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Document Title	Report on Outcome of Rent Level Consultation 2023/24

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Authorised By	Douglas Proudfoot
Designation	Executive Director for Place
Date	26/01/23

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REPORT TO: MEMBERS' LIBRARY SERVICE

DATE: 23 January 2023

BY: Executive Director for Place

SUBJECT: Rent Level Consultation

1 PURPOSE

To note the results of the rent consultation exercise with Council tenants on a range of potential rent increase options

2 RECOMMENDATIONS

2.1 Members are advised to note that meaningful consideration of the consultation results are a key element in setting rents for 2023/2024 and beyond

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(s); and
- Have regard to the views expressed during the consultation exercise.

3.2 In response to the Cost of Living increase, Scottish Government passed the Cost of Living (Tenant Protection) (Scotland) Bill on 6 October 2022 to provide further protection for all tenants irrespective of tenure during the current cost of living crisis which included a rent freeze. Scottish Government committed to review this in January 2023 and a decision was taken to expire restrictions but set a cap of no more than £5/week.

4 POLICY IMPLICATIONS

4.1 The consultation results will inform the Council's decision-making process, in terms of any rent increase in 2023/2024 and beyond.

5 INTEGRATED IMPACT ASSESSMENT

5.1 A full integrated impact assessment on equality groups will be undertaken as part of the consultation exercise.

6 RESOURCE IMPLICATIONS

6.1 **Financial** – These results, together with ongoing budget development, will all be factors in determining the actual rent increase.

6.2 **Personnel** - None.

6.3 **Other** – None.

7 BACKGROUND PAPERS

7.1 Rent Consultation report.

AUTHOR'S NAME	Douglas Proudfoot
DESIGNATION	Executive Director for Place
CONTACT INFO	Wendy McGuire
DATE	23 January 2023

Report on Outcome of Rent Level Consultation - 2023/24

Introduction

Each year the council would normally consult with tenants, tenants and residents groups and East Lothian Tenants and Residents Panel (ELTRP) on any proposals to increase rents. We have had no rent increase over the last two financial years and therefore no rent consultation.

The council's existing budget plans were built around a five per cent increase over the next few years. Taking into account the impact of the global pandemic and the current cost of living crisis, we are aware that we need to balance our tenant affordability against the challenges which we would have in delivering the current level of service and our investment plans.

We agreed through our Housing Revenue Account Project Group to continue with our approach to consult with tenants by providing good information on what their rent pays for and give tenants the opportunity to complete a consultation questionnaire to give us their views on a proposed rent increase.

It was agreed that for those tenants who have registered an email address with us, that we would email the consultation documents to them, all other tenants would receive a paper copy of the documents.

Consultation Method

On 8th November 2022 the council sent out a consultation questionnaire to all tenants. There were a number of social media posts and text message reminders sent out to remind and encourage tenants to respond to the consultation which ended on Friday 16th December 2022.

Tenants were invited to contact via a Freephone number or via our generic mailbox if they wished further information or assistance in completing the survey.

A Consultation register was set up to record all enquiries from tenants and any follow up required.

The information attached to the questionnaire explained the cost pressures for the council e.g. rising interest rates for borrowing, increased cost of materials for modernisation and upgrades and the costs of meeting increasing standards for climate change etc. The document highlighted that there had been no rent increase for the last two years due to the impact of the Covid pandemic and explained that a subsequent further rent freeze would impact the delivery of its current level of service and the capital investment programme.

Tenants were given three options to consider, 0%, 3% and 5% and explained what these options would mean in terms of the planned modernisation and new build programmes.

