

Rent Increase Consultation 2020

Report by Mary Hargreaves Customer Information Officer - for Information

In accordance with the Housing (Scotland) Act 2001, the Association has a duty to consult tenants on proposed rent increases, and have regard to tenants' opinions before making a decision. The purpose of this report is to inform the tenants about the results of the rent increase consultation.

The Rent Increase consultation letter was sent to all tenants in early January 2020, detailing:

- previous rent increases
- what the rent has to cover
- information on last year's consultation and our response to it
- the proposed increase to the rent for the period 2020-21 of 3.2%

Due to the increase in paper free tenants, 54% of tenants received the letter via e-mail, with the remaining 46% receiving the letter and form via Royal Mail.

Tenants were asked to complete the survey in their My Home account (or return a printed form for tenants who did not have a My Home account). They were also informed that the Association would confirm the rent increase at least four weeks before 1 April 2020 when the increase comes into effect.

The survey questions were:

1. What is your Key Tenant Status?
2. Taking into account the accommodation and services ELHA provides, do you think that the rent for your home represents good or poor value for money?
 - a. Please give a reason for your answer
3. Do you think that RPI + 1% is a fair increase for 2020/21?
 - a. If not why not?
4. Do you have any other comments that you would like us to consider?

318 Tenants (24.3%) responded to the consultation, an increase from 15.3% in 2019. The majority of returns (90.3%) were through My Home, with only 31 (9.7%) being paper returns.

The results of the survey show that:

What is your Key Tenant Status?

- 64% of responders said they were Platinum Key Tenants,
- 10% said they were Gold Key Tenants,
- 3% were in the process of upgrading,
- 7% said they were considering upgrading,
- 9% said they did not intend to upgrade, and
- 7% left the question blank.

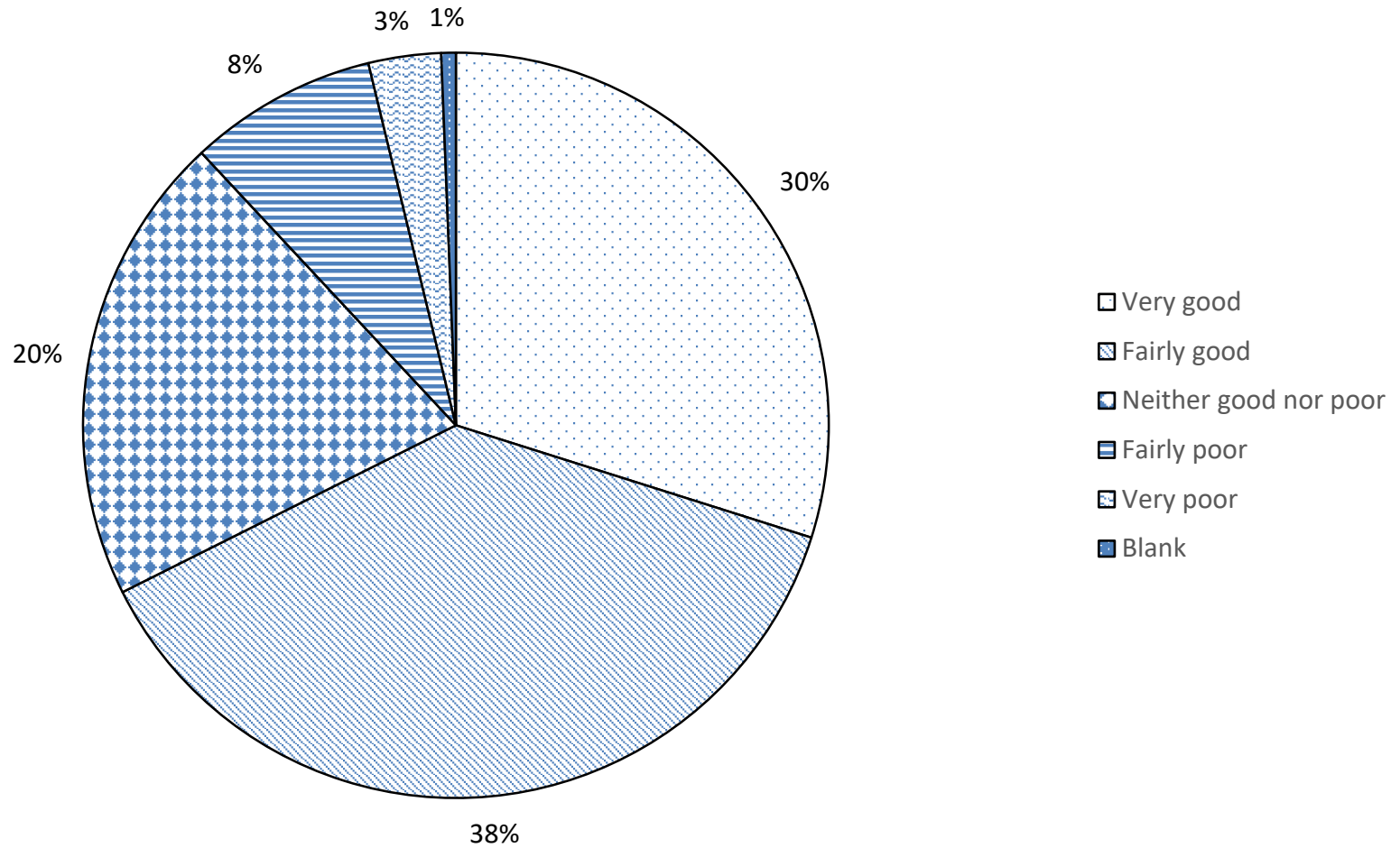
Taking into account the accommodation and services ELHA provides, do you think that the rent for your home represents good or poor value for money?

