

# WEST DUNBARTONSHIRE COUNCIL

## HRA BUDGET & RENT SETTING

Appendix 4

March 2023

### A BUDGET FOR HOUSING GROWTH

**W**ith a housing stock of more than 10,000 in communities across West Dunbartonshire, the Council is the area's largest social landlord.

In order to achieve good health and wellbeing, it is recognised that good quality housing for all is essential.

That is why over the past decade more than £82million has been invested in the development and acquisition of safe, secure, warm, energy efficient and affordable new homes, as well as upgrades and enhancements to existing stock.

The Council is committed to continuing this progress with a range of initiatives which support increased demand for homelessness support; requests for larger homes; and the additional needs of the area's aging population.

We plan significant further investment to achieve ambitious housing targets and ensure our residents experience a thriving and prosperous West Dunbartonshire.

A key element of Council plans includes continuing to deliver value for money services for our tenants. As well as a reactive repairs service, we are continuing to roll out a range of improvements and upgrades to homes in area.

These works - including roof replacements, upgraded windows and doors and improved shower systems - are funded through the Housing Revenue Account (HRA), which is generated by the rent the Council receives from tenants.

Each year, the Council asks tenants for their opinion on how much rent they should pay. Tenants are asked to vote on which level of increase and investment they prefer, with the outcome used to inform the final decision.

The past three years have brought unprecedented challenges, including inflation, soaring costs for building materials and increased demand for homelessness support.

That is why this year, in order to retain the current service and capital investment programme, and see housing growth across West Dunbartonshire, a 5% rent increase is necessary.

This increase will include additional investment in housing of £50million, which will ensure the Council can drive forward a raft of improvements to existing stock, provide additional homes to meet demand, and ensure comprehensive support is in place for any person who finds themselves at risk of becoming homeless.

Each of these improvements will be of benefit to tenants, as well as enhancing communities for the good of West Dunbartonshire as a whole.

# WEST DUNBARTONSHIRE COUNCIL

## HRA BUDGET & RENT SETTING

### TENANT REPRESENTATIVES

The Council recognises the importance of tenants' views and is grateful for the constructive discussions with tenant representatives. The Council engages with Tenant Representatives through the Involving You strategic approach. Currently, the Council liaises with West Dunbartonshire Tenants and Residents Organisation (WDTRO), 12 independent Tenant Resident Associations and an Interested Tenants Register. In addition, feedback is received through the Joint Rent Group, Sheltered Housing Forum, Scrutiny Panel and Estate Walkabouts. Tenant newsletter Housing News is distributed to all Council properties every quarter.

### CONSULTATION

Ahead of rent-setting each year, the Council meets with tenants' representatives and launches a consultation to seek views on proposals.

This year, there were two options for tenants to consider:

**Option 1:** This option would maintain the current level of service. This would mean:

- 4% rent increase (average weekly rent increase of £3.38)
- Maintaining all current services that tenants receive including direct support budgets
- Improving performance around voids to maximise tenant experience and HRA income
- Delivering Capital programme of housing investment
- Retaining a Tenant Priority Budget of £800,000 for tenants to direct spend to improve buildings and wider environment

- Continuation of New Build housing programme

**Option 2:** This option would maintain the current level of service, with an additional £50m of investment in housing over the next five years to drive greater improvement. This would mean:

- 5% rent increase (average weekly increase of £4.22)
- Maintaining all current services that tenants receive including direct support budgets
- Improving performance around voids to maximise HRA income
- Delivering Capital programme of housing investment
- Retaining a Tenant Priority Budget of £800,000 for tenants to direct spend to improve buildings and wider environment
- Continuation of New Build housing programme
- Delivering an additional £50m of capital investment in existing homes over the next 5 years based on tenant priorities – the preferred programme/s that tenants could choose from for this option were:
  - Programme A – Energy Efficiency Measures including new heating systems
  - Programme B – Kitchen and Bathroom Renewals
  - Programme C – Window/Door Renewal Programmes
  - Programme D – Environmental Works
  - Programme E - All Options Above

### RENT SETTING

# WEST DUNBARTONSHIRE COUNCIL

## HRA BUDGET & RENT SETTING

The feedback received through the consultation provides insight into tenant priorities and is a key consideration when setting rent.

It is accepted that the period of consultation offered this year could have been extended to increase participation and this will be taking into consideration for next year's planning.

### **INVESTING £50 MILLION** **MORE IN HOUSING**



An increased investment of **£50 Million will achieve:**

- Additional new sustainable housing that is attractive, built to the highest standards and energy efficient
- More homes to suit the needs of larger families
- More homes to address identified medical needs
- Better quality homes
- A reactive service for responding to issues like damp and mould
- More homes to increase choice and opportunities for families

**£10 million will be invested in the Council's buy back programme** over the next five years to purchase additional housing on the local housing market to address identified need.

**£40 million will be invested** to accelerate the renewal and replacement programmes over the next five years including:

- Energy efficiency measures like new heating systems
- Kitchen and Bathroom Renewals
- Window/Door Renewal Programmes
- Programme to eliminate damp and mould from homes

The additional investment will result in:

- An additional 100 new council homes (through buyback scheme)
- Roll out of the Energy Efficiency Programme making properties cheaper to heat and supporting tenants out of fuel poverty
- new heating systems to over 1000 homes per annum
- Potential delivery of an additional 350 kitchen replacements per year
- Potential delivery of an additional 280 bathrooms replacements per year
- Potential delivery of an additional 260 window and door replacements
- Enhanced approach to damp and mould issues
- enhancements to the quality of multi storey flats across West Dunbartonshire

Further consultation will be undertaken to ensure the views of the WDTR0 and the Tenants are taken into account when investing the £50 million.

### **IMPROVEMENTS IN LAST SIX** **MONTHS**

# WEST DUNBARTONSHIRE COUNCIL

## HRA BUDGET & RENT SETTING

Over the last six months, a range of improvements have been achieved. These include:

- 14% Reduction in Voids
- Major Capital Programme Elements Progressing
- External Wall Insulation
- Roofs
- Heating
- Kitchens
- Bathrooms
- Adaptations
- Paths
- Queens Quay Completed.

### **HELP FOR STRUGGLING FAMILIES**

It is clear any increase of rent can be hard on Tenants especially through the current cost of living crisis. To support the most disadvantaged tenants, a fund of £565,000 has been set aside for direct financial assistance to support tenants over the course of the next financial year.

### **DAMPNESS & MOULD**

An enhanced protocol for dealing with referrals for dampness and mould is under development and will be presented to the Housing and Communities committee in May 2023. This will include a focus on using new technology to detect dampness and mould in properties and give tenants more awareness and control over this issue. Additional funding will allow the programme to be accelerated.

### **MEDICAL NEEDS AND LARGER FAMILIES**

The Council is committed to meeting housing demand and both the Buy Back Scheme and New Build Programmes are based on detailed Housing needs analysis. This ensures Council housing stock is reflective of the needs of residents, including single households, large family homes and homes for people with a range disabilities or limiting conditions.



### **NEW HOUSING PROGRAMME**

We have an ambitious programme to build or enable development of 2500 new homes in the next 10 years. As part of this target, over 700 Council homes will be delivered in the next 5 years.

The Council's programme will be fully net zero as well as continuing to offer a high standard of space, materials and design that have been evidenced in the programme over the last five years.