

2020/21 Rent Setting and Service Charges

Council House Rents

Following tenant consultation, it is proposed that a rent increase of 3.1% is applied to Council house rents from 30 March 2020. Table 1 below sets out the proposed rent by property type and size. The average rent will rise to £70.79, an increase of £2.23 from 2019/20. It should be noted that due to concerns about affordability of new build properties, and after consultation with the Tenants Steering Group, it was decided to freeze new-build rents until such time as the rents for non-new build properties reach the same level.

Table 1: Proposed Weekly Rent Levels by Bedroom Size 2020/21

Property Type	Bedsit	1 bed	2 bed	3 bed	4 bed	5 bed	6 bed	7 bed
Flat	£49.94	£57.71	£65.48	£73.24	£81.02	£88.79	£96.55	£104.33
House	£66.58	£74.36	£82.12	£89.89	£97.66	£105.43	£113.19	£120.97
New Build Flat	£61.53	£68.62	£76.16	£83.69	£91.23	£98.77	£106.30	£113.83
New Build House	£77.23	£84.77	£92.30	£99.84	£107.37	£114.91	£122.44	£129.98

Service Charges

Sheltered, retirement and dispersed housing have services charges applied in addition to rents. These charges cover energy costs for communal areas and furniture as appropriate. Charges are set based on actual costs incurred in the previous full financial year (2018/19). Table 2 provides an outline of the lowest, median and highest charges for 2020/21 and the percentage change from 2019/20.

Table 2: Proposed Weekly Service Charges 2020/21

Accommodation	Level	2019/20 charge	2020/21 charge	Weekly increase/ (decrease)	% change from 2019/20
Sheltered Housing	Lowest	£5.67	£5.64	(£0.03)	(0.5%)
Sheltered Housing	Median	£10.33	£10.72	£0.39	3.8%
Sheltered Housing	Highest	£14.87	£14.74	(£0.13)	(0.9%)
Dispersed	Lowest	£5.90	£7.36	£1.46	24.7%
Dispersed	Median	£14.15	£17.67	£3.52	24.9%
Dispersed	Highest	£21.84	£27.78	£5.94	27.2%

In 2018/19 there was a significant increase in the costs of furnishing and decorating dispersed properties which has led to a large increase in the service charge.

During the year 2019/20, the former Angus Community Care Charitable Trust (ACCCT) properties were transferred into Council ownership. Since the service charges for these properties were increased in July 2019, no change is being applied to the service charges for these properties in 2020/21, to avoid increasing these charges twice in one 12 month period. Rent for these properties have been frozen until such time as the rents for mainstream Council properties reach the same level.

St Christopher's Travelling People Site

It is proposed that a rent increase of 3.1% is applied to pitches at St Christopher's Travelling People Site. This is based on the CPI figure (2.1%) for July 2019 and an uplift of 1%. Table 3 below sets out the proposed weekly rent for 2020/21 and the weekly increase.

Table 3: Proposed Weekly Rent Level 2020/21

	2019/20 Charge	2020/21 Charge	Weekly Increase	% change
St Christopher's pitch	£56.75	£58.51	£1.76	3.1%

Garages and Garage Sites

It is proposed that a rent increase of 3.1% is applied to garages, garage sites and stores adjacent to garages. This is based on the CPI figure (2.1%) for July 2019 and an uplift of 1%.

Table 4: Proposed Weekly Garage Rent Charges 2020/21

	2019/20 Charge	2020/21 Charge	Weekly Increase	% change
Garage (excluding VAT)	£5.62	£5.79	£0.17	3.1%
Garage (including VAT)	£6.74	£6.95	£0.21	3.1%

Table 5: Proposed Annual Garage Site Charges 2020/21

	2019/20 Charge	2020/21 Charge	Annual Increase	% change
Garage Site (excluding VAT)	£94.71	£97.65	£2.94	3.1%
Garage Site (including VAT)	£113.65	£117.18	£3.53	3.1%