

Erratum Notice



West Dunbartonshire Council

Date: Wednesday, 3 March 2021

Time: 14:00

Venue: Video Conference

Contact: Email - committee.admin@west-dunbarton.gov.uk

Dear Member

I refer to the agenda issued on 18 February and now enclose an updated copy of **Item 7 – Housing Revenue Account (HRA) Estimates and Rent Setting 2021/22** that has **corrected figures on page 91 (covering report) and page 111 (appendix 4)**. Please substitute this version for the one previously issued.

Apologies for any inconvenience caused.

Yours faithfully

JOYCE WHITE

Chief Executive

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Date of issue: 26 February 2021

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WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer - Housing and Employability****Council: 3 March 2021**

**Subject: Housing Revenue Account (HRA) Estimates and Rent
 Setting 2021/2022**

1. Purpose

- 1.1** The purpose of this report is to seek Council approval of the updated HRA capital programme; the HRA revenue budget for 2021/22 and to agree the level of weekly rent increase for 2021/22 which is sufficient to fund the revenue budget for 2021/22 and the associated capital investment programme.

2. Recommendations**2.1** It is recommended that Council:

- i) Notes the outcome of the tenant consultation process detailed in Appendix 1;
- ii) Notes the projected revenue position for 2020/21;
- iii) Notes the progress made, per Appendix 2, in the HRA capital programme for 2020/21;
- iv) Agrees the updated five year capital programme of work set out in Appendix 3 to this report inclusive of the Council's new house building programme and the overall resources to fund the programme;
- v) Agrees the revenue budget for 2021/22 as detailed in Appendix 4;
- vi) Agrees the weekly rent increase for 2021/22 at an average £1.22 on a 52 week basis (£1.35 on a 47 week basis), equating to 1.5% to meet the planned revenue HRA budget as detailed in Appendix 4;
- vii) Agrees to increase rents at the Gypsy Travellers site by the 1.5%;
- viii) Agrees to maintain the existing level of lock-up rent levels at £5.44 per week on a 52 week basis (£6.02 on a 47 week basis) at the same levels as for 2020/21;
- ix) Notes the increase in the prudential reserve target for 2020/21 (from

£0.883m to £0.923m); and

- x) Agrees the recommended use of the projected reserves as at 31 March 2021 for the purposes identified at 4.4.8 of the report.

3. Background

3.1 West Dunbartonshire Council is the landlord for a stock of some 10,000 homes located in communities across West Dunbartonshire. In delivering this role, good quality, affordable, safe, secure and warm housing is fundamental to the health and well-being of individuals and families as well as the sustainability of local communities and the success of the local economy.

3.2 In June 2012 the Council took the decision to halt the partial stock transfer process and retain the housing stock and to address the challenges of improving homes and meeting housing need by:

- Investing approximately £161 million to improve homes and meeting the Scottish Housing Quality Standard;
- Embarking on a programme of demolition and regeneration of sites; and
- Progress on a council house building programme.

3.3 In addition, through the Council's Strategic Housing Investment Plan (SHIP), supported by the Scottish Government's Affordable Housing Programme, more than 1,000 new social homes for rent will have been completed in West Dunbartonshire by the Council and its RSL partners in the period to 2022, including 467 new Council homes.

3.4 In considering the structure of the budget consideration has been given to:

- Increasing revenues and reducing costs by:
 - Focused strategic asset management of our council housing stock;
 - A housing led regeneration approach;
 - improving estate management generally; and
 - improved void performance.
- Financial Impact – ongoing implementation of various welfare reform changes and the emerging impact of the pandemic; and
- Financing the investment required to meet the Energy Efficiency Standard for Social Housing (EESH) and the wider climate change and energy efficiency agenda.

3.5 In preparing these estimates the following factors have been taken into account:

- Nil inflation has been assumed on all non-protected budget lines;
- Provision has been made for a pay increase in line with Scottish Government's commitments on public sector pay; and
- A 4% turnover expectation has been applied to employee costs.

3.6 For financial year 2020/2021, West Dunbartonshire's average weekly rent (with regards to lettable self-contained units) of £81.45 was sixth highest of Scotland's 26 housing authorities. This equates to £2.48 (3%) above the national average for local authorities of £78.97. In comparison with the overall Scottish average including Registered Social Landlords of £82.80, West Dunbartonshire's average weekly rent was £1.35 less than this average.

4. Main Issues

4.1 HRA Capital Investment

4.1.1 At Council on 4 March 2020, a 5 year programme of HRA capital work to 2024/25 was reported and approved. Progress on 2020/21 work is shown in Appendix 2. The overall slippage in 2020/21 is projected to be £15.153m (25.29%). COVID-19 restrictions have delayed construction and improvement works.

