

HOUSING REVENUE ACCOUNT SERVICE CHARGES 2018/19

1.0 DISTRICT AND GROUP HEATING

1.1 General

1.1.1 Tenants linked to group heating schemes (sheltered housing schemes) pay for heat through a Service Charge. Service charges, paid with the rent, apply to all tenants linked to group heating schemes. The average charge for this service in 2017/18 was £18.49 per week over 48 weeks (£17.07 over 52 weeks). V.A.T. is not currently payable on service charges.

1.1.2 Heating charges are **not** eligible for Housing Benefit.

1.1.3 It is proposed that in order for the group heating schemes to continue to breakeven in 2018/19 the charges are increased by 3.5% **to an average of £17.67 per week on a 52 week basis** (This would have equated to £19.14 per week on a 48 week basis).

2.0 GARAGE RENTS & GARAGE SITES

2.1 Income streams from both garage rents and garage site rents currently cover expenditure. However, capital improvements to sites are planned in future years. Therefore, it is proposed to increase the charges as detailed in the table below (8% on all charges).

Service	Current Charge	Revised Charge	Actual Increase in 2018/19
Garage Rents	£6.20 per week over 52 weeks (£6.72 per week over 48 weeks)	£6.70 per week over 52 weeks (£7.26 per week over 48 weeks)	50 pence per wk over 52 weeks (54 pence per wk over 48 weeks)
Garage Site – Shale Surface	£45.90 per annum	£49.60 per annum	£3.70 per annum

Garage Site - Asphalt Surface	£57.80 per annum	£62.40 per annum	£4.60 per annum
Garage Site - Other	£63.20 per annum	£68.30 per annum	£5.10 per annum

2.2 Garage Rents are **not** eligible for Housing Benefit.

3.0 **WATER CHARGES**

3.1 Members previously agreed to review charges to tenants with a metered water supply (in some sheltered schemes) annually as part of the review of service charges.

3.2 In order to maintain a breakeven position it is proposed to increase charges by 2% (the estimated inflationary increase on water rates for 2018/19). This gives an average **increase from £3.48 per week to £3.55 per week** on a 52 week basis. (This would have equated to an average increase from £3.77 per week to £3.85 per week on 48 week basis).

3.3 Water charges are **not** eligible for Housing Benefit.

4.0 **GARDEN ASSISTANCE SCHEME**

4.1 The current contract for this work expired in October 2017 and the retendering process has commenced with the aim of having a new contract in place for March 2018.

4.2 Following an internal review by Housing it was identified that as the Council currently charge all tenants using the Garden Assistance Scheme it could be in breach of the Equality Act 2010, as we need to provide the service free of charge to disabled people.

4.3 On 14 November 2017 Cabinet approved a new set of qualifying criteria and principles for the garden assistance scheme that addresses this issue. The cost of providing the service to any eligible disabled service users will be met from the HRA Working Balance, with the remainder of the users being charged the appropriate service charge.

4.4 Until the tenders are received it is not possible to present a table of charges in the usual manner. Therefore, it is proposed that approval is given to set the charges for non-disabled service users at the appropriate level to cover the costs of providing the service once the tenders have been received and the contract awarded. 4 weeks notice will be given to service users of this charge at that time, in accordance with the terms of the Tenancy Agreement.

4.5 Garden Assistance charges are **not** eligible for Housing Benefit.

5.0 **COMMUNITY ROOMS**

5.1 Housing Services manage 6 community rooms at various locations across the Borough. Usage currently varies between the venues, with income not meeting the costs associated with the maintenance and management of these facilities. Some of the venues have been refurbished in 2017/18, with other venues due to be refurbished in the next two financial years.

