

From: Adegboye Andrew
Sent: 10 December 2019 17:32
To: Campbell Esther <Esther.Campbell@HomesforHaringey.org>
Subject: RE: Service charges

Hi Esther,


The numbers vary depending on the service provided. The table below shows the current numbers for each service.

Tenants' Service Charges	No of Tenants
Concierge	1,912
Grounds Maintenance	9,049
Caretaking	7,383
Street Sweeping	8,732
Integrated Reception Service (Digital TV)	8,711
Estates Road maintenance	8,984
Communal Lighting	8,811
Gas (Elderly Person)	378
Gas (Not Elderly Person)	109
GLC Heating	61
District Heating 6	1
Oil/Electricity (Elderly Person)	39
TV aerial maintenance	8,633
Door entry system maintenance	7,229
Sheltered housing cleaning service	914
Good neighbour cleaning service	427
Window cleaning	1,341
Converted properties cleaning	746

Regards,

Andrew Adegboye
Senior Finance Manager - Financial Planning
Finance Business Partnering | Place (Housing)
Haringey Council
Level 5, Alexandra House, 10 Station Road, London N22 7TR
T. 020 8489 1205
E. andrew.adegboye@haringey.gov.uk

www.haringey.gov.uk
[twitter@haringeycouncil](https://twitter.com/haringeycouncil)
facebook.com/haringeycouncil

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From: Campbell Esther <Esther.Campbell@HomesforHaringey.org>
Sent: 10 December 2019 17:28
To: Adegboye Andrew <Andrew.Adegboye@haringey.gov.uk>
Subject: Service charges

Hi Andrew,

Can you let me know the number of tenants in estates, that are affected by estate-wide service charges?
Do you also have the number of tenants in street converted properties, again, those that would be affected by service charges for all street properties?

High level estimates are fine, I don't need the exact number.

Thanks.

Regards,

Esther Campbell
Financial Controller
Corporate Affairs

Homes for Haringey
48 Station Road | London | N22 7TY
Tel: 020 8489 2965
Mobile: 07976 948 368
E: esther.campbell@homesforharingey.org

www.homesforharingey.org
[@homes4haringey](https://www.instagram.com/homes4haringey)

From: Adegboye Andrew
Sent: 31 October 2019 12:59
To: Downie Tracey <Tracey.Downie@HomesforHaringey.org>; Scott Gerri <Gerri.Scott@HomesforHaringey.org>; Ikegwu Kaycee <Kaycee.Ikegwu@haringey.gov.uk>; Eversley Simon <Simon.Eversley@haringey.gov.uk>; Campbell Esther <Esther.Campbell@HomesforHaringey.org>; Dickenson Maurice <Maurice.Dickenson@haringey.gov.uk>; Gandy Denise <Denise.Gandy@homesforharingey.org>; Davey Pete <Pete.Davey@HomesforHaringey.org>; Gulliver Martin <Martin.Gulliver@haringey.gov.uk>
Cc: Antwi Frederick1 <Frederick1.Antwi@haringey.gov.uk>; Cumberland Lynne <Lynne.Cumberland@haringey.gov.uk>
Subject: Housing Rents Setting 2020/21 - Briefing Note

Dear all,

I attach a briefing note on the proposals for housing rents and tenants' service charges for 2020/21. This will be the basis of the HRA income budgets for rent and tenants' service charges for 2020/21.

Let me know if you have any comments.

Regards,


Andrew Adegboye
Senior Finance Manager - Financial Planning

Finance Business Partnering | Place (Housing)
Haringey Council
Level 5, Alexandra House, 10 Station Road, London N22 7TR
T. 020 8489 1205
E. andrew.adeigboye@haringey.gov.uk

www.haringey.gov.uk

[twitter@haringeycouncil](https://twitter.com/haringeycouncil)

facebook.com/haringeycouncil

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1. Housing rents

- 1.1 The statutory 1% social rent reduction, which has been in place for four years from April 2016, ends on 31 March 2020. From 1 April 2020, the government will allow local authorities in England to increase social rents and affordable rents every year by no more than the Consumer Price Index (CPI) at September of the previous year plus 1% for at least five years.
- 1.2 Following the announcement in October 2017, the Secretary of State published a new direction to the Regulator of Social Housing ("the regulator") to set a rent standard, which registered providers must follow when setting the rents council tenants will pay. Consequently, the regulator has published draft rent standard that will guide local authorities when setting council housing rents from 1 April 2020 onwards.
- 1.3 The rent standard limits the annual rent increases for social and affordable rented housing at levels no more than CPI at September of the previous year plus 1%. It also limits the rent on new social housing tenancies to the formula rent, based partly on the number of bedrooms and the value of the property and partly on local earnings.
- 1.4 Individual rents in Haringey are below the formula rent in many properties. However, the government allows local authorities to charge formula rents in such properties when they are re-let following a vacancy.
- 1.5 Haringey Council must set housing rents for 2020/21 using the formula set out in the government's policy on social housing rents. Given that the CPI at September 2019 is 1.7%, housing rents in Haringey will increase by no more than 2.7% (CPI plus 1%) from 6 April 2020.
- 1.6 The HRA business plan includes annual rent increases of CPI plus 1% and there are no other options for the Council to consider when setting tenants' rents for 2020/21.

