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Tenant & Leaseholder Panel

To: Yaw Boateng (Chair)
Leslie Parry (Vice-Chair)
Jill Arboine, Ishia Beckford, Monica Binns, Peter Cooper, Teresa Cox,
Susan Devonish, James Fraser, James Gitau, Dave Mundy, Grace Osoata,
David Palmer, Guy Pile-Grey, Sheryl Read, Marilyn Smithies, Sharon
Swaby, Jamil Tarik and Kim Wakely
Councillors Adele Benson, Lara Fish, Alisa Flemming, Brigitte Graham,
Lynne Hale and Chrisni Reshekaron

A meeting of the **Tenant & Leaseholder Panel** will be held on **Tuesday, 10 October 2023** at **6.30 pm** in **Room 1.01 and 1.02 - Bernard Weatherill House, Mint Walk, Croydon CR0 1EA**

Katherine Kerswell
Chief Executive
London Borough of Croydon
Bernard Weatherill House
8 Mint Walk, Croydon CR0 1EA

Mary Bosah
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www.croydon.gov.uk/meetings
Monday, 2 October 2023

Please note that this meeting is being held remotely. You can view the webcast both live and after the meeting has completed at <http://webcasting.croydon.gov.uk>

The agenda papers for all Council meetings are available on the Council website www.croydon.gov.uk/meetings

If you require any assistance, please contact Mary Bosah as detailed above.

AGENDA

1. Welcome and Introductions

2. Apologies for absence

To receive any apologies for absence from any members of the Committee

3. Disclosure of Interest

Members will be asked to confirm that their Disclosure of Interest Forms are accurate and up-to-date. Any other disclosures that Members may wish to make during the meeting should be made orally. Members are reminded that unless their disclosable pecuniary interest is registered on the register of interests or is the subject of a pending notification to the Monitoring Officer, they are required to disclose relevant disclosable pecuniary interests at the meeting

4. Minutes of Previous Meeting

To approve the minutes of the meeting held on Tuesday 18 July 2023 as an accurate record.

5. Damp & Mould Update

To include an update on reports in the last quarter from residents; issues identified by inspectors; issues triaged within the standard 8 days; repairs carried out within the standard 8 days; and repairs in each category.

Presented by Jerry Austin, Interim Head of Repairs & Maintenance.

6. Customer Repairs Call Centre

To include an update on how many calls received per week.

Presented by Michael Nlewedim, Contact Centre Manager.

** Previously named the HRR Contact Centre Standards; this item has been carried forward from the cancelled meeting on Tuesday 5 September 2023.

7. Repairs Update

To include a template of contacts in the Repairs service; an update on My Account regarding repairs reports; the standard for sub-contractors; and what onsite monitoring is in place for sub-contractors while carrying out repairs.

Presented by Jerry Austin, Interim Head of Repairs & Maintenance.

8. Rent Increase (including Consultation) (Pages 5 - 16)

Presented by Orlagh Guarnori, Finance Manager and Mary Larbie, Interim Director of Tenancy Services, Housing Resident Engagement and Allocations.

9. Social Value

Presented by Gurpal Singh, Interim Social Value Officer.

10. Update on Housing Strategy

Presented by Simon James, Change Manager.

11. Report from resident representatives

12. Any Other Business

To discuss any other business at the discretion of the Chair.

13. Date of next meeting

Tuesday 6 February 2024 at 6:30pm in Room 1.01, Bernard Weatherill House, 8 Mint Walk, Croydon CR0 1EA.

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Rents 2024-25

Tenants & Leaseholder Panel update

Rent increase 2024/25

- In 2022 government issued a consultation to cap rents at 7% with the option to cap again in 2024/25 should the Consumer Price Index (CPI) remain at the levels of 2022
- This was a variation to the current government rent policy to increase by CPI+1% taking the value of CPI in the September of the prior year
- Bank of England forecasts from August 2023 show that CPI inflation is at 6.7% the September rate is not expected to vary significantly from that
- The 2 scenarios have been modelled to determine the impact on the HRA

Rent scenario analysis

Model 1 – Current Policy CPI + 1% (7.7%)

- Assuming the current policy is maintained and that a rate of 7.7% increase is applied to the current rents
- Increase in income of £5.9m

Model 2 – 7% ceiling

- Assuming a rate of 7% increase is applied to the current rents
- Increase in income of £4.7m

Service charge scenario analysis

Model 1 – Current Policy CPI + 1% (7.7%)

- Assuming the current policy is maintained and that a rate of 7.7% increase is applied to the current rents
- Increase in income of £0.358m
- Service charge review currently being carried out to determine if current charges cover the service costs since large increase in costs due to cost inflation and service improvements

Service charge scenario analysis

Model 2 – 7% ceiling

- Assuming a rate of 7% increase is applied to the current rents
- Increase in income of £0.326m
- Service charge review currently being carried out to determine if current charges cover the service costs since large increase in costs due to cost inflation and service improvements

Known Pressures

- Voids number – Average 680 per year
- Damp and Mould Costs- proactive and reactive
- Capital Works- driven by better profiling
- Compliance Works(including Building Safety)
- Fire Works

Average Rents potential increase

Model 1 – Current Policy CPI +1 (7.7%)

Bedroom Size	Average rent 2023-24 £ p/w	<u>7.7% Rent Policy</u> – Average rent 2024-25	Increase vs 2023/24 £p/w
	£p/w	£p/w	£p/w
0 Bedsit	85.82	92.43	6.61
1	102.76	110.67	7.91
2	122.34	131.76	9.42
3	147.71	159.08	11.37
4	167.43	180.32	12.89
5	183.16	197.26	14.10
>5	205.10	220.89	15.79

Average Rents potential increase

Model 2 – 7% ceiling

Bedroom Size	Average rent 2023-24 £ p/w	<u>7% Cap</u> - Average rent 2024-25 £ p/w	Increase vs 2023/24 £p/w
	£p/w	-	
0 Bedsit	85.82	91.83	6.01
1	102.76	109.95	7.19
2	122.34	130.90	8.56
3	147.71	158.05	10.34
4	167.43	179.15	11.72
5	183.16	195.98	12.82
>5	205.10	219.46	14.36

Weekly Tenants charges potential increase

Model 1 – Current Policy CPI +1 (7.7%)

Tenant type	Number of units	Weekly tenants charge 2023-24 £p/w	<u>7.7% Rent Policy –</u> Weekly tenants charge 2024-25 £p/w	Increase vs 2023-24 £p/w
Flats	7,787	11.74	12.64	0.90
Estate Houses	661	2.41	2.60	0.19
Total	8,448			

Weekly Tenants charges potential increase

Model 2 – 7% ceiling

Tenant type	Number of units	Weekly tenants charge 2023-24 £p/w	<u>7% Cap</u> - Weekly tenants charge 2024-25 £p/w	Increase vs 2023-24 £p/w
Flats	7,787	11.74	12.56	0.82
Estate Houses	661	2.41	2.58	0.17
Total	8,448			

Repairs budgets funding

- The responsive repairs budget was increased in 2023-24 to allow for the new contracts and the move to an average order value methodology.
- The 3 contracts went live in August 2023 and the initial impact is:
 - Wates received 5,263 orders of which 3284 completed;
 - Mears 2,843 of which 2188 completed ;
 - Wates completed 750 legacy repairs 1,500 remaining & all legacy to be completed by November
 - Mears received 856 & have 79 outstanding
- The financial impact has seen an increase in the spend from the budgeted £13.5m in 2023 which will be funded from reserves as a one off however the budget for 2024-25 must be funded from the 2024-25 revenue income

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