

RENT INCREASE - COMPARISON OF OPTIONS FOR CONSIDERATION BY CABINET 12 FEBRUARY 2013

	Year 1		Year 2	Year 3
	2012/13	2013/14	2014/15	2015/16
	Revised	Estimate	Estimate	Estimate
Average No of Properties for Rent purposes	3,801	3,796	3,791	3,786
LESS voids @ 1.5%	57	57	57	57
Projected chargeable properties	3,744	3,739	3,734	3,729
<u>Option 1 - 3% per annum</u>				
Projected % Increase (Inflation)	7.82%	3.00%	3.00%	3.00%
Projected £ Increase		£2.08	£2.14	£2.20
Projected Actual Rent	£69.22	£71.30	£73.44	£75.64
<u>Option 2 - 2% per annum</u>				
Projected % Increase	7.82%	2.00%	2.00%	2.00%
Projected £ Increase		£1.38	£1.41	£1.44
Projected Actual Rent	£69.22	£70.60	£72.02	£73.46
<u>Option 3 - 1% per annum</u>				
Projected % Increase	7.82%	1.00%	1.00%	1.00%
Projected £ Increase		£0.69	£0.70	£0.71
Projected Actual Rent	£69.22	£69.91	£70.61	£71.32
<u>Option 4 - 0% per annum</u>				
Projected % Increase	7.82%	0.00%	0.00%	0.00%
Projected £ Increase		£0.00	£0.00	£0.00
Projected Actual Rent	£69.22	£69.22	£69.22	£69.22
<u>Option 5 - 0%, 1%, 2% then 3% thereafter</u>				
Projected % Increase	7.82%	0.00%	1.00%	2.00%
Projected £ Increase		£0.00	£0.69	£1.40
Projected Actual Rent	£69.22	£69.22	£69.91	£71.31
<u>Option 6 - 1%, 2% then 3% thereafter</u>				
Projected % Increase	7.82%	1.00%	2.00%	3.00%
Projected £ Increase		£0.69	£1.40	£2.14
Projected Actual Rent	£69.22	£69.91	£71.31	£73.45
<u>Option 7 - 2%, then 3% thereafter</u>				
Projected % Increase	7.82%	1.00%	2.00%	3.00%
Projected £ Increase		£0.69	£1.40	£2.14
Projected Actual Rent	£69.22	£69.91	£71.31	£73.45

For impact on individual property types see following page

RENT INCREASE OPTIONS BY PROPERTY TYPE AND ANALYSIS OF TENANTS IN RECEIPT OF HOUSING BENEFITS

Rent increase options by property type					
		2012/13	2013/14	2014/15	2015/16
Property Type	No of Bedrooms	7.82%	Based on a 3% Increase	Based on a 3% Increase	Based on a 3% Increase
		£	£	£	£
Bedsit	1	55.23	56.89	58.59	60.35
Bungalow	1	62.82	64.70	66.65	68.65
Flat	1	61.28	63.12	65.01	66.96
House	1	61.69	63.54	65.45	67.41
Bungalow	2	70.90	73.03	75.22	77.47
Flat	2	66.60	68.60	70.66	72.78
House	2	70.51	72.63	74.80	77.05
Maisonette	2	67.41	69.43	71.52	73.66
Bungalow	3	77.70	80.03	82.43	84.90
Flat	3	75.76	78.03	80.37	82.78
House	3	77.03	79.34	81.72	84.17
Maisonette	3	74.31	76.54	78.84	81.20
House	4	81.01	83.44	85.94	88.52
House	5	79.48	81.86	84.32	86.85

These rents are indicative for each property type as individual rents will vary within the category.

Analysis of tenants receiving Housing Benefits as at 01 February 2013

Band	Number	Percentage
100% HB	1,510	40%
>75% to 99.9% HB	946	25%
>50% to 75% HB	167	5%
>25% to 50% HB	93	2%
>0% to 25% HB	62	2%
Full rent paid	970	26%
Total number of tenants	3,748	100%