General needs and sheltered / supported housing

- 1.7 Provisional rents for general needs and sheltered / supported housing for 2020/21 have been calculated so that the weekly rents paid by tenants increase by no more than 2.7% from 6 April 2020 (the first Monday in April). On this basis, the average weekly rent will increase by £2.75 from £101.82 to £104.57.
- 1.8 There is a range of rents across different sizes of properties. Table 1 sets out the provisional average weekly rents for 2020/21 and the proposed rent increase by property size.

Table 1**General needs and sheltered / supported housing**

Number of Bedrooms	Number of Properties	Current average weekly rent 2019/20	Provisional average weekly rent 2020/21	Proposed average rent increase	Percentage increase
Bedsit	135	£82.61	£84.84	£2.23	2.7%
1	5,383	£87.49	£89.85	£2.36	2.7%
2	5,146	£101.97	£104.72	£2.75	2.7%
3	3,717	£116.76	£119.91	£3.15	2.7%
4	601	£132.93	£136.52	£3.59	2.7%
5	104	£155.51	£159.71	£4.20	2.7%
6	15	£161.60	£165.96	£4.36	2.7%
7	2	£152.91	£157.04	£4.13	2.7%
8	1	£173.10	£177.77	£4.67	2.7%
All dwellings	15,104	£101.82	£104.57	£2.75	2.7%

- 1.9 As some properties have not reached the formula rent, the current policy of increasing rents to the formula rents on re-let to new secure tenants will continue.

Affordable rent housing

- 1.10 There are eighteen homes, built under the New Homes Infill Programme, let at affordable rents.
- 1.11 From 6 April 2020, affordable rents will increase by 2.7% from their current levels. The current average weekly affordable rent will increase by £6.66 from £246.65 to £253.31. There is a range of affordable rents across different sizes of properties. Table 2 sets out the provisional average weekly affordable rents for 2020/21 by property size.

Table 2**Affordable rent housing**

Number of Bedrooms	Number of Properties	Current average weekly rent 2019/20	Provisional average weekly rent 2020/21	Proposed average rent increase	Percentage increase
1	1	£205.25	£210.79	£5.54	2.7%
2	5	£228.13	£234.29	£6.16	2.7%
3	7	£228.82	£235.00	£6.18	2.7%
4	3	£287.03	£294.78	£7.75	2.7%
5	2	£315.51	£324.03	£8.52	2.7%
All dwellings	18	£246.65	£253.31	£6.66	2.7%

Temporary accommodation

- 1.12 From 6 April 2020, all council-owned properties used as temporary accommodation will have their rents increased by 2.7% from their current levels. These are mainly properties acquired under the TA acquisition programme in regeneration zones and council-owned hostels used as temporary accommodation.
- 1.13 The rent and service charges payable in council-owned lodges or properties leased to the Council, or purchased on a nightly basis and used as temporary accommodation will remain at 90% of 2011 LHA plus £40 a week management charge. These properties are provided under licences or non-secured tenancies and include lodges, annexes, private sector leased properties, and private hotels.

2. Tenants' service charges

- 2.1 In addition to rents, tenants pay charges for services they receive which are not covered by the rent. The Council's policy has been to set tenants' service charges at the start of each financial year to match budgeted expenditure.
- 2.2 Service charges must be set at a level that recovers the cost of the service, and no more than this. Charges are calculated by dividing the budgeted cost of providing the service to tenants by the number of tenants receiving the service. Therefore, a flat rate is charged to tenants receiving each service and the weekly amount is fixed. The amount tenants pay increases where the cost of providing the service is anticipated to increase. Equally, charges are reduced when the cost of providing the service reduces or where there has been an over-recovery in the previous year.
- 2.3 Tenants currently pay for the following services;
- Concierge
 - Grounds maintenance
 - Caretaking
 - Street sweeping (Waste collection)
 - Light and power (Communal lighting)
 - Heating
 - Integrated reception service (Digital TV)
 - Estates road maintenance
 - Door entry system maintenance
 - Sheltered housing cleaning service
 - Good neighbour cleaning service
 - Converted properties cleaning
 - Window cleaning service.
 - TV aerial maintenance

The applicable charges for 2020/21 will be calculated and presented for Cabinet and Full Council approval in February 2020.

3. Water rates

- 3.1 Thames Water Utilities Ltd ended their collection arrangement with the Council on 31 March 2019. Tenants must pay water and sewerage charges from 1 April 2019 onwards directly to Thames Water.

4. Rent consultation

- 4.1 The Council must give written notice to tenants at least four weeks before the new rents for 2020/21 start on 6 April 2020.
- 4.2 Under the previous rent restructuring regime, Homes for Haringey (HfH) consulted tenants informally on behalf of the Council from late December to mid-January. In the past, HfH sent letters to the various Residents Associations asking for their views on rent increase proposals. The consultation was also published on HfH website to invite comments from tenants.
- 4.3 No informal consultation was undertaken in the last four years due to the mandatory 1% social housing rent reduction. No consultation is planned for 2020/21, as there are no alternative options for which HfH could seek tenants' opinions.

5. Recommendations

- 5.1 That rents for tenants in general needs housing, sheltered / supported housing, affordable rent housing and council-owned properties used as temporary accommodation increase by 2.7% from their current levels from 6 April 2020.
- 5.2 To continue with the current policy of increasing rents to the formula rents on re-let to new secure tenants.
- 5.3 That shared ownership rents increase by 2.7% from their current levels from 6 April 2020.