4.1.2 The HRA capital programme is derived from data from the current stock condition survey and our annual stock assessment exercise which was reported to the Housing and Communities Committee in November 2020. The main drivers for the programme are for the Council to deliver on the key objectives of the Council's Better Homes Strategic Housing Asset Management Strategy and health and safety responsibilities. In addition to the core stock, the programme includes the Council's ambitious ongoing new house build programme 'More Homes West Dunbartonshire'.

4.1.3 Due to the long term nature of the Capital Investments, a 30 year financial business planning model is used to determine if these investments are affordable in the longer term taking account of expected inflation and debt interest rates.

4.1.4 This report outlines ambitious proposals for a major programme of investment in housing led regeneration and renewal in West Dunbartonshire that will not only significantly enhance the Council's housing stock but will also contribute to the wider transformation of West Dunbartonshire as a place, and will be central to the economic and social recovery of West Dunbartonshire in the face of the wider impacts of the pandemic.

4.1.5 The Council's new house build and housing supply programme 'More Homes West Dunbartonshire' will see significant resources invested in the

creation and acquisition of new homes. The Council's commitment to increasing the housing supply, as evidenced within the Local Housing Strategy, is further reinforced through planned open market acquisitions and is incorporated into the future programme. The Council will also continue to support applications under the Scottish Government Mortgage to Rent Scheme. An expenditure budget of £83.393m for the affordable housing supply programme is factored into the 5 year capital plan, together with a projected minimum of £17.379m of Scottish Government Grant Funding available through the Affordable Housing Supply Programme. Therefore, there is a net capital cost to the HRA of £66.014m.

4.1.6 The new build programme will include the continuation of the current new build programme. It reflects the delivery of around 420 new Council homes in West Dunbartonshire under the 'More Homes West Dunbartonshire' strategic approach. Quarterly updates on progress including changes in programme will continue to be reported to the Housing and Communities Committee

4.1.7 The 5 year plan has now been rolled forward a year to 2025/26 and recognises progress made and any re-phrasings of projects and anticipated funding that have been necessary. The result of this review is shown as Appendix 3 and results in the expected level of loan charges to be the following:

Year	Amount
2021/22	£11.266m
2022/23	£13.139m
2023/24	£14.384m
2024/25	£15.590m
2025/26	£16.470m

4.1.8 The investment will deliver an ongoing commitment to improving housing for tenants and future tenants of Council homes and will also support the delivery of wider Strategic Plan and Local Housing Strategy priorities, including:

- providing a pipeline of construction work with opportunities for job creation, community benefits, training and benefits to the local supply chain as a means of contributing to the wider pandemic economic recovery plan and with the potential to lever in significant external investment;
- contributing to the wider recovery plan from the pandemic, with the investment programme providing a catalyst for engagement with local communities in the development and delivery of these ambitious plans through our strong tenant participation mechanisms;
- through our Better Homes approach ensuring the design and

specification of improvements maximises opportunities to future proof homes, including the use of technology where practical and appropriate, and improve the health and wellbeing of tenants. Improving the quality of housing and the places people live helps to improve the quality of people's lives, with positive benefits for both physical and mental health and general wellbeing.

- contributing to the Council's place-shaping agenda, providing a framework for improving the quality of the places where people live and supporting tenants to be actively involved in shaping change, impacting positively on the attractiveness of West Dunbartonshire as a place to live and encouraging economic investment.
- improving the quality and appearance of neighbourhoods and delivering a consistent and cost effective approach to the maintenance and management of areas. As well as benefiting local tenants and residents, this will bring positive benefits for a range of Council services, such as open space maintenance, waste collection and recycling. Improvements to the physical environment will encourage more people to use outside spaces (this is particularly important in the context of the pandemic) and encourage physical activity.
- contributing to the achievement of climate change ambitions and the Council's Climate Change Strategy and addressing fuel poverty through the use of the highest standards of energy efficiency practices in new build construction and retrofit technologies, along with future proposed demonstration innovation projects which will be reported to the Housing and Communities Committee.

4.1.9 It should be noted that the 30 year HRA business model has been prepared on the basis that there will be fluctuations in inflation over the period of the plan. These assumptions would need to be revised in the event of long-term inflation forecasts being above target (the planning assumption for long-term inflation in the business model is 1.9% initially rising to 2.5% or additional pressures on the revenue account becoming apparent. The other key variable within the business model is the capital expenditure requirements which can alter depending on circumstances and priorities. The HRA business model has been updated this year with the revised proposed capital plan as part of the normal annual review to recognise the most up-to-date information and to consider affordability.

4.1.10 In considering affordability, a key output from the HRA business model is the percentage of rental stream that is required to fund debt charges. This is an indicator for the amount of prudential borrowing that can be undertaken without putting undue stress on the remainder of the revenue budget. When the decision was taken to retain all the housing stock in WDC the investment requirements needed to achieve the SHQS coupled with the historic debt structure of HRA debt suggested that the "debt affordability" percentage in

West Dunbartonshire should not exceed 50%. The most recent update for 2021/22 has an average percentage of 40% with a peak of 49% in 2044/45.

