

REPORT OF CONSULTATION ON RENTS AND SERVICE CHARGES FOR 2020-2021

As part of Council's commitment to involving tenants and other service users in the management of housing services, Wolverhampton Homes were asked to lead on undertaking consultation with tenants and leaseholders for 2020/21. The consultation also included a presentation to Wolverhampton Federation of Tenants' and Residents' Association (WFTRA) and a further presentation to CWC's managing agents.

During consultations, tenants and leaseholder were reminded that, when making decisions about future rent strategy, the Council needs to ensure that it accurately forecasts the cost of managing and maintaining the Council housing stock, including maintaining decent homes, delivering capital work programmes, undertaking repairs or improvements, as well as achieving the maximum number of new build Council homes. Fire safety and high rise infrastructure works remain a key driver and focus for CWC and Wolverhampton Homes, highlighted by the programme of sprinkler system installations in all WH managed high rise accommodation.

Dates of consultations and venues

- 7th October 2019 CWC Management Agent meeting
- 24th October 2019 Whitmore Reans Get Together
- 30th October 2019 Wednesfield/ Low Hill Get Together
- 6th November 2019 Heath Town Get Together
- 18th November 2019 Wolverhampton Federation of Tenants Association

The consultation by way of presentation took account of:

- Overview of Housing Revenue Account, forecast income – planned expenditure
- Capital programmes delivered through 2019/20 and those planned 2020/21
- New Rent standard from April 2020 – CPI + 1%
- Service Charges
- Opportunity for audiences to feedback any observations or comments in relation to the presentation which would be considered by the Council before concluding within papers and presentation to Cabinet 2020.

Comments / Feedback Received

CWC management agents meeting on the 7th October 2019, round table discussion on the proposed consultations, no challenge received. Request that presentation be shared to allow each Chief Officer to update their respective Boards. No further feedback received from the MA's following their discussions with their Boards.

Whitmore Reans, – Generally well received with feedback relating to current rent reductions and acceptance that it would come to an end at some point. Concern that despite a relatively

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small increase proposed it would still impact upon tenants experiencing hardship and reliant upon foodbanks.

Wednesfield and Low Hill – Acceptance that rent and service charges would need to increase after period of reductions. Challenge towards title of ‘consultation’, as some felt their input would have little or no impact upon final decisions made.

Heath Town – An element of scepticism was received and implied that the consultation was meaningless, as no matter what was said there would be no impact upon the outcome. Welcomed the development/regeneration upon the Heath Town estate and the importance of how income collected afforded the work being delivered.

WFTA – Acceptance of the presentation, some challenge in terms of the 2.7% rent increase. Meeting wanted to explore in more detail the calculations and methodology associated with service charges, although the presentation identified there were no intentions to increase service charges other than those rising incrementally to achieve full cost recovery.

Specific attention was drawn to ‘Facility Charges’ and what was felt as inequality for residents of flatted accommodation, with focus upon laundry usages and token costs. The subject of heating charges was also raised with a number of representatives expressing dissatisfaction in the charge for electric storage heaters and lack of programmed investment for replacements.

There was some discussion for future slides to be more detailed and to show clearly the income received from leaseholders (major works and service charges).

Summary

Attendees at each of the consultation events were asked to indicate by show of hands agreement towards the proposal to increase rents by 2.7% from April 2020, with tenant service charges remaining the same (other than estates where incremental rises were identified), the results were -

3 For, 46 Against, 54 Abstained

Conclusion

The meetings were well attended with little challenge put forward in relation to the proposed 2.7% increase. Those in attendance accepting that rents would need to increase following previous years of rent reductions. However, it is to be expected that when asked to indicate support for a rise, less than half of the attendees agreed to the proposed increase, with the majority choosing to abstain.

A small number remain dissatisfied with services charges associated with facilities, laundry and heating charges. These elements can be programmed for greater exploration through working groups during 2020/21 and then summarised within 2021/22 rent and service charge proposals.

Darren Baggs
Assistant Director – Housing
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