Summary of responses

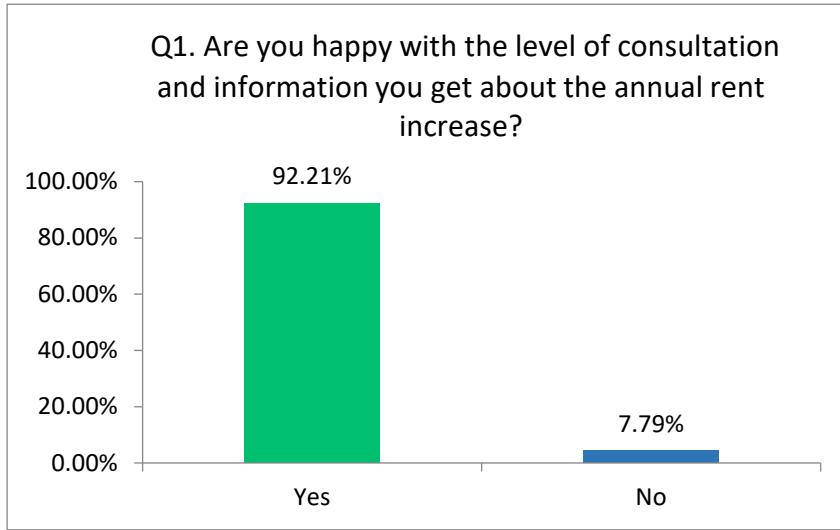
A total of 1566 responses (1560 in 2020 when we last consulted) were received to our consultation, this comprised of 889 online responses and 677 completed paper questionnaires (8 of those were from Tenants and Residents Associations).

This represents a return rate of 17.74% and shown below is a summary of the responses received.

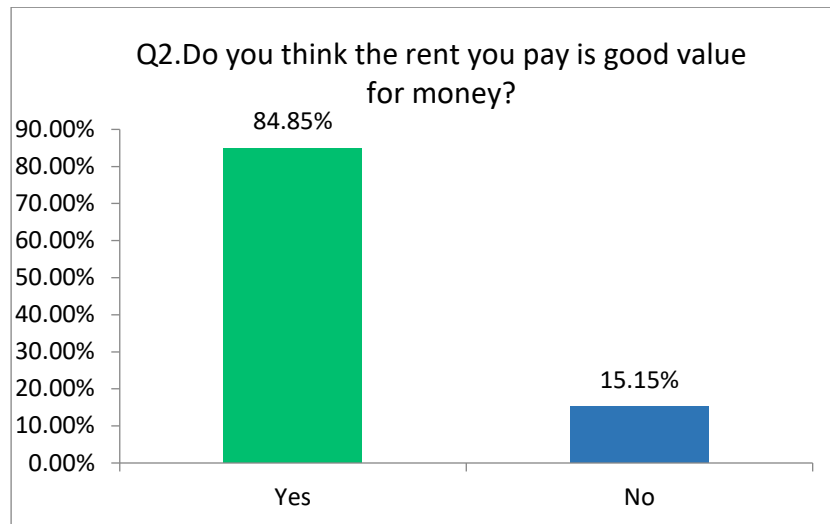
Consultation Questions

We asked a total of 7 questions where tenants could answer yes or no and then gave them the opportunity to give us any comments. Question 7 invited tenants to tell us what aspects of the housing service mattered to them. All the comments received will be further considered and responded to where the tenant has provided contact details.