4.1.11 Over the 30 year period of the business model, the additional rental income stream from the new properties will offset the additional operational costs and the loan charges outlined in 4.1.6 above.

4.1.12 The Council's external auditors have raised concerns around the level of borrowing which the Council currently holds in general and analysis (which indicates that the Council has amongst the highest levels of borrowing in Scotland) includes the significant HRA investment in achieving SHQS. The annual debt affordability percentages under the most recent HRA business model update as outlined above continues to be within acceptable range and the model therefore remains robust and viable in terms of debt affordability.

4.2 HRA Revenue Estimates 2021/22

4.2.1 The revenue estimates for 2021/22 are attached as Appendix 4 showing an increase in net expenditure since 2020/21 of £0.656m. This is the amount which needs to be recovered via the proposed rent increase and equates to 1.5% based on expected housing stock and occupancy levels. Appendix 4 provides information on the breakdown of the budget and provides explanations for the main year on year variances.

4.3 Rent Increase

4.3.1 The Council is required to consider the level of weekly rent increase for the financial year 2021/22 and agree an appropriate rent rate which meets the estimated costs of providing the Housing Service in 2021/22 as identified in the Appendix 4.

4.3.2 In determining the level of weekly rent increase, due cognisance must be taken in terms of changing service demands, as well as the requirements for investment as highlighted in the Housing Asset Management Strategy and the need for robust financial planning and management to ensure that the Council delivers on its investment commitments. In addition the decision of the Council in June 2012 regarding its policy on stock retention, which set out clearly the rent increase requirements to support the Council's investment needs, must be recognised.

4.3.3 The required weekly percentage rent increase contained within the attached HRA estimate is an average £1.52 on a 52 week basis (£1.68 on a 47 week basis) which equates to 1.5%.

4.3.4 The recommended budget attached, sets a rent level that satisfies best practice in maintaining a prudential balance, ensuring that all

reasonable contingencies are taken into account and is sufficient to support the Council's HRA investment programme.

4.3.5 At the rent consultation meeting held remotely on the 24 November 2020, the draft HRA Estimates for 2021/22 were presented to tenants. Discussions looked at options; the outcome of which led to the creation of 3 rent options.

4.3.6 A survey of tenants was undertaken regarding options for setting the rent and tenants were asked to select from 3 options:

Option 1

1.5% increase by using a proportion of the surplus generated in 2021/22. This would not affect the current New Build and Capital Investment Programmes and the wide range of services that tenants receive;

Option 2

1.9% increase with one week rent credit. By using a proportion of the surplus generated in 2021/22, a one off credit would be applied to all tenants' rent accounts to the value of one week's rent and will help reduce rent arrears in many cases. This would not affect the current New Build and Capital Investment Programmes and the wide range of services that tenants receive; or

Option 3

2.2% increase would increase the income for the Housing Revenue Account and would allow for the increase and acceleration of the delivery of certain works or services based on identified tenant priorities. The additional income would allow for an additional capital expenditure of £1.2m on priority areas for spend which will be decided by tenants in early 2021 allowing these to be delivered in 2021/22.

There were 1,344 respondents (14% of tenants) to the survey with the majority opting for option 1, as follows:

- Option 1 54.9%;
- Option 2 31.8%; and
- Option 3 13.3%.

Further information from the survey is provided in Appendix 1.

4.3.7 It is recommended that Council increase rents at the Gypsy Travellers site by the same percentage as the housing rents at 1.5%.

4.4 Reserves

4.4.1 At 31 March 2020, the HRA reserve was £3.924m, consisting of:

Reserves	£m
Regeneration of housing stock	2.441
Welfare Reform Reserve	0.500
COVID provision	0.100
2020/21 prudential reserve	0.883
Total	3.924

- 4.4.2** The standing Council policy is that an HRA Prudential Reserve of 2% of gross expenditure should be maintained. Based upon the recommended budget for 2021/22, this equates to £0.923m for 2021/22 (previously £0.883m). The increase in the prudential reserve is therefore £0.040m for 2021/22. It is prudent to recommend that the budget for 2021/22 retains reserves at this level.
- 4.4.3** It is currently forecast (per the probable outturn identified in the Budgetary Control report for Period 10 which was presented to Council on 24 February 2021) that there will be an in-year surplus on the HRA revenue account at the end of 2020/21 of £2.322m which, adjusting for the £0.040m increase in the prudential target noted above, results in a net surplus of £2.282m.
- 4.4.4** Council policy established a number of years ago is that any surpluses will be earmarked for the purpose of regeneration of the housing stock unless specific provisions are required. It is anticipated that all of the £2.441m reserve held at March 2020 in respect of regeneration of stock will be utilised during 2020/21.
- 4.4.5** As advised a significant proportion of the projected underspend in 2020/21 leading to a surplus position is the currently projected underspend in relation to revenue repairs. This has been caused as a result of Scottish Government imposed restrictions during lockdown periods. As was reported to Council in COVID-19 Update reports to June 2020 and August 2020 Councils this issue has been considered by COSLA and was subject of a report to COSLA Leaders in May 2020. At the time of the report to the June 2020 Council it was anticipated that this would lead to Scottish Government guidance. However this is now known not to be the subject of guidance from the Scottish Government. What remains is a position whereby the position of an internal trading arrangement has been considered by COSLA and Audit Scotland (as reported to COSLA Leaders in May 2020) in consultation with the Scottish Government. The view taken is that:

