

Report

Report to:	Housing and Technical Resources Committee
Date of Meeting:	8 November 2023
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Laundry Facilities – Introduction of Charging 2024/2025
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ set out proposals for the introduction of laundry charges across relevant high rise flats from 1 April 2024

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the introduction of laundry charges, on the basis set out at section 4 below, from 1 April 2024, be approved; and
- (2) a programme of engagement with tenants and residents is undertaken on the introduction of charging, be noted

3. Background

3.1. South Lanarkshire Council owns a total of 21 high rise blocks in East Kilbride, Hamilton and Cambuslang. Laundry facilities to tenants and residents are available within 9 high rise blocks and 1 low rise block of flats. These include washing machines, spinners and driers. In East Kilbride, 3 blocks have laundry facilities and these currently have a charging facility with a nominal fee. Whereas in Hamilton and Cambuslang, 6 high rise and 1 low rise block have similar laundry facilities, however, in the past, these have been free to use by tenants and residents. The remaining 12 high rise blocks have no laundry facilities.

3.2. The current charges within East Kilbride are £0.80 for a wash cycle and £0.10 for a 10 minute dry cycle.

3.3. Given that charging arrangements are not consistent across high rise blocks, an appraisal was undertaken which identified a need to introduce a standardised charging arrangement for this service. This would address the inequity of the current position in East Kilbride and also service wide, whereby the cost of the service is borne across all council tenants rather than by those directly using the service.

4. Charging Proposals

4.1. Standardising charges for washing and drying facilities will generate income to the Council to meet the significant and increasing, costs of equipment, electricity, maintenance and ad-hoc repairs. The proposed level of charge has been developed to reflect the costs associated with the use and maintenance of the equipment. The introduction of charging is only applicable to those blocks with existing laundry facilities.

- 4.2. As detailed in Table 1, indicative charges have been estimated at £0.92 for a wash cycle and £1.76 for a dry cycle. The proposed charges are based on current financial projections and include a 30% ad hoc repair uplift. As detailed at 3.4, following the outcome of the tender for the replacement and upgrade of existing equipment, there may be a slight increase in charges depending on future maintenance contract costs. Table 2 provides details on the estimated income that will be generated from 2 charging options to allow for any variance in expected charges.
- 4.3. In benchmarking this service with 3 local laundrettes, the comparison shows that the proposed increase in costs is still extremely competitive. As electricity costs and some maintenance costs are already incurred by the Council, the proposal will result in additional income being generated.

Table 1: Benchmarking Comparison

Per single use	Current SLC Charge	Proposed SLC Charge (per cycle)	Laundrette 1	Laundrette 2	Laundrette 3 (24hr)
Tumble Dryer	£0.10/10m	£1.76	£4.00	£7.50	£8.00
Washing Machine	£0.80	£0.92	£4.50	£4.50	£4.00

- 4.4. Table 2 below sets out the estimated annual income based on the 2 charging options (minus the current annual income of £10,000 generated in East Kilbride). These calculations are based on the predicted daily usage of the equipment during the financial year as well as annual maintenance and running costs.

Table 2: Estimated Annual Income

Machine Type	Option 1 Per Cycle Charge	Option 1 Income	Option 2 Per Cycle Charge	Option 2 Income
Tumble Dryer	£1.76	£130,805	£1.80	£134,028
Washing Machine	£0.92	£138,622	£1.00	£151,110
Current Income		-£10,000		-£10,000
Total		£259,428		£275,138

5. Next Steps

- 5.1. Following Committee approval, a programme of engagement with those tenants and residents affected will be undertaken prior to the introduction of charging from 1 April 2024.

6. Employee Implications

- 6.1. There are no employee implications contained within this report.

7. Financial Implications

- 7.1. As the service will be self-funded, the potential income stream is detailed in Table 2.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. At present, no specific implications under climate change or the Sustainable Procurement Duty have been identified for this opportunity assessment recommended in this report.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. As this report introduces a new charging policy, an impact assessment has been carried out. The assessment is that the proposals do not have any adverse impact on any of the protected characteristics groups. As detailed at 5.1, formal consultation is underway with tenants and residents living in those high rise blocks and sheltered housing developments subject to the introduction of charging.

Stephen Gibson

Executive Director (Housing and Technical Resources)

18 October 2023

Link(s) to Council Values/Priorities/Outcomes

- ◆ Focused on people and their needs
- ◆ Accountable, effective, efficient and transparent
- ◆ Fair, open and sustainable
- ◆ We will work to put people first and reduce inequality
- ◆ We will work towards a sustainable future in sustainable places
- ◆ Good quality, suitable and sustainable places to live
- ◆ Caring, connected, sustainable communities

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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