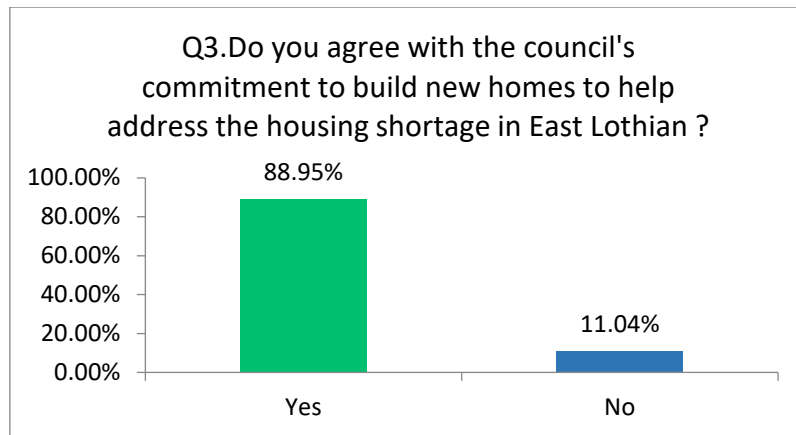
Consultation Responses



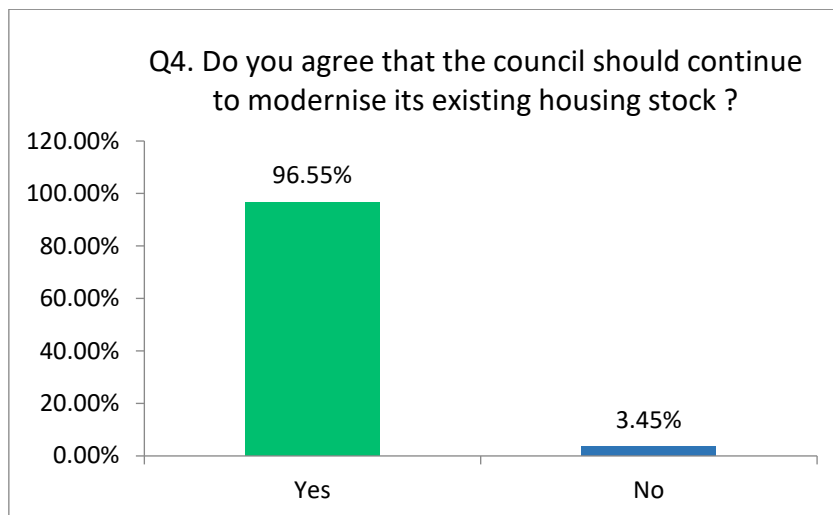
Q1. Answer Choices	% Responses	Number of Responses
Yes	92.21%	1444
No	7.79%	122
Answered		1566 Total
		0 Skipped Question



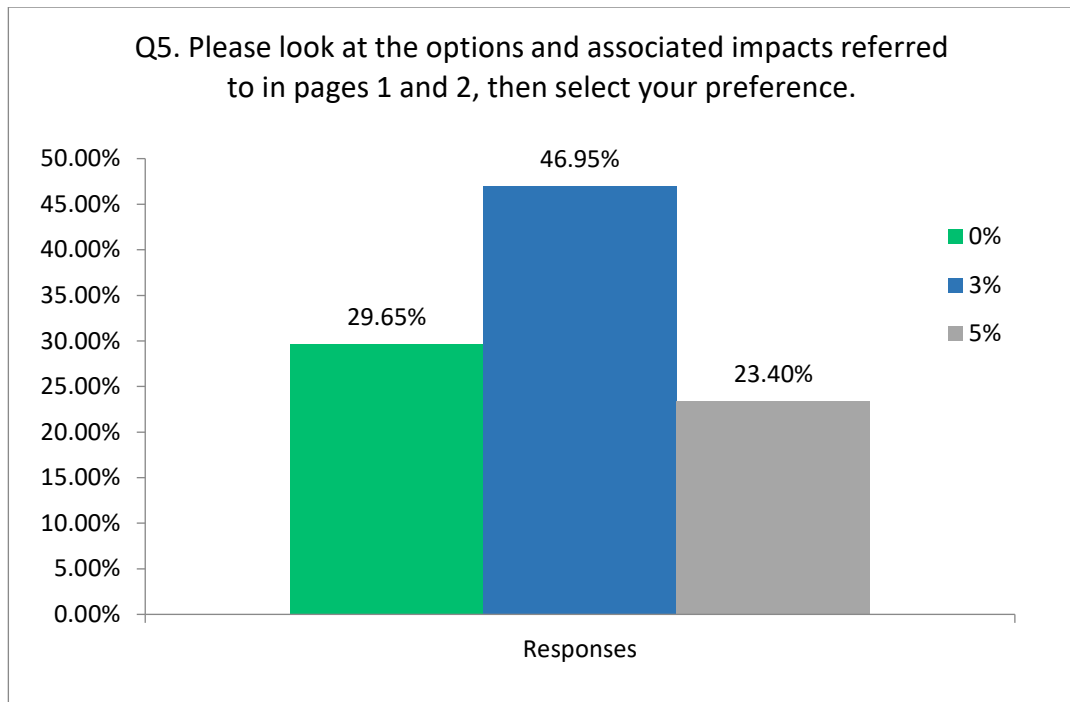
Q2. Answer Choices	% Responses	Number of Responses
Yes	84.85%	1327
No	15.15%	237
		1564 Total
		2 Skipped question