“structures within Councils vary with a result that some costs, especially around maintenance, are either charged directly to the HRA or recharged from the General Fund. Confirmation has now been given that all such costs can be charged to the HRA, irrespective of Council structures, and irrespective of

whether services have actually been provided. This is consistent with other actions Councils have taken with financial support to external firms, and charges expenditure where there is budget provision, thereby avoiding a further cost pressure“.

- 4.4.6** On the above basis a number of other Councils with similar arrangements to WDC have or plan to make charges from their equivalent of Building Services to their HRA revenue accounts. This does not necessarily mean that this Council needs to follow suit.
- 4.4.7** Within the General Fund the financial impact of COVID-19 for 2020/21 is not yet fully known and Scottish Government funding and potential Scottish Government allowed fiscal flexibilities aim to mitigate and minimise such financial impact to the General Fund. However the final position is not yet determined. On this basis the potential for a charge from Building Services to the HRA remains an option for Members to consider. It is hoped – as has been stated at Council meetings that the financial impact within the general Fund can be minimised, however in order to allow Council flexibility during this financial year it is recommended that an element of the surplus is earmarked at this stage to allow Council appropriate decision-making flexibility between now and the final costs of COVID-19 being known within the General Fund and absolute clarity being available from the Scottish Government on any fiscal flexibilities that may be used. Officers will be speaking to WDTRO about this issue in advance of the Council meeting.
- 4.4.8** Based on the above it is recommended that the projected surplus is earmarked by Council as follows:
- to allow the implementation of the recommended rent rise of 1.5% by utilising £0.800m of reserves for this purpose;
 - to allow flexibility for Council in relation to the financial impact of COVID-19 £1.282m is used for any potential funding to Building Services for 2020/21 and to align to the expected additional costs incurred in order to progress the repairs backlog that has arisen due to COVID; and
 - £0.100m has been set-aside in reserves to mitigate for the possible effect of COVID on rent collection. Due to the ongoing nature of the pandemic it is recommended that this should be increased by £0.200m to £0.300m.

4.4.9 Therefore by 31 March 2021 the above would result in the reserves being as follows:

Reserves	£m
Repairs Backlog / COVID-19 Building Services payment	1.282
To implement 1.5% rent rise	0.800
Welfare Reform Reserve	0.500
COVID rent income provision	0.300
2021/22 prudential reserve	0.923
Total	3.805

4.4.10 In terms of the adequacy of reserves, the prudential level of reserves is viewed as being at an adequate level to deal with any financial shocks to the budget, based on previous experience and future expectations specifically in relation to income streams. As can be seen, the level of reserve remains planned to meet the prudential level and is therefore judged as being adequate.

5. People Implications

5.1 There are no personnel issues.

6. Financial and Procurement Implications

6.1 The financial implications are as detailed within the report and appendices.

6.2 All procurement activity carried out by the Council in excess of £50,000 is subject to a contract strategy. The contract strategy for the HRA Capital Programme will be developed by the Corporate Procurement Unit in consultation with Housing officers. The contract strategy will include, but is not limited to; contract scope, service forward plan, the market, procurement model and routes – including existing delivery vehicles, roles and responsibilities, risks, issues and opportunities and on-going contract management. Opportunities to maximise the positive social, economic and environmental impact for the Council through the relevant procurement processes will be developed in line with procurement policy.

7. Risk Analysis

7.1 The key driver for determining rents for Council properties is the HRA investment plan. Failure to set rents consistent with the delivery of this plan will potentially result in insufficient funding being available to meet the aspirations highlighted above.

7.2 In producing the budget a number of assumptions have been made

in relation to performance around rent recovery, voids and the impact of welfare reform. These issues will be closely monitored during 2021/22 and members advised of any significant variations that will impact materially on the sufficiency of the budget as proposed.

7.3 In terms of the capital programme, the main financial risks relate to:

- i) whether inflation increases costs, resulting in plans requiring to be reviewed upwards;
- ii) Longer-term affordability requires to be considered in determining appropriate levels of capital funding.