- 68% of tenants said they thought ELHA's rents were very good or fairly good value for money,
- 20% said they were neither good nor poor value for money, and
- 11% said they ELHA's rents were very or fairly poor value for money.
- 1% left the question blank

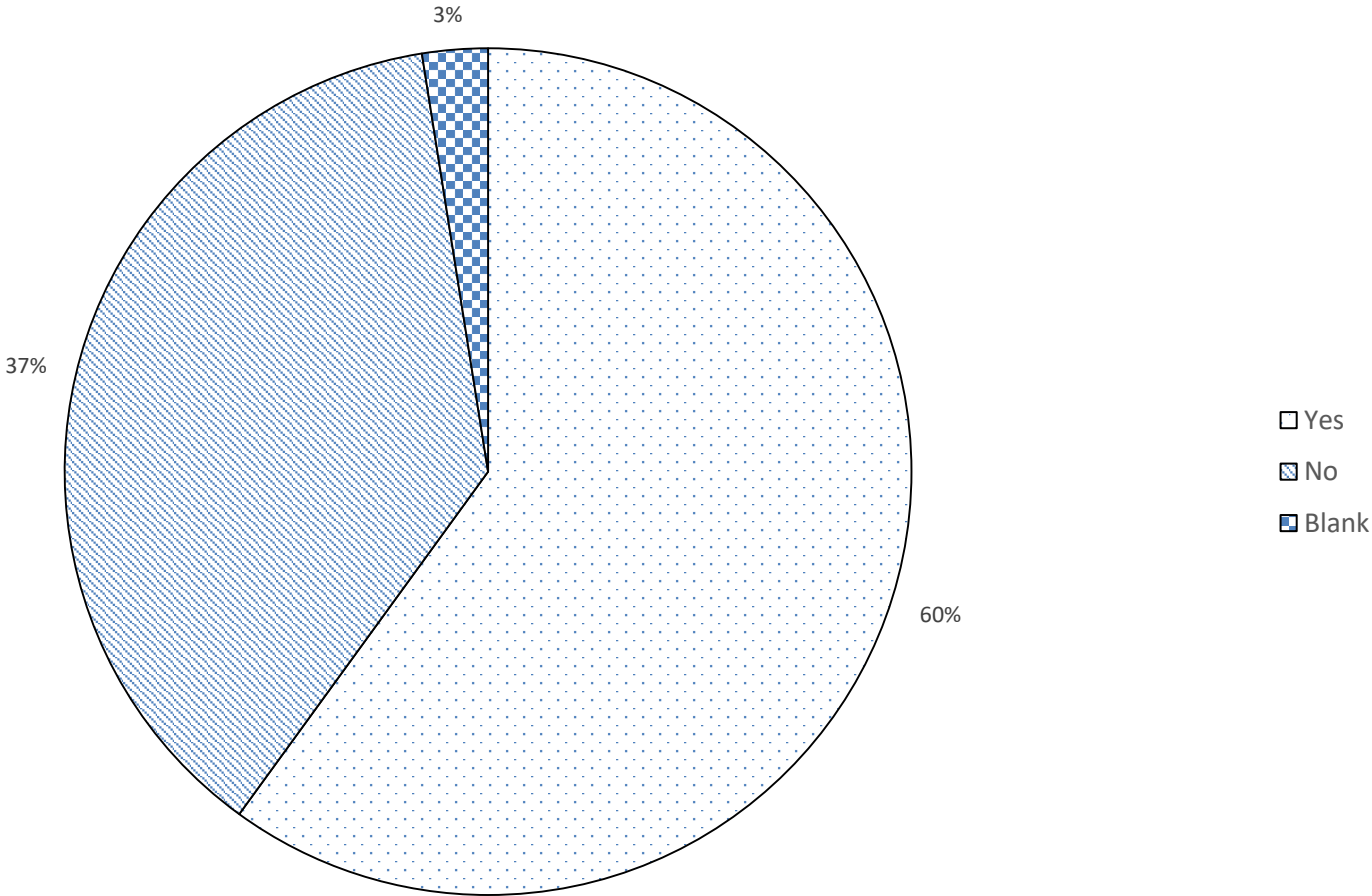
Do you think that RPI + 1% is a fair increase for 2019/20?