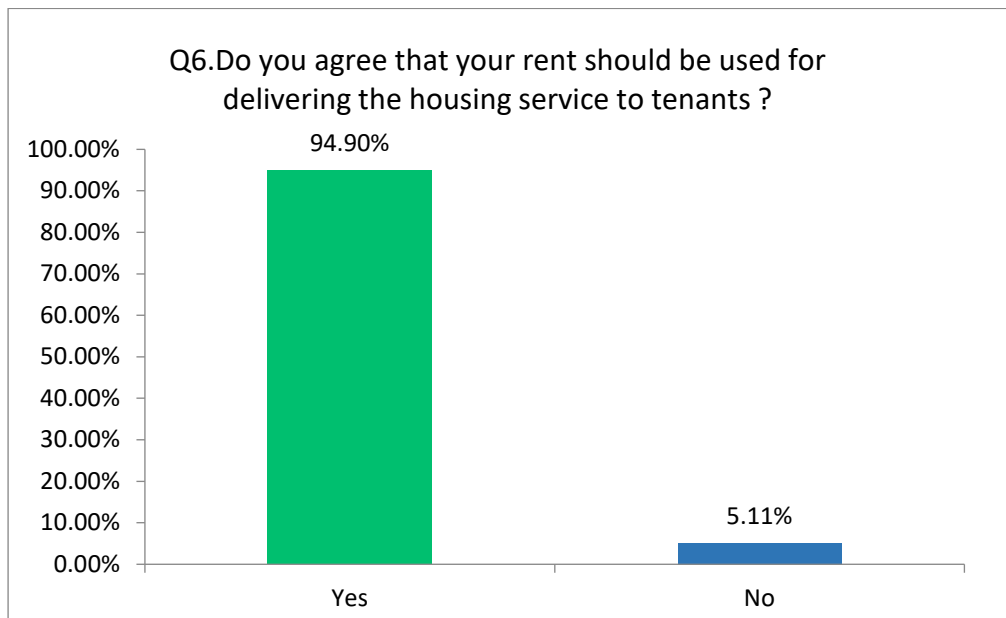
Q3. Answer Choices	% Responses	Number of Responses
Yes	88.95%	1393
No	11.04%	173
		1566 Total
		0 Skipped Question



Q4. Answer Choices	% Responses	Number of Responses
Yes	96.55%	1511
No	3.45%	54
		1565 Total
		1 Skipped Question



Q5. Answer Choices	% Responses	Number of Responses
0%	29.65%	413
3%	46.95%	654
5%	23.40%	326
		1393 Total
		173 Skipped Question



Q6. Answer Choices	% Responses	Number of Responses
Yes	94.90%	1469
No	5.11%	79
		1548 Total
		18 Skipped Question