Ongoing budgetary control processes will monitor the above issues and any issues will be reported to a future Council meeting for consideration.

8. Equalities Impact Assessment (EIA)

8.1 An EIA screening has been undertaken by officers and no issues were identified.

9. Consultation

9.1 The Council has a statutory requirement to carry out a rent consultation exercise. Details of the consultation can be seen in Appendix 1.

9.2 A HRA budget scrutiny group (Joint Rent Group) is now well established involving tenant representatives. This group meet with Officers and the Convenor monthly and examines the HRA to ensure increased transparency and demonstrate Value for Money to tenants.

10. Strategic Assessment

10.1 The proposals contained in this report directly address all of the Council's strategic priorities. The investment in, and provision of attractive affordable housing will also indirectly support the objective of economic growth and employability through supporting employment and improving place attractiveness.

10.2 Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and Officers to pursue the five strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

Peter Barry

Chief Officer – Housing and Employability
Date: 20 February 2021

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Appendices: Appendix 1: Consultation information
Appendix 2: HRA Capital Projects Forecast
Outturn and Slippage 2020/21
Appendix 3: HRA Capital programme Financial
Year 2021/26
Appendix 4: 2021/22 Housing Revenue Account
Draft Revenue Estimate

Background Papers: EIA screening
Consultation Planning Sheet

Wards Affected: All

Housing Services

Consultation Recording Sheet



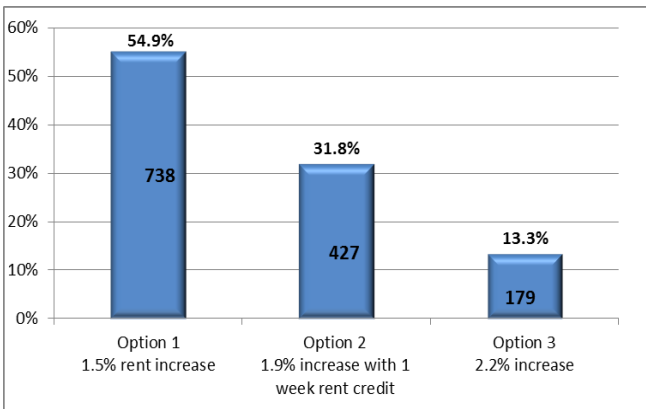
Housing Service ...Housing Development & Homelessness

Person responsible: Janice Rainey and Jane Mack

Consultation Start date: 24/11/20 End Date 20/1/21

1.	The name of consultation / participation exercise?	Rent setting consultation 2021-22
2.	Its aims and objectives?	Discuss and get agreement from tenants on HRA Budget estimates and vote on subsequent rent increase options for 2021/22.
3.	Who did you invite/include? (e.g. all tenants, tenant from the interested tenants register, RTOs, staff)	<p>Virtual public meeting arranged for 24/11/20 and advertised publicly through the WDC website and TP Facebook page.</p> <p>Due to working from home restrictions, direct invites could only be sent to those that we had an email address for -</p> <ul style="list-style-type: none"> • TRA members • Tenants on our Register of Interested tenants • Scrutiny Panel members <p>Aim of public meeting was to discuss and agree options for the wider consultation. All tenants then had the opportunity to vote for their preferred option through freepost voting cards or online survey.</p>
4.	What methods did you use to promote/invite stakeholders to get involved? (e.g. letters, posters, website)	<p>The consultation process included a virtual public meeting (24/11/20) and a public survey. Specific invites to members of the above groups inviting them to the public meeting were sent via email. The Council's website and social media was also used to advertise the public meeting.</p> <p>Once the rent options were agreed a specific mailing was sent to all tenants with an A3 page detailing the rent options and giving an outline of what each option meant in terms of service delivery and investment along with the</p>

	<p>free-post voting card and details of how to vote online. Voting could also be done by text or email to help make it as easy as possible for tenants.</p> <p>The survey was also promoted regularly through the Council's webpages and social media as well as on our Tenant Participation Facebook account. Email and text reminders were also sent via QL to tenants with contact details.</p> <p>WDC intranet was also used to reach WDC staff who are also tenants to encourage them to vote.</p> <p>Housing officers and Homeless support officers were also briefed and asked to encourage their tenants to vote.</p>
5.	<p>Who actually took part? (Number of individuals and or number of tenant organisations represented)</p> <p>10 tenants joined the virtual public meeting on 24/11/20 which included representatives from 6 TRA's as well as individual tenants.</p> <p>1344 tenants voted for their preferred option in the survey –472 using the pre-paid voting card and 872 online votes. Giving a response rate of 13.8%.</p>
6.	<p>What method(s) did you use to obtain their views? (e.g. focus/working group, newsletter, survey)</p> <p>Why did you choose this method(s)?</p> <p>A presentation was given at the virtual public meeting which outlined current performance of Housing Services and a breakdown of proposed spending for 2021/22.</p> <p>Tenant priorities from a recent tenant satisfaction survey were included in the considerations and there was an open discussion on the options.</p> <p>All tenants were encouraged to vote for their preferred rent option with a direct mailing to them and a range of voting methods offered to make it as easy as possible – free-post voting card, online survey, texting and email options.</p> <p>These methods were chosen to gather the views of as many tenants as possible in a clear and most accessible way possible. The survey results will be taken into account as part of the Council committee decision -making process when setting rents for 2021/22.</p> <p>The information provided was presented in as clear and understandable way as possible and made available online for any tenant to refer to. Over previous years our Joint Rent Group have worked to make the rent consultation information clearer and as understandable as possible.</p>