- 61% said that an RPI+1% increase was fair,
- 37% said it was not fair, and
- 2% left the question blank.

Taking into account the accommodation and services ELHA provides, do you think that the rent for your home represents good or poor value for money?



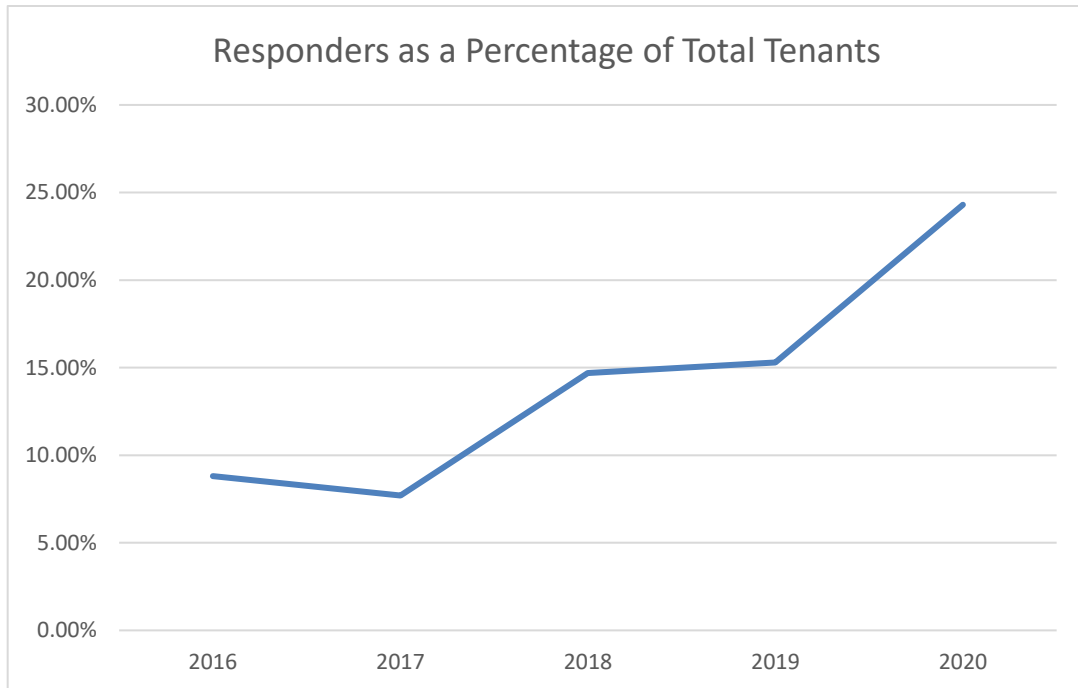
Do you think that RPI + 1% is a fair increase for 2019/20?



The general trending for the last five years

Number/Percentage of Responders

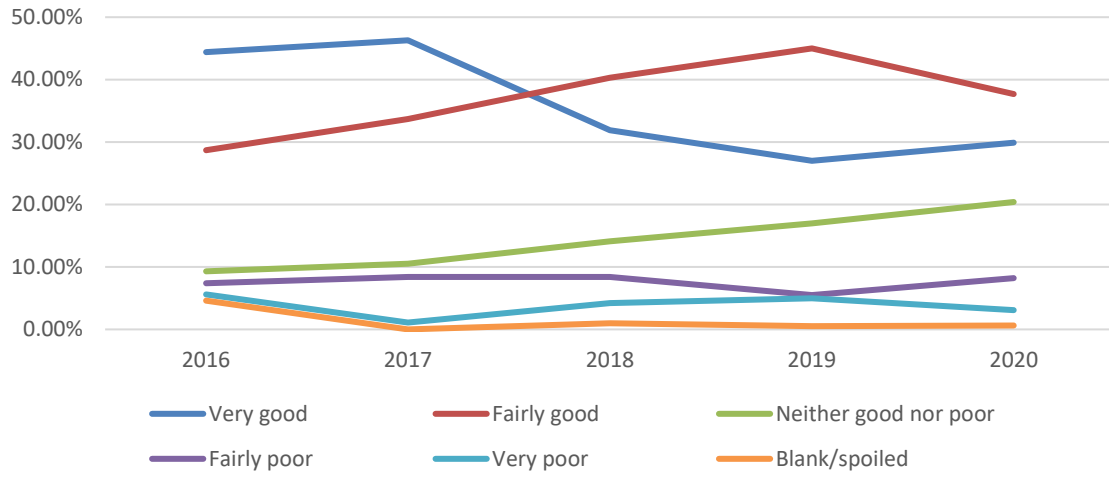
	2016	2017	2018	2019	2020
Number of Responders	108	95	191	200	318
Percentage of Total Tenants	8.8%	7.7%	14.7%	15.3%	24.3%