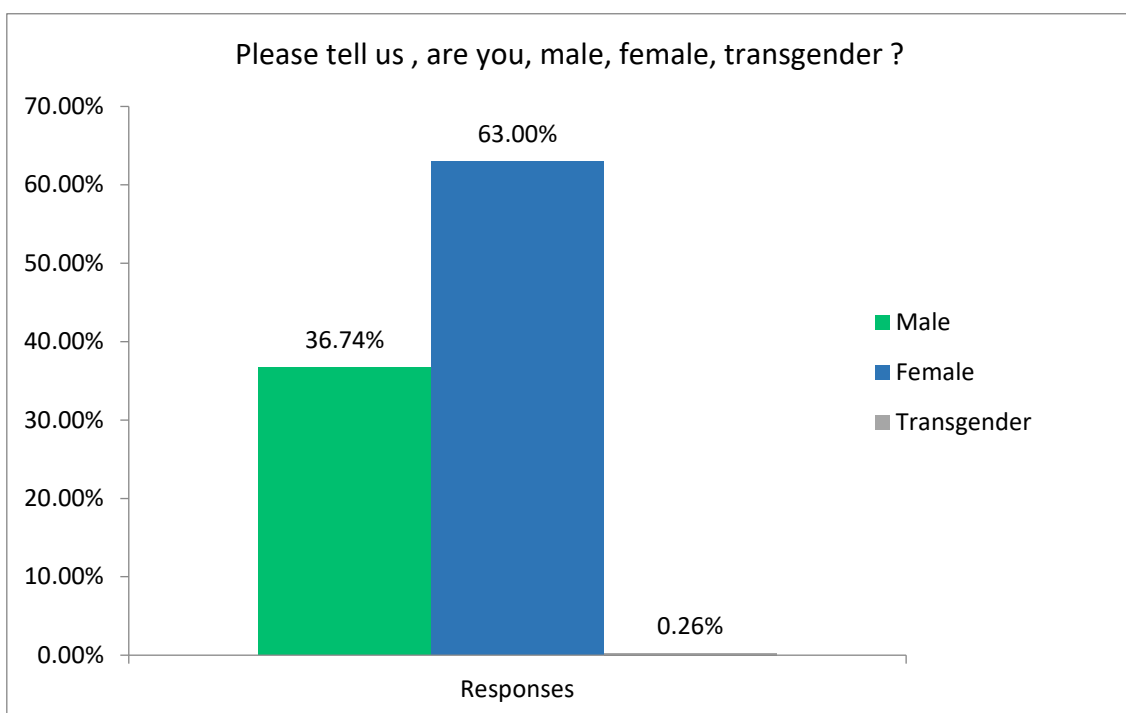
Q7. Please tell us what aspects of the housing service matter most to you?

