

New Rent Setting Policy

Tenant Consultation Comments and Responses

Below are comments received during the tenant consultation on the Rent Setting Policy in December 2016.

Reference	Comment	Response
1	<p>Dear Sir or Madam , Thank you for your letter and information. Some points I find slightly confusing. In the initial letter the mention of capped rents I think is misleading perhaps not intentionally but no rents are ever capped and this should either be explained in more detail so to allay confusion. Secondly in your tables 1 to 3 the variable of bedroom points heating and property types are not entirely covered unless I am mistaken. E.g. how many points for a two bed bungalow, gas central heating . Thirdly where do the points relate when you look at the rent comparisons. Also I think the consultation period is somewhat short before a decision is made. My view of consultation is a consideration before decision. However it seems that consultation is you can have the choice of three options and pick one but have no control of the outcome. If we as tenants have to select these or one particular option it should be made clear that this will be a fixed figure for a period of how many years especially when you say the rents may be capped. Especially if the Welsh government decide in twelve months time this was a bad idea and want to change the system all again. I am not trying to be pedantic over this issue just that I want it clear what is involved best for the Tennant and to a lesser extent for Powys. I make this comment as yearly increases are a norm along with cuts in services.</p>	<p>Rents are not capped for all time, however, if rents need to increase as direct result of this new model the amount of increase is capped. The cap for the rate of increase is current rent, plus inflation as measured by the Consumer Prices index (CPI) plus 1.5% plus £2.</p> <p>In the tables it was not possible to include every variable or combination of property, size and heating type. We have shown a range for illustrative purposes.</p> <p>The points are a “weighting”, so within the overall rent model certain characteristics attract different weightings to give differential rent values. However, there is not a fixed cash amount for each characteristic.</p> <p>The rent charged will continue to change year on year, future changes will remain in line with the proposed policy, if accepted. The Authority has regular contact with Welsh Government Officials and there is no indication that they are likely to change the rent setting guidance.</p> <p>The effect of the changes in the rent setting policy will not increase the overall rent debit figure, that is the overall rental income available to Powys. It is simply creating a fairer way of charging different rents for different properties. However, as the</p>

	<p>I have extremely effective ways of cutting large costs to the councils rather than constantly increasing rents rates etc.</p> <p>I apologise what may seem a rant but just a concerned resident of Powys who has to pay increases for some other persons bright ideas to cover other cost which are no doubt nebulous.</p> <p>If this has not helped I apologise but could my questions be answered.</p> <p>Many thanks.</p>	<p>changes will come in from the start of April, the introduction of these changes will coincide with the introduction of the annual rent increase.</p>
2	<p>HAVING READ YOU DISERTATION REGARDING THE ABOVE</p> <p>ALTHOUGH I AGREE WITH MODEL ONE</p> <p>I THINK SOME CONSIDERATION SHOULD BE GIVEN BETWEEN TOWN AND COUNTRY</p> <p>I LIVE IN THE ABSOLUTE SOUTH OF POWYS WE ARE ALWAYS LAST TO RECEIVE UPGRADES AND CONTRACTUAL WORK MAINTAINACE IS ALWAYS SLOWER</p> <p>PUBLIC TRANSPORT IS NON EXSISTANT PARTICULARLY IF LIKE MYSELF YOU HAVE TO US A WHEELCHAIR</p>	<p>A discussion around offering differential rents based on location has been had. However, for some people a rural location is more attractive and for others a more urban location is more attractive. As the difference between rural and urban locations is largely subjective, we have concluded that it is not helpful to offer differential rents. Also, given the largely rural nature of Powys there are many communities where it would be difficult to judge if they were urban or rural.</p>
3	<p>My only observation would be that if one were disabled, then the choice of a house or a 1st floor flat cannot be considered. So it would not be conducive to charge them a higher rent because they could not physically manage the upper levels.</p>	<p>This is accepted.</p>
4	<p>Thank you for the opportunity to comment on the Council's Rent proposals.</p> <p>I have read the Setting Proposals online and in fact I was of the opinion that of the three factors mentioned only one had anything new about it and the other two had always been used. If Option 2 is your preferred choice then I have to say I agree with you. It does seem however that there is some element of "suck it</p>	<p>The preferred option is Option 1. We are happy to review the effectiveness of the new rent setting system after 12 months operation.</p> <p>The Policy will be a county wide policy.</p>

	<p>and see” about all the proposals. We as tenants would be better approached after your system has been used for twelve months. I think we expect rents to rise annually for whatever reason and we have no way of influencing the rise in any way. You say that the overall rent collected by the Council will not rise in total so that a fairer distribution of costs would seem to be the target. In this day and age the only thing that the Council is consistent in is its pleas of poverty to provide any and every service.</p> <p>The criteria you use in your new proposals seem fair to me but any such policy should apply on a County-wide basis otherwise you have the possibility of establishing “ghettos” based on rent costs. Currently you seem to establish tenancies on a County basis due shortages of housing and not the old local way in past times. This has to some extent affected estates as tenants from different levels of society become more mixed with their differing values, etc causing ill-will at best.</p> <p>I would ask you again to consider coming back to us after this coming financial year has proved the worth of the new system.</p>	
5	<p>I feel it is right that the setting of rents is reviewed</p> <p>It is a shame that with all the technology available that the Council does not have in its hands already all the relevant info it needs.</p> <p>I think that Rural Areas should be accessed at a lower rate.</p> <p>I await with interest how this will affect this property</p>	<p>The Housing team has plans in place to collect the information it needs in regards to SAP rating.</p> <p>As mentioned in response to comment 2: A discussion around offering differential rents based on location has been had. However, for some people a rural location is more attractive and for others a more urban location is more attractive. As the difference between rural and urban locations is largely subjective, we have concluded that it is not helpful to offer differential rents. Also, given the largely rural nature of Powys</p>