	<p>We also used staff to promote the survey and to encourage dialogue with tenants and to explain the options being considered. The Tenant Participation Officer contact details were also provided for tenants to ask any questions and a number of tenants got in touch. Due to the pandemic and working from home restrictions face to face encouragement and engagement was not possible but all other means of contact were maximized.</p>												
<p>What good practice or minimum standards can you evidence as part of your consultation?</p>	<p>An 9 week consultation period was used to collect views. Freepost voting cards , texting and email options were made available to all tenants as well as the on line survey to make it as easy as possible to vote.</p> <p>The information provided at the virtual public meeting was made available online so that any tenant could read and refer to it.</p> <p>All financial information was presented as clearly and understandable as possible as well as being available on-line for public scrutiny.</p>												
<p>What was the outcome of the consultation?</p>	<p>1344 tenants gave their views in the survey and Option 1, 1.5% rent increase was the preferred option with 54.9%% of votes. The survey results were put forward as the proposed rent increase going for Council approval.</p>  <table><tr><th>Option</th><th>Percentage</th><th>Count</th></tr><tr><td>Option 1 1.5% rent increase</td><td>54.9%</td><td>738</td></tr><tr><td>Option 2 1.9% increase with 1 week rent credit</td><td>31.8%</td><td>427</td></tr><tr><td>Option 3 2.2% increase</td><td>13.3%</td><td>179</td></tr></table>	Option	Percentage	Count	Option 1 1.5% rent increase	54.9%	738	Option 2 1.9% increase with 1 week rent credit	31.8%	427	Option 3 2.2% increase	13.3%	179
Option	Percentage	Count											
Option 1 1.5% rent increase	54.9%	738											
Option 2 1.9% increase with 1 week rent credit	31.8%	427											
Option 3 2.2% increase	13.3%	179											
<p>How did you feedback to participants the outcome?</p>	<p>Following the virtual public meeting all attendees were emailed to thank them for attending and making them aware that the public survey was underway. The survey results have been shared with the Joint Rent Group.</p> <p>Once March Council meeting has concluded, the survey results and final rent setting decision will be reported in the Spring Housing News, on the Council webpages and</p>												

	<p>through the TP Facebook account.</p> <p>All rent increases must be notified to tenants in writing with 28 days notice so all tenants will be advised of the rent increase and how much the increase means for their own weekly and annual rent charge.</p>
10.	<p>How did tenant involvement influence your consultation?</p> <p>We have continued to increase tenants understanding and opportunity to scrutinise the HRA through our Joint Rent Group which includes tenant volunteer members. Our Joint Rent Group had helped make the financial information being presented as clear and understandable as possible. The rent setting consultation plan was also discussed and agreed with them ahead of the consultation.</p>
11.	<p>Are you able to demonstrate this?</p> <p>Yes - meeting notes and information on webpages</p>
12.	<p>How have you demonstrated to tenants that involvement made a difference?</p> <p>The preferred option for a 1.5% rent increase from the consultation survey is being put forward as the rent proposal to be considered by Councilors.</p>
13.	<p>Did you check with participants that they were happy with the opportunities given to make their views known and that they felt that we listened and acted upon them?</p> <p>The tenant volunteers on the Joint Rent Group have stated that they are pleased with the increased number of tenants getting involved in the rent setting consultation and the high response rate gives more credibility to the tenants voice despite the challenging times that everyone is experiencing.</p> <p>Tenant understanding of the HRA has continued to increase through the Joint Rent Group and the Housing News will be used to help share this information with all tenants to encourage more involvement.</p>

What worked well, what didn't work well – or any other comments you have.

Comments: We had less tenants attend the virtual public meeting than normal but had a significantly higher response rate with 1344 tenants voting. Far more tenants voted online this year and that could be because more people are at home and using digital means to keep in touch during the pandemic.

We were also able to use text and email reminders via the new QL housing system. Facebook reminders about the survey were also used and got good reaches.