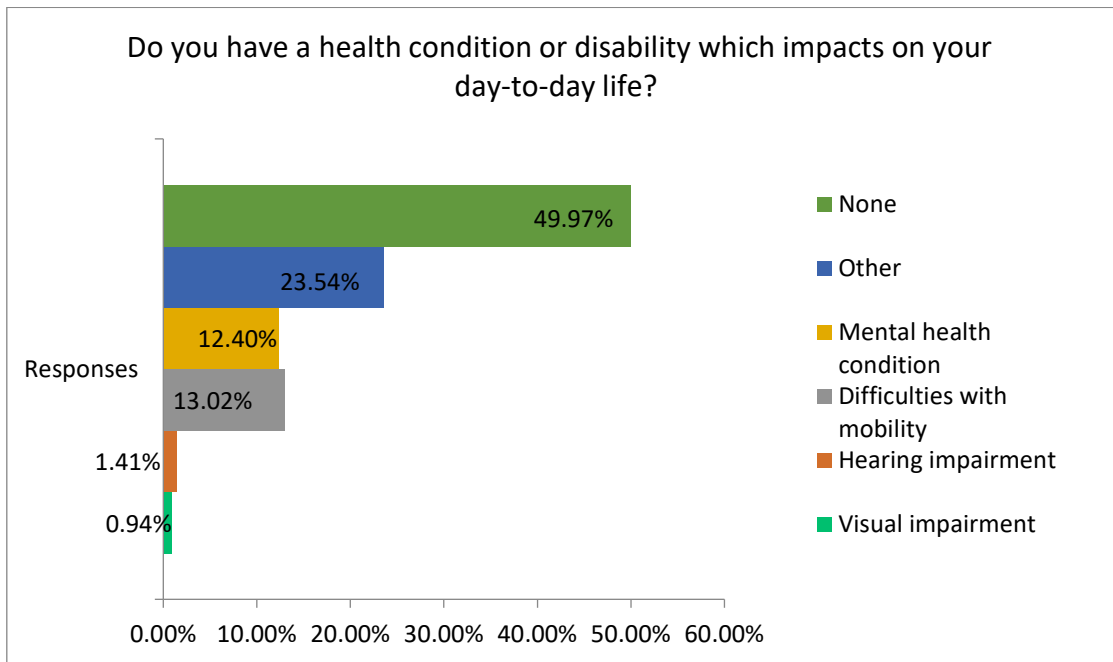
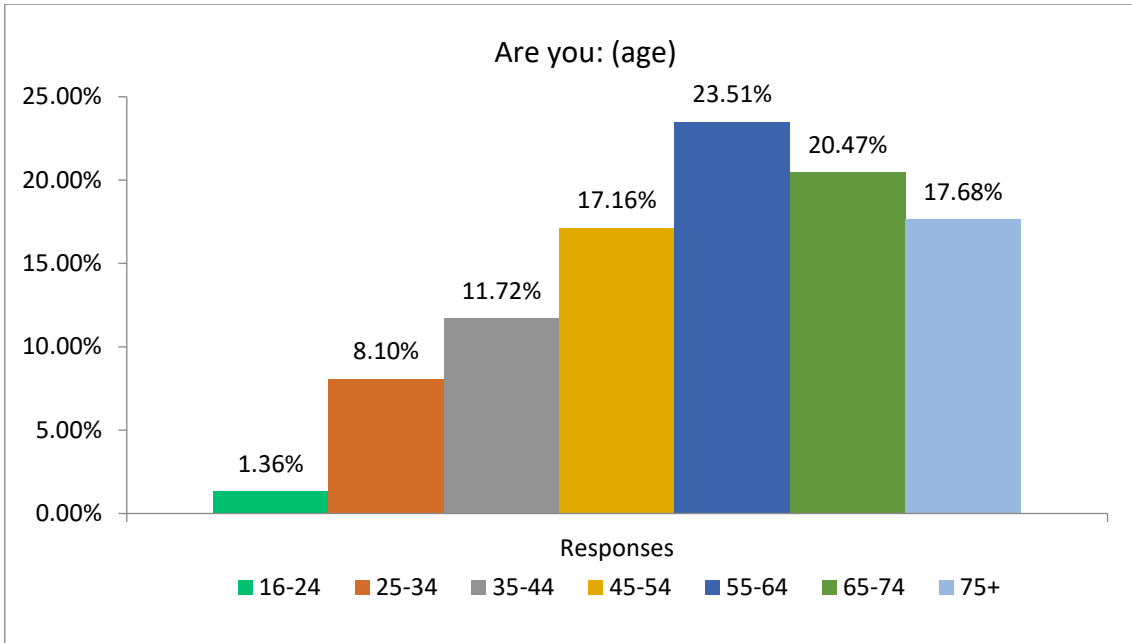
There were 1061 comments made by respondents to this question which have been divided into 7 main themes:

