

APPENDIX X6: Other Associated Housing Charges for 2022/23

Garage Rents

1. The detail of these charges and the changes are as set out in appendix 5. The proposals is for a 4.9% increase in charges which equates to an average increase of £0.77 per week.

Tenants Levy

2. As part of the budget and rent setting proposals for 2005/6, a sum of £0.13 per week was 'unpooled' from rent as a tenants service charge in respect of the Lewisham Tenants Fund. The current charge is £0.15pw.
3. No proposals have been put forward by Lewisham Tenants Fund (LTF) to vary this levy for 2022/23. Therefore the charge will remain at £0.15pw for 2022/23.

Hostel charges

4. Hostel accommodation charges are set based on current Government requirements and will increase by 4.1% (£3.27 per week).
5. Hostel service charges are set to achieve full cost recovery, following the implementation of self-financing. For 2022/23, the charge for Caretaking/management and Grounds Maintenance will remain at current levels. This will leave the average charge at £72.96 per unit per week.
6. In addition, the charge for Heat, Light & Power will also be held at current levels and will remain at £5.98pw. Water charges will not be increased and will remain at £0.20pw. The charge for Council Tax will be based on the total recharged received from Council Tax section. All charges will be based on the total number of hostel units and is forecast to remain unchanged for 2022/23.
7. Hostel residents were consulted on these proposals via individual letters. Officers also invited hostel residents to meet them to discuss the changes and how these may affect them. However, no comments or representations were received.

Linkline Charges

8. The delivery of the service to a 'full visiting service' to better reflect service need was implemented in 2018/19. The resulting annual charge to the HRA for 2020/21 was increased to £420k. Current indications are that an inflationary increase of 2.0% will be applied for 2022/23, increasing the HRA charge by £9k

(to £440k for 2021/22). The current linkline charge to HRA residents is £6.10 per week, and does not fully recover the full charge applied to the HRA.

9. Consultation with HRA residents/current users of the service is due to be undertaken sometime in the New Year. The results of any consultation will be reported to Mayor and Cabinet. Consultation would need to be completed by mid-February 2022 to comply with the 28 day statutory notice of charge increases and allow increased charges to be applied from April 2022. However, if consultation is delayed, the charge increase can only be applied from April 2023. There are no proposals to increase the maintenance charge, which will remain at £0.94 per week.

Private Sector Leasing (PSL & PMA)

10. Rent income for properties used in the Private Sector Leasing (PSL) and Privately Managed Accommodation (PMA) scheme are General Fund resources. From April 2021, rents for homes let under these schemes will be charged at the applicable Local Housing Allowance (LHA) for private rented sector (PRS) properties. This will support the schemes to remain viable in the longer-term and reduce the General Fund subsidy that is presently required to keep them in operation.

Heating & Hot Water Charges

11. As part of last year's rent setting process the Mayor agreed to continue with the current formula methodology for calculating increases in Heating & Hot Water charges to tenants and leaseholders. This formula was originally approved by Mayor & Cabinet in December 2004.
12. The current charging methodology allows a limited inflationary price increase plus a maximum of £2 per week per property increase on the previous year's charge. Consumption levels are also updated and included in the formula calculation.
13. The existing corporate contract for the supply of electricity is let by the property services team with Crown Commercial Services; an Executive Agency of the Cabinet Office. The contract frameworks have been designed to comply with the findings of the Pan Government Energy Project, which recommends that all public sector organisations adopt aggregated, flexible and risk-managed energy procurement with public sector buying organisations.
14. The proposal for 2022/23 is for an increase of £1.04pw or 10.0%. This will move the current charge from £10.46pw to £11.50pw. This is based on the latest available unit rates and consumption data.

15. The proposal for communal lighting is for an increase of 21.0% or £0.21 per week. This will move the current average charge from £1.10pw to £1.31pw. The increase is due to updated unit rates and consumption rates.

16. Officers will review the costs, actual energy usage and new contact prices in both 2021/22 and 2022/23 as part of the monitoring regime. Once the new long-term energy supply contracts are in place, recommendations for changes to charges will be brought forward as part of the 2023/24 budget process.