



## Rents 2012 to 2013

£6.4 million for last year, this year and next year through land sales was anticipated however housing is saying it might be lucky to get £500 thousand.

The Focus group has been saying all along that a plan B was necessary to address any shortfall in income. Such a plan never materialised.

The Focus group met with housing management at the end of November 2011 and again raised our concerns.

The rent increase options for 2012/2013 are based on estimated land sale receipts of £13.4 million coming in, up to 2015. This is extremely unlikely. Housing is now expecting approximately £500 thousand. This leaves a massive shortfall which will need to be met through higher rent increases and probably more borrowing which has to be repaid from rents.

We also said the rent options for 2012/13 are unrealistic and tenants should be told how things are at this point and how the future looks with no land sales factored in. This could mean major rent rises through a period when Welfare reforms will be impacting on tenants housing benefits.

All council tenants will have received a copy of the rent consultation paper for 2012/13 from the council. The Focus group verbalised its concerns about the levels of rent being consulted on and how the information with the options has been presented to tenants.

**The 4.5%** rent option says 'efficiencies of £100 thousand required within the repairs service'.

**The 4.75%** rent option says 'current repairs service maintained.'

These seen side by side seem to be saying that repairs will be reduced in first option as the second option talks about maintaining current service. Does this mean that housing will be reducing the repairs budget? Housing management say they will be looking to make savings in every area and this should not affect the current standard of service e.g. Re tendering contracts to look for same quality at lower costs. Will any shortfall in savings mean a reduction in efficiency service?

**The 5%** rent option says 'current repairs standards maintained plus £100 thousand additional income to finance energy efficiency'. Only in this option does housing mention energy efficiency.

We believe tenants will think they will all get energy savings through this option.

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Housing had been looking at options of renting council house roof space to interested companies who were prepared to install photovoltaic (solar panels) on south facing properties.

This meant that the electricity gathered through this method would give the tenants in these houses free electricity and the remaining electricity would be sold by the installer to the national grid. This would have enabled the council to be more energy efficient without the outlay of money they don't have. However this fell through as the Government almost halved the electricity tariff installers would have received. As this is no longer a viable financial option, installers are no longer interested.

DFTA felt the information on the rent consultation paper was misleading and have said as much, however we do recognise that the housing department is working hard to find further efficiencies.

We do not think this is a deliberate pulling of wool over tenants' eyes but rather the timing of sharing information and information going out to tenants.

Tenants should be told how serious things are, as delivering the SHQS on the current assumptions is very unlikely and that future rent increases are potentially going to be more than planned. This possibility should be fully discussed with tenants now.

DFTA will be meeting with housing management early in the new year to discuss what still needs to be done to meet the SHQS, what can wait, what can be left undone the next few years up to 2015 and beyond, how this is going to be paid for and what can be done to keep rent affordable. The issue now is taking a long hard look about estimates going forward and reaching some degree of consensus about what are realistic assumptions.

### KEEP WARM AND WELL

Households that spend 20% or more of their income on fuel costs may qualify for a reduction in fuel costs through Scottish Hydro Electric. Other fuel companies have similar tariffs with varying qualifying criteria. It is worth noting that this is not restricted to those in receipt of state benefits.

If you need information on how to keep warm or on the above, call an energy advisor at **DEAP on 434840 from 9.00am to 5.00pm Monday to Friday**. They will provide free advice and information in the comfort of your own home maintaining client confidentiality.

## RENA SMITH MBE



### RENA SMITH MBE

We are very proud to announce that our Chairperson, Rena Smith, received her MBE on 15 November 2011.

For the last 20 years she has worked tirelessly to promote tenants interests and ensure their voice is heard. She is a former Citizen of the Year, the Secretary/Treasurer of the Balmoral Tenants and Residents Group, Vice-Convener of Tenants Information Service and Chairperson of Dundee Federation of Tenants Associations.

*May we take this opportunity to wish all our readers a Merry Christmas and Best Wishes for the New Year*

*From*

*THE DUNDEE FEDERATION OF  
TENANTS ASSOCIATIONS*