

HOUSING REVENUE ACCOUNT SERVICE CHARGES 2019/20

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 2018/19 was £17.67 per week over 52 weeks. VAT is not currently payable on service charges.

1.1.2 Heating charges are **not** eligible for Housing Benefit or the housing element of Universal Credit.

1.1.3 It is proposed that in order for the group heating schemes to continue to breakeven in 2019/20 the charges are increased by 2.5% as detailed in the table below.

	Current Charge	Revised Charge	Increase in 2019/20
1 bedroom	£17.18 per week	£17.60 per week	42 pence per wk
2 bedroom	£17.67 per week	£18.10 per week	43 pence per wk
3 bedroom	£18.18 per week	£18.60 per week	42 pence per wk

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 (7.5% on all charges).

Service	Current Charge	Revised Charge	Actual Increase in 2019/20
Garage Rents	£6.70 per week	£7.20 per week	50 pence per week
Garage Site – Shale Surface	£49.60 per annum	£53.30 per annum	£3.70 per annum

Garage Site - Asphalt Surface	£62.40 per annum	£67.00 per annum	£4.60 per annum
Garage Site - Other	£68.30 per annum	£73.40 per annum	£5.10 per annum

2.2 Garage Rents are **not** eligible for Housing Benefit or the housing element of Universal Credit.

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 3.5% (the estimated inflationary increase on water rates for 2019/20). This gives an average **increase from £3.37 per week to £3.49 per week** on a 52 week basis.

3.3 Water charges are **not** eligible for Housing Benefit or the housing element of Universal Credit.

4.0 **GARDEN ASSISTANCE SCHEME**

4.1 The current contract for this work commenced in April 2018 with a new contractor (SpirePride).

4.2 In order to comply with the Equality Act 2010 we provide the service free of charge to disabled people.

4.3 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 as per the table below. The contract price is set to increase by 3.2% with effect from 1st April 2019 and it is proposed to pass this increase onto all paying clients.

	Current Charge	Revised Charge	Increase in 2019/20
Grass Cut	£3.43 per week	£3.54 per week	11 pence per wk
Hedge Cut	£0.67 per week	£0.69 per week	2 pence per wk
Grass & Hedge Cut	£4.10 per week	£4.23 per week	13 pence per wk

4.4 Garden Assistance charges are **not** eligible for Housing Benefit or the housing element of Universal Credit.

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 and 2018/19, with 3 other venues still to be reviewed.

5.2 Enterprise and Wellbeing Scrutiny Committee are currently undertaking a review of Community Rooms and the outcome of this review will assist in making recommendations on the future strategic direction the 3 remaining venues.

5.3 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

5.4 As usage remains low, it is not proposed to increase the charges in 2019/20.

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	£12.00

	premises e.g. use of Polling Stations or parties	
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 Real Living Wage, which is 2.86% from April 2019.
- 6.2 In order that this service continues to recover its costs it is proposed to increase the weekly charge to tenants by 2.86% from 1st April 2019. The weekly charge **increases from £1.99 to £2.05 per week.**
- 6.3 Communal Staircase Cleaning charges **are** eligible for Housing Benefit and the housing element of Universal Credit.

7.0 TENANT HOME CONTENT INSURANCE PREMIUM TAX

- 7.1 There has been no further increase in Insurance Premium Tax since June 2017 when it was set at 12%. Therefore, it is proposed to leave this charge unchanged for 2019/20 in order that this service continues to recover its costs.
- 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 or the housing element of Universal Credit.

8.0 SHELTERED SCHEME SERVICE CHARGE

- 8.1 In order to maintain a breakeven position it is proposed to **increase charges by 2.5% from £12.30 to £12.60 per week.** The 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 contract with DCC for the Careline Monitoring Service is expected to be extended up to 31 March 2021 with the terms not yet agreed. During

the time leading up to this date, DCC will be carrying out a consultation exercise with Service Users and Providers to determine its future funding provision. The Floating Visiting Support Service contract has been extended up to 31 October 2019 on the existing terms with a retendering exercise being carried out by DCC during 2019.

- 9.3 **Sheltered Schemes (Careline and Response Service)** – For self-funded customers living in a sheltered scheme, it is proposed that the current weekly charge for the Careline Response and Support Service is **increased by 1.91% from £7.85 to £8.00 per week.**
- 9.4 **Support Service** – For self-funded customers, it is proposed that the current weekly charge for the Support Service is **increased by 10% from £2.50 to £2.75 per week**
- 9.5 **Careline Response** –For self-funded customers, it is proposed that the current weekly charge for the Careline Response service is **increased by 4.90% from £5.72 to £6.00 per week.** This service charge still remains low in comparison to neighbouring local authorities and other providers in this market.

Chesterfield Borough Council monitors a number of alarms in Derbyshire Dales. Most of the alarms were provided by Dales Housing, and the service is monitor only (no response or falls recovery service is provided for these customers). It is proposed that the current weekly charge for this monitoring service be **increased by 4.90% from £3.50 to £3.67 per week.**

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 6.06% from £1.65 to £1.75 per week.**