficiency Standard in Social Housing 2 (EESSH2) on all council houses. An example of what this investment can typically provide would be resources to provide external wall insulation for 328 houses.  As well as the continuation external wall and other insulation programmes these additional resources could be spent on a range of other energy efficiency initiatives including solar panels, new decarbonised heating systems and piloting emerging technologies for our houses to meet the new requirements of EESSH2.  It should be emphasised that the above expenditure would be over and above that included in the latest Housing HRA Capital Plan 2023-28. The Council is already investing significant resources to meet these requirements and the above plan includes over £46m for this purpose. The agreement of option 3 would simply increase these resources and give an opportunity for these improvements to be delivered within a shorter timeframe. |

* **I am a sheltered housing tenant, will my service charge increase?**

The cost of providing the sheltered service is not funded by rent and instead is recovered by a service charge. It should be noted that there have been zero increases, 8 out of the past 9 years, the proposed charge for 2024/25 will be as follows:

|  |  |  |
| --- | --- | --- |
|  | **Present Charge**  **£** | **Proposed Charge**  **£** |
| **Sheltered Housing Accommodation**  Service charge (per week) | 29.44 | 32.38 |

* **What does my sheltered housing charge pay for?**

The charge covers the running costs of the service, including sheltered wardens’ salaries, repairs, maintenance, and non-domestic rates for the sheltered complexes, also costs associated with providing the out of hours community alarm service.

* **I am a sheltered housing tenant, will my heating charge increase?**

The cost of providing heating within complexes that have communal heating systems is not funded by rent and instead is recovered by a separate heating charge. The overall cost of the service must by fully recovered by income. The proposed charges are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Present Charge**  **£** | **Proposed Charge**  **£** |
| **Sheltered Housing Accommodation**  Heating charges (per week)  Brington Place  Baluniefield | 8.17  9.81 | 9.87  12.51 |

* **My property is connected to a district heating system, will my charge increase?**

The costs associated with these systems will not be considered during this rent consultation. If required, further details can be made available.

* **Will any of my other housing charges change?**

The cost of providing services such as stair cleaning (where this is provided) is not funded by rent and instead is recovered by a separate service charge. The overall cost of providing these services must by fully recovered by income and therefore, when the cost of providing the service increases due to inflation, the charge payable by tenants will increase. The proposed charges for other housing charges next year are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Present Charge**  **£** | **Proposed Charge**  **£** |
| **Car Parking**  Garages / lock ups (per week)  Garage sites (per week) | 10.30  2.95 | 10.60  3.05 |
| **Other Housing Charges**  Multi-storey laundrette  Auto wash (per use)  Tumble dryer (per use)  Cabinet dryer (per use)  Communal Stair Cleaning (per week) | 1.90  1.10  1.10  1.99 | 1.90  1.10  1.10  2.19 |

* **When will the new rent charge apply from?**

Once approved, the new charges will be effective from Monday 1st of April 2024.

* **Can anybody give an opinion on the Rent Consultation?**

No. Only Council tenants can take part in the consultation.

* **When is the consultation period?**

The consultation starts on **November 2nd** and will run until **December 22nd, 2023**.

* **I receive benefits. Will the rent increase be covered by this?**

Yes, however changes due to Welfare Reform may impact the amount you are paid. If you have any questions about how your benefit might be affected, you can contact the dedicated Benefits Enquiries Team on 01382 431205 or by email on [revenues.division@dundeecity.gov.uk](mailto:revenues.division@dundeecity.gov.uk) or call Welfare Rights on 01382 431167. In addition to this, the CONNECT team are available on 01382 431205 to discuss and address the key issues people face as a result of welfare reform.

* **Why does our rent need to rise at all?**

Not increasing rent charges for the next financial year would mean the Council would need to find £1.885mto maintain services at their current level. There are a number of factors involved, but a few reasons are; the price of materials to repair, maintain and upgrade houses increasing, and pay inflation.

* **What is my rent money spent on?**

To find out more about How Your Rent is Spent, please visit [www.dundeecity.gov.uk/rent-consultation](http://www.dundeecity.gov.uk/rent-consultation) where you will find a link to the Housing Revenue Methodology which outlines where your rent is spent.

* **Will it affect my Council Tax?**

No. Council Tax is separate from the rental income. It is your rent that pays for all aspects of the housing service that you receive.

* **I am having difficulties paying my rent. Who can I contact?**

If you are having difficulties paying your rent, you should seek advice as soon as possible from the Rent Recovery Team on 01382 307300. Staff are there to offer advice and assistance, and all interviews are held in confidence. Dundee Money Action is a free service for people experiencing debt issues and can be contacted on 01382 431180. Please visit [www.dundeecity.gov.uk/rent-consultation](http://www.dundeecity.gov.uk/rent-consultation) for a full list of support and advice.

* **What will the Council do with this feedback?**

The outcome of the consultation will be reported to elected members on Monday 22nd of January 2024, when they will make final decisions regarding the budget and rent level for financial year 2024/25. Any comments will also be directed to the appropriate service for consideration.

* **How will I be told about the results of this Consultation?**

We will let you know the results of the consultation and what decisions have been made in several ways. This will include publishing the results online and within our communal areas including Sheltered complexes. We will also inform the DFTA (Dundee Federation of Tenants Associations), Registered Tenant Organisations and report to Committee.

* **When will I be told what the actual rent increase will be and how will I be told?**

Letters will be sent to all tenants at the beginning of March informing of the actual rent increase.

* **Who should I speak to if I need this information in another format?**

If you require this information in an alternative format, please do not hesitate to contact the Performance Liaison Officer, Mark Cooper, on 01382 307330.

* **Who should I speak to if I have any further questions about the Rent Consultation?**

Mark Cooper

Performance Liaison Officer

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