Hopefully there is also a continuing increase in involvement as tenants see that they can actually influence the outcome and the fact that the survey feeds into the Council committee decision is stated in the consultation.

The pandemic has also put a massive strain on many people's financial situations and rent affordability a concern for many and this might have motivated more people to have their say in the rent setting. The majority of the negative comments received about the consultation were in relation to there not being a 'no increase' option included and many people didn't think that was fair. There were also concerns about not getting value for money when non-essential repairs weren't getting done within restrictions related to the pandemic.

WEST DUNBARTONSHIRE COUNCIL
HRA CAPITAL PROGRAMME
CAPITAL PROJECTS FORECAST OUTTURN AND SLIPPAGE 2020/21

APPENDIX 2

	Budget	Forecast Outturn	Slippage	Over / (Under) Recovery
	£000	£000	£000	£000
RESOURCES				
New Build Grant	3,995	3,656	850	(511)
Prudential Borrowing	47,799	35,233	14,207	(1,641)
SG - Gypsy Travellers Site Upgrades	91	91	0	0
Contribution towards Noise Insulation Project	96	0	96	0
CFCR	7,927	7,927	0	0
Total Resources	59,908	46,907	15,153	(2,152)
	Budget	Forecast Outturn	Slippage	Over / (Under) Spend
	£000	£000	£000	£000
CAPITAL EXPENDITURE				
OTHER CAPITAL EXPENDITURE				
Special Needs	462	286	176	0
Capitalised Minor Works	615	70	545	0
Better Homes Priority Budget	245	123	122	0
Community Safety	17	17	0	0
QL Development	25	25	0	0
Airport Noise Insulation Scheme	192	0	192	0
Gypsy Travellers Site Upgrades	91	0	91	0
MAJOR COMPONENT REPLACEMENTS				
Targeted SHQS compliance works	100	0	100	0
Targeted EESSH compliance works	5,228	3,394	1,834	0
Building external component renewals	3,726	2,732	994	0
Doors/window component renewals	2,475	300	2,175	0
External stores/garages/bin stores	131	72	59	0
Secure entry component renewals	181	20	161	0
Statutory/regulatory compliance works	2,403	2,300	103	0
Heating improvement works	923	815	108	0
Energy improvements/energy efficiency works	55	0	55	0
Modern facilities and services	707	30	677	0
Non Traditional/Traditional Improvement Works	197	50	147	0
VOID CAPITAL				
Void house strategy programme	2,050	3,219	0	(1,169)
CONTINGENCIES				
Contingencies	100	100	0	0
STRUCTURAL & ENVIRONMENTAL				
Defective structures/component renewals	615	405	210	0
Environmental renewal	1,004	745	259	0
Asbestos management works	205	205	0	0
MSF Fire Risk Assessment Works	500	0	500	0
SUPPORT COSTS				
Direct Project Support	2,302	2,302	0	0
AFFORDABLE SUPPLY PROGRAMME				
Affordable housing supply programme	35,359	29,697	6,645	(983)
TOTAL	59,908	46,907	15,153	(2,152)

WEST DUNBARTONSHIRE COUNCIL
HRA CAPITAL PROGRAMME
FINANCIAL YEAR 2021-26 DRAFT

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Slippage as at period 10	Annual Budget (excluding Slippage)	Annual Budget	Annual Budget	Annual Budget	Annual Budget
	£000	£000	£000	£000	£000	£000
CAPITAL EXPENDITURE						
OTHER CAPITAL EXPENDITURE	1,126	1,113	1,114	1,142	1,170	1,199
Special needs adaptations	176	462	474	485	497	509
Capitalised minor works	545	420	431	442	453	464
Better Homes Priority Budget	122	205	210	215	221	226
QL Development	0	26	0	0	0	0
Gypsy Travellers Site	91	0	0	0	0	0
Airport Noise	192	0	0	0	0	0
MAJOR COMPONENT REPLACEMENTS	6,413	10,170	10,166	10,420	10,680	10,948
Targeted SHQS compliance works	100	0	0	0	0	0
Targeted EESSH compliance works	1,834	3,625	3,715	3,808	3,903	4,001
Building external component renewals, roofs/chimneys/flashings/fascias/gutters/svp	994	3,152	2,972	3,047	3,123	3,201
Doors/window component renewals	2,175	1,576	1,615	1,656	1,697	1,740
External stores/garages/bin stores/drainage component renewals	59	42	43	44	45	46
Secure entry component renewals	161	42	43	44	45	46
Statutory/regulatory compliance works (lifts/electrical/legionella/fire etc)	103	105	108	110	113	116
Heating improvement works	108	946	969	993	1,018	1,044
Energy improvements/energy efficiency works	55	53	54	55	57	58
Modern facilities and services	677	630	646	662	679	696
Improvement works (Risk St)	147	0	0	0	0	0
VOID CAPITAL	0	2,101	1,576	1,615	1,656	1,697
Void house strategy programme	0	2,101	1,576	1,615	1,656	1,697
CONTINGENCIES	0	100	100	100	100	100
Contingencies	0	100	100	100	100	100
STRUCTURAL & ENVIRONMENTAL	969	2,491	3,012	3,033	3,055	3,078
Defective structures/component renewals	210	630	646	662	679	696
Environmental renewal works, paths/fences/walls/parking area's	259	950	950	950	950	950
Asbestos management works	0	210	215	221	226	232
MSF Fire Risk Assessment Works	500	700	1,200	1,200	1,200	1,200
AFFORDABLE SUPPLY PROGRAMME	6,645	16,161	24,067	19,641	12,621	4,258
Buy Backs	972	900	1,350	1,350	1,350	1,350
St Andrews School	0	1,967	639	0	0	0
Haldane Primary School	706	1,168	0	0	0	0
Aitkenbar Primary School	1,120	155	320	0	0	0
Clydebank East	0	7,600	4,977	5,668	0	0
Creveul Court	14	100	0	0	0	0
Dumbarton Harbour Ph 3	(550)	896	248	0	0	0
Queens Quay Site B	2,557	0	132	0	0	0
Fees and Staffing Costs	0	701	701	701	701	0
Future New build sites	1,826	2,674	15,700	11,922	10,570	2,908
SUPPORT COSTS	0	2,455	2,504	2,554	2,605	2,657
Salaries/central support/offices	0	2,455	2,504	2,554	2,605	2,657
ANNUAL TOTAL EXPENDITURE	15,153	34,591	42,539	38,506	31,888	23,937