Taking into account the accommodation and services ELHA provides, do you think that the rent for your property represents good or poor value for money?

	2016	2017	2018	2019	2020
Very good	44.4%	46.3%	31.9%	27.0%	29.9%
Fairly good	28.7%	33.7%	40.3%	45.0%	37.7%
Neither good nor poor	9.3%	10.5%	14.1%	17.0%	20.4%
Fairly poor	7.4%	8.4%	8.4%	5.5%	8.2%
Very poor	5.6%	1.1%	4.2%	5.0%	3.1%
Blank/spoiled	4.6%	0%	1.0%	0.5%	0.6%

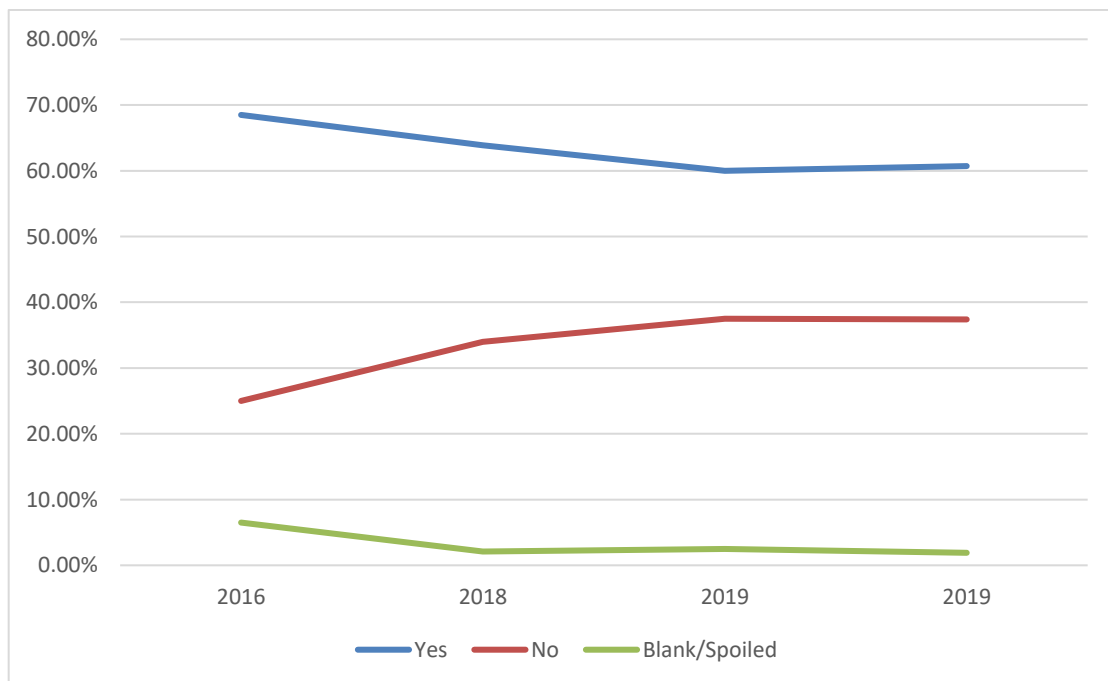
Taking into account the accommodations and services ELHA provides, do you think that the rent for your property represents good or poor value for money?



Do you think that RPI + 1% is a fair increase*?

	2016	2017	2018	2019	2019
Yes	68.5%	n/a	63.9%	60.0%	60.7%
No	25.0%	n/a	34.0%	37.5%	37.4%
Blank/Spoiled	6.5%	n/a	2.1%	2.5%	1.9%

*In 2017, we consulted on different options for the rent increase, in 2018 we consulted on RPI + 0.5%.



Comments

Where tenants had made additional comments and/or asked questions, or requested clarification on points raised in the consultation or general tenancy issues, we responded in line with the timescales detailed in our Customer Service Charter. Where there was any delay in responding, an apology was sent.

This report and all comments received during the consultation were reviewed at the Management Committee meeting on 26 February 2020. Following consideration of the consultation results and comments from tenants, the proposed increase for 2020-21 of 3.2% was confirmed.