5.2 Charges for the hire of community rooms are in accordance with the table at 5.3 below. Bookings are offered at a fixed price for the usage of the rooms per slot:

- 9.00am to 1.00pm
- 1.00pm to 5.00pm
- 5.00pm to 9.00pm

5.3 As usage remains low, it is not proposed to increase the charges in 2018/19.

Type of Group	Comments	Charge for per slot
Tenant and Resident Group	Groups which work on behalf of members of the community	Nil Charge
Councillor Surgeries	Surgeries run by Chesterfield BC or Derbyshire CC Members	Nil charge
Activities for the benefit of vulnerable people and for which funding is not available	For example, preparation and distribution of food hampers to vulnerable people	Nil charge
Activities for the benefit of local people	Activities where a charge can be made for the activity	£8.00
Charitable Organisations	Those with a charitable status and registration number	£8.00
Support Groups	Groups which support vulnerable or disadvantaged people and which are non-profit making	£8.00
Other non-commercial groups	Including statutory organisations who use the premises e.g. use of Polling Stations or parties	£12.00
Commercial Organisations	Other organisations	£20.00

6.0 COMMUNAL STAIRCASE CLEANING

- 6.1 The contract for cleaning communal staircases is carried out by the in-house Building Cleaning ISP. The inflation on this contract is based on the increase in the Living Wage, which is 2.42% from April 2018.
- 6.2 In order that this service continues to recover its costs it is proposed to increase the weekly charge to tenants by 2.42% from 1st April 2018. Based on a 52 week year the charge **increases from £1.94 to £1.99 per week**. (This would have equated to an increase from £2.10 per week to £2.15 per week on a 48 week basis).
- 6.3 Communal Staircase Cleaning charges **are** eligible for Housing Benefit.

7.0 TENANT HOME CONTENT INSURANCE PREMIUM TAX

- 7.1 On 1st June 2017, the Government increased Insurance Premium Tax from **10% to 12%**. In order that this service continues to recover its costs it is proposed to increase this weekly charge to tenants accordingly.
- 7.2 The tax is recovered weekly from tenants as part of their Home Contents Insurance Premium, the amount charged will depend on their individual level of home contents cover and is **not** eligible for Housing Benefit.

8.0 SHELTERED SCHEME SERVICE CHARGE

- 8.1 In order to maintain a breakeven position it is proposed to **increase charges by 4.24% from £11.80 to £12.30 per week on a 52 week basis**. (This would have equated to an increase from £12.78 to £13.33 on a 48 week basis). The approved charge applies to all sheltered housing schemes and will continue to be reviewed annually.

9.0 CARELINE RESPONSE AND SUPPORT SERVICES CHARGE

- 9.1 Careline Response and Support Services for older and vulnerable people are currently provided to funded and non-funded customers. For those eligible for funding, there are two separate contracts with DCC – Floating Visiting Support and Careline. In addition tenants and residents who cannot access funding from DCC can pay for the service.
- 9.2 The contracts with DCC for both services have been extended up to 31 March 2019 on the existing terms, with a retendering exercise being carried out by DCC during 2018/19.
- 9.3 **Sheltered Schemes** –It is estimated that this service will breakeven in 2017/18 and therefore it is proposed that the charges remain at the same level for 2018/19 of **£7.85 per week** on a 52 week basis (this would have equated to £8.50 on a 48 week basis).

- 9.4 **Support Service** – For self-funded customers, it is proposed that the current weekly charge for the Support Service is **increased by 8.23% from £2.31 to £2.50 per week on a 52 week basis** (this would have equated to an increase from £2.50 to £2.71 on a 48 week basis).
- 9.5 **Careline Response** –For self-funded customers, it is proposed that the current weekly charge for the Careline Response service is **increased by 3.25% from £5.54 to £5.72 on a 52 week basis** (This would have equated to an increase from £6.00 to £6.20 on a 48 week basis). This service charge still remains low in comparison to neighbouring local authorities and other providers in this market.

During 2016/17, Chesterfield Borough Council offered to monitor the alarms of Dales Housing customers, when Dales Housing decided to end their service. Over 250 customers took up this option and as part of our offer it was agreed to freeze the weekly charge until March 2018. It is proposed that the current weekly charge for this monitoring service be **increased by 8.36% from £3.23 to £3.50 on a 52 week basis** (this would have equated to an increase from £3.50 to £3.79 on a 48 week basis). It should be noted that we do not provide a falls recovery service for Dales Housing customers.

A number of agreements are also in place between the Council and Housing Associations in the Borough to monitor alarms. It is proposed that the current weekly charge for Housing Association customers be **increased by 10% from £1.50 to £1.65 on a 52 week basis**.