

FC74. Housing Revenue Account and Council House Rents 2018/19 – 2020/21

Council considered a report by the Director of Corporate and Housing Services providing options relating to council house rent and other rental charges for 2018/19.

Falkirk Council was landlord to over 16,000 tenants and the cost of providing council housing had to be self-financing from rents and other income. There was a statutory duty to review the level of council house rents annually. The average rent was £64.06 per week, with 72% of that income directed to repaying borrowing costs and paying for day to day maintenance and improvements. Nationally Falkirk Council had:-

- the 5th lowest rent
- the 4th highest level of repairs and improvement expenditure per house
- the 7th lowest supervision and management costs.

A consultation had been carried out with tenants on a range of potential rent increase options for 2018/19. There were 1,011 responses which represented a 6% response rate. The consultation feedback showed that preferences were as follows:-

	Option 1 1.9%	Option 2 2.9%	Option 3 3.6%	Option 4 3.9%
Responses	338 (39%)	191 (22%)	130 (15%)	201 (23%)

The report advised that the Administration's position was to raise the rent level in line with option 3 at 3.6%.

Decision

Council:-

- (1) agreed to an increase of 3.6% in average council house rents for 2018/19 with a similar increase in the other rental charges as set out in Appendix 4 to the report;**
- (2) approved the Housing Revenue Account budget for 2018/19 as set out in Appendix 2, subject to any necessary adjustments, and**
- (3) noted the indicative budgets and rent levels for 2019/20 and 2020/21 as representing the best available information at this time.**