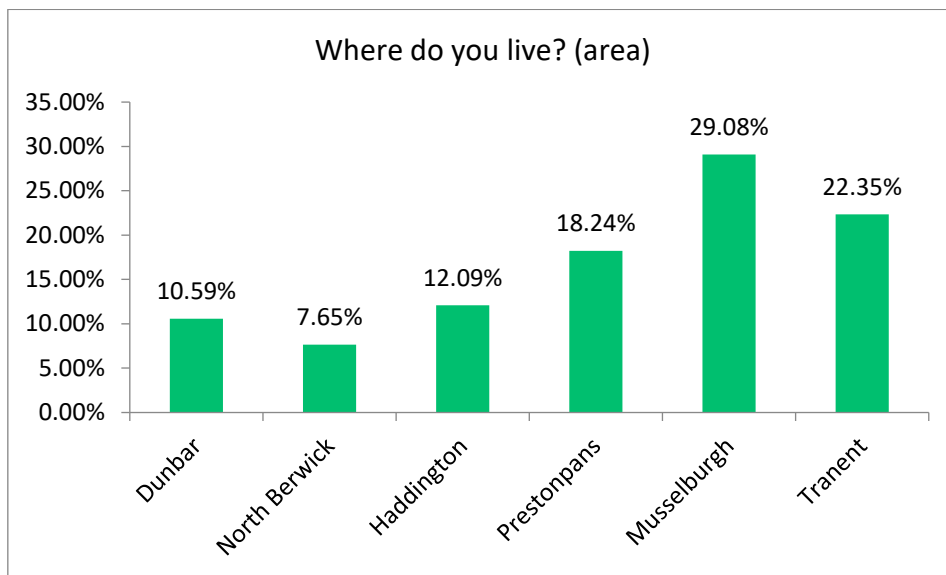
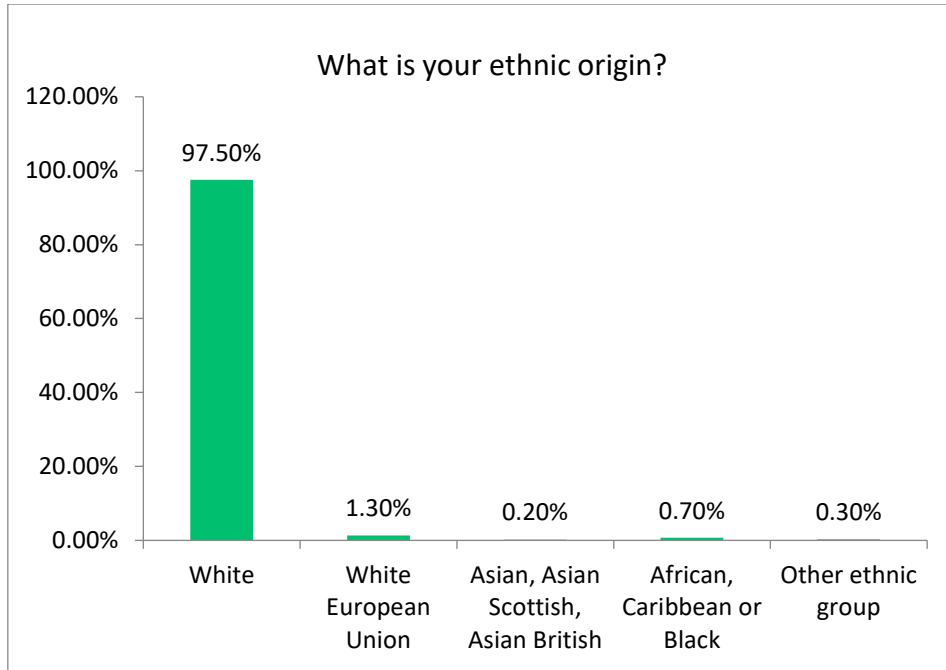
Repairs and Maintenance of existing stock	408
Upgrades and Modernisation	210
Energy Efficiency upgrades	66
New Builds	18
Medical adaptations	8
Dealing with ASB	25
Length of void time	12
Personal situation or comment	314

