

REPORT TO: East Lothian Council

MEETING DATE: 10 February 2015

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: Proposals to Increase Council House Rents – Consultation Exercise

1 PURPOSE

- 1.1 To outline the results of the consultation exercise on the proposals to increase the Council House Rents in 2015/16.
- 1.2 To outline the key aspects of the consultation process.

2 RECOMMENDATIONS

- 2.1 Council is asked to note the results of the consultation exercise.
- 2.2 Council is asked to note the consultation process and that this will be further improved and consolidated on in future years.

3 BACKGROUND

- 3.1 The Council has a statutory obligation under the Housing (Scotland) Act 2001 to consult with all tenants when making any proposals to increase rents. In doing so the Council must:
 - consult all tenants affected by the proposal, and
 - have regard to the views expressed during the consultation exercise.

Consultation Approach

- 3.2 With the aim of improving on the approach to consulting on rent proposals adopted in previous years, the Council undertook to continue to work with and agree a robust approach in conjunction with East Lothian Tenants & Residents Panel (ELTRP).

3.3 The longstanding Project Group, comprising Council staff from Community Housing and Finance, the Cabinet Spokesperson for Housing & Environment, as well as members of ELTRP reconvened in August 2014 to discuss and agree the approach for the consultation on the 2015/16 increase.

3.4 **The Project Group:**

- designed, agreed and implemented the consultation approach for the rent proposals, which gave tenants the opportunity to complete a consultation questionnaire to give their views on the rent consultation and proposed rent increase. It was agreed that tenants would also have the opportunity to complete their questionnaire online. They could comment in other ways too i.e. via free phone, email or by writing in.
- designed a customer friendly consultation letter, which included key information to tenants on proposals to consider a potential rent increase beyond 4.3% giving tenants a range of options to choose from and the resultant investment opportunities these could create (in previous consultations tenants were asked their views on only one proposal).
- agreed as part of the consultation, to run two drop-in sessions, which were held in the ELTRP Office. The aim of this was to provide more information to tenants on what their rent pays for and encourage them to respond to the consultation.
- agreed the timeline for the consultation and also to offer tenants an incentive to return their completed questionnaire.

3.5 All of the above measures continue to build upon similar successful exercises over the last few years.

Consultation Outcome

3.6 The vast majority of the feedback was received through the questionnaire, 12 of which were completed online.

3.7 A total of 1,031 completed questionnaires were received along with ten telephone enquiries and six written responses from local Tenants and Residents Groups. This represents a return rate of 12.2% of all letters issued (compared to 14.7% last year and 11.5% the year before).

3.8 The results of all the feedback received from tenants who completed the consultation questionnaire are shown below.

- The majority, 65.4%, of those who responded agreed that the Council should take the opportunity to raise rent levels beyond 4.3%

Tenants were then given three options to choose from, in terms of a proposed percentage increase. Of those that ticked yes, the Council should take the opportunity to increase rents by more than 4.3%:

- 51% said their preferred option was Option 1 (5% rent increase increasing capital expenditure by up to 28%)
- 37% said they preferred Option 2 (5.5% increase, increasing capital expenditure by up to 34%)
- 12% said they preferred Option 3 (6% increase, increasing capital expenditure by up to 45%)

3.9 There was one additional question which asked about what tenants' spending priorities are (some tenants ticked more than one option), the top five answers were:

- Provide more council houses (53%)
- Bathroom upgrades (51%)
- Improved repairs service (42%)
- Improved energy efficiency (40%)
- Kitchen upgrades (37%)

3.10 Tenants were also given the opportunity to give any other comments at the end of the questionnaire and these were generally about the cost of living, the modernisation programme and the repairs service.

3.11 The Rent Increase Consultation Register is lodged in the Members' Library (Ref: 12/15, January 2015 Bulletin).

4 POLICY IMPLICATIONS

4.1 The consultation process, which is subject to continuous review and improvement underlines the Council's commitment to its Tenant Participation Strategy.

5 EQUALITIES IMPACT ASSESSMENT

5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6 RESOURCE IMPLICATIONS

6.1 Financial – None.

6.2 Personnel - None.

6.3 Other – None.

7 BACKGROUND PAPERS

7.1 Rent Increase Consultation Register lodged in the Members' Library
(Ref: 12/15, January 2015 Bulletin)

http://www.eastlothian.gov.uk/meetings/meeting/5636/members_library_service

AUTHOR'S NAME	Tom Shearer
DESIGNATION	Head of Communities and Partnerships
CONTACT INFO	James Coutts – Ext 7483
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