ANTICIPATED RESOURCES

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Revised Slippage	Annual Budget (excluding Slippage)	Annual Budget	Annual Budget	Annual Budget	Annual Budget
	£000	£000	£000	£000	£000	£000
New Build Grant	0	4,500	7,057	3,372	2,450	0
Contribution towards Noise Insulation Project	96	0	0	0	0	0
Prudential Borrowing	15,057	21,635	28,384	27,748	22,490	16,989
CFCR	0	8,455	7,098	7,386	6,948	6,948
TOTAL ANTICIPATED RESOURCES	15,153	34,591	42,539	38,506	31,888	23,937

DRAFT HRA ESTIMATES 2021/22

2019/20 Outturn £000	EXPENDITURE	2020/21 Estimate £000	Probable Outturn £000	2021/22 Estimate £000	Movement year on year £000	Comments on Movement >£50,000
5,229	Employee Costs	5,559	5,869	6,272	713	Provision for anticipated employee pay award, increments and full year effect of new staffing model in relation to Neighbourhood Officer/Assistants roles.
1,748	Property Costs	1,837	1,843	1,917	80	Utilities increase £0.048m, Property Insurance increase £0.016m, provision for add'l contract cleaning & materials £0.012m
76	Transport Costs	80	91	110	30	
418	Supplies, Services and Admin	316	353	394	78	Provision for digital inclusion budget £0.040m, Telephone increase £0.017m, £0.21m on general running costs eg clothing/uniforms, computer software and supplies & services
2,552	Support Services	2,661	2,626	2,677	16	
461	Other Expenditure	464	460	498	34	
10,616	Repairs & Maintenance	12,516	9,508	12,872	356	Reinstatement of Tenant Priority Budget £0.400m (reduced in 20/21 as part of rent consultation), Gas Maint Contract Reduction £0.210m, income recoveries budget reduced in line with current income £0.050m, repairs inflation £0.111m.
1,029	Bad Debt Provision	1,060	1,060	1,060	-	
648	Void Loss (Council Tax/Lost Rents)	740	1,124	648	- 92	Assumes void numbers returns to 'normal' level.
13,619	Loan Charges	18,919	18,919	19,699	780	Increase in CFCR figure to match business plan requirement
36,396	Total Expenditure	44,152	41,853	46,147	1,995	
41,477	House Rents	42,432	42,429	43,761	(1,329)	Income received from 306 additional new build properties, albeit, not all will be available for let for the whole financial year
208	Lockup Rents	209	210	210	(1)	
1,192	Factoring/Insurance Charges	1,202	1,211	1,235	(33)	
113	Other rents	115	113	114	1	
57	Interest on Revenue Balance	93	71	71	22	
130	Miscellaneous Income	101	141	100	1	
43,177	Total Income	44,152	44,175	45,491	(1,339)	
(6,781)	Net Expenditure	0	(2,322)	656	656	

Rent % Increase required (Net expenditure/20/21 estimated Rental Income at current rent level)	1.50%
Required rent increase (52 weeks)	£ 1.22
Average rent 2020/21 (52 weeks)	£ 81.45
Revised average rent (52 weeks)	£ 82.67
Prudential reserve	£0.923m