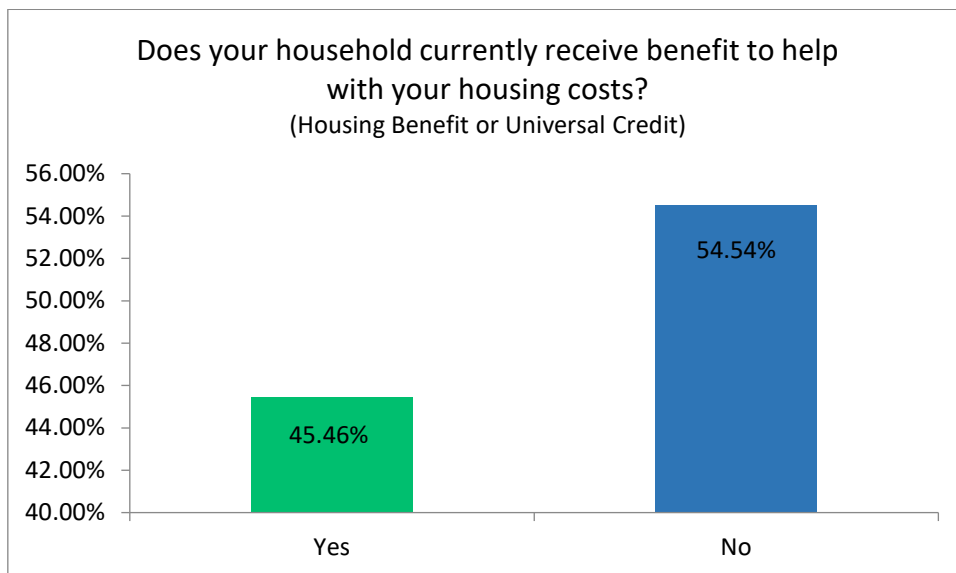
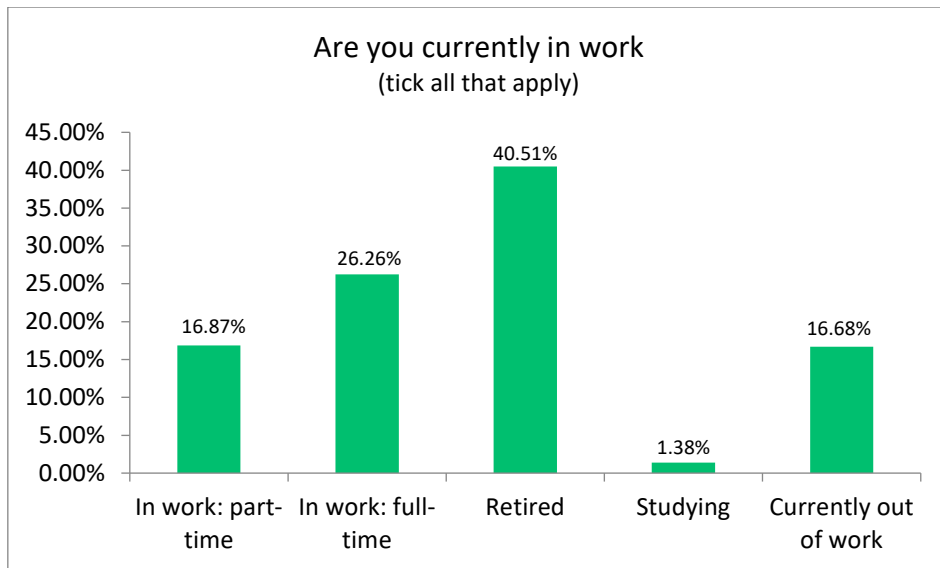
Equalities Information

We then asked tenants a series of questions to provide us with some information about themselves to help us make sure we are capturing the views of a wide range of tenants and are meeting their needs.









Conclusion

This year's consultation, which presented tenants with a range of three options for a rent increase asked them to choose their preference taking into account the impact these choices might have on the Council's Housing Revenue Account. The proposal of a 3% increase was the preferred option for 46.95% of respondents.

Tenants have responded to the question asking what parts of the service matter most to them and the majority of answers were repairs and maintenance and upgrades to housing stock. Overall, tenants think the rent they pay is good value

for money (84%), and 96% agree that we should continue to modernise existing stock.

A consultation register will be published as will our Impact Assessment of the consultation and the decision to increase rents will be taken at the council budget meeting at the end of February 2023.