		there are many communities where it would be difficult to judge if they were urban or rural.
6	<p>Hi am sending this on behalf of what I think of the new proposals. I see why the council have to do it but worry about how much it will go up to as council rent should always be affordable and nothing like the private sector in the Brecon area. My property for one is very expensive to heat as the cavity wall insulation has been removed due to damp issues and I don't have much loft insulation. Also another factor should be taken into account are ones living out of the main towns as they need to travel to get anywhere such as myself please take my points into consideration my point with the heating is until you get all properties SAP tested how can you truly know what it is going to cost.</p>	<p>We aim to keep rents affordable. The overall rent debit is not increasing due to these proposals, we are simply looking at a new way to charge differential rents for different properties. Rents will remain within the Welsh Government guideline rent as we are required to do. Housing Benefit/Universal Credit will support those on low incomes.</p> <p>We are confident the use of heating type to offer a differential rent is a fair and meaningful alternative to using SAP. However, we will bring in SAP rating as soon that information is available.</p>
7	I have spoken with a tenant who wanted to point out that we should also be considering how many rooms a property has downstairs as some 2 bedroom houses have a kitchen, dining room and living room and some 3 bedroom houses only have 2 rooms downstairs.	We agree that we need to add in a new category of "Parlour Type House" to cover the larger style property. This type of property will have additional points.
8	<p>Hi; The suggestions appear to be equitable and fair as far as can be ascertained right now. There is a case for a "discount" of "points" for properties in rural areas which do not benefit from the same community facilities the council provides in population centres.</p> <p>What might assist in a more fluid turnover of properties and a more efficient resource allocation is for there to be a website with "To Let" properties for exchange within the council. EG. I do not claim HB, pay all my own rent and CT and, due to unforeseen circumstances, could actually afford a little extra rent for a 2 bed bungalow thus freeing up an adapted ground floor 2 bed flat. There must be others whose circumstances change and where more flexibility of tenure might help the council in the optimal allocation of resource.</p>	Points noted

9	<p>I have read the above with interest, and agree with most points to be fair. However, I would also take into consideration the location of the property when calculating the heating type category of the points system. Where I live, Ffrydd Terrace, Knighton, we have both the supposedly more efficient gas type boiler, and fitted this year, external wall insulation (which I have found to have made little or no improvement to heating economy at all) However, as the house, and adjoining houses are located at the foot of the woods, very little sun is seen in the area in the autumn and winter months. As a result, fuel bills are higher due to living in the shade several months a year, particularly so with a young family and thus necessitating heating every room. Will residents be asked what fuel bills they are paying during consultation?? With very high heating bills in my, and similar areas, further rent increase above the annual increment could become unaffordable, or lead to families choosing between food or heating in extreme cases.</p> <p>Thank you for your time</p>	<p>Actual fuel bills will not be taken into account in setting the rent. Each household will use their heating system differently affecting their heating costs differently. Therefore, it would not be equitable to use actual heating costs as a factor in setting rent. We feel that using the efficiency of heating system provided is a fair factor for rent setting.</p>
10	<p>A tenant asked me to let you know that he feels that the consultation period is too short as feedback needs to be in by 23 December and he thinks that this will not be long enough for some people.</p>	<p>Whilst the three weeks for consultation is compressed we feel it does offer a reasonable period of time for people to consider what is proposed.</p> <p>All tenants will be written to in early 2017 with the details of their new rent. If tenants have further points to make at that time, then the Housing team will be pleased to have this discussions. The policy will be reviewed in 2017 to ensure its effectiveness.</p>
11	<p>I have a small private pension and I have to pay rent and council tax. Whereas some people who have not worked and so don't have a private pension get everything paid for.</p>	<p>Housing Benefit/Universal credit will continue to support tenants on the lowest incomes.</p>
12	<p>What has the heating type got to do with the rent? The area you live and the amenities in the locality should be considered in rent setting.</p>	<p>The guidance from Welsh Government is that Local Authorities should use SAP rating to help set rent. This is because it is acknowledged that fuel poverty is an important issue for many tenants. Heating type is a very important component of the SAP rating and so we will use this data as a proxy for SAP until the SAP</p>

		<p>rating data is available. The effect of this is that if we offer two identical properties but one property has an efficient gas boiler and the other has a less efficient electric storage heaters, the one with the storage heaters has to pay more to heat their home but they pay a slightly lower rent.</p> <p>As mentioned above: A discussion around offering differential rents based on location has been had. However, for some people a rural location is more attractive and for others a more urban location is more attractive. As the difference between rural and urban locations is largely subjective, we have concluded that it is not helpful to offer differential rents. Also, given the largely rural nature of Powys there are many communities where it would be difficult to judge if they were urban or rural.</p>
13	<p>With regard to the above I found the scales of rents difficult to understand as there was no explanation of the value of the points system. However, I do believe that different rent scales should be allocated in the areas having less services available, i.e. cheaper heating systems, transport systems and the convenience of local shops etc. which are available in the better off areas.</p>	<p>We have taken heating systems into account however, we have decided not to take into account the location of other services. We believe this to be the same issue as the rural/urban issue as discussed above.</p>
14	<p>I am writing with reference to the above subject I totally oppose this policy I find it unfair and it will force an increase of rent for those in accommodation which for example have 3 bedrooms or more in effect it is a bedroom tax. Yet again it appears to be a money making scheme for Powys councils, I fear it will put more pressure and stress on people already struggling to pay their way. I really hope that this proposed policy fails.</p>	<p>This is not a tax it is a rental payment. In the housing market larger properties do cost more, the larger the asset the higher the price (generally speaking).</p> <p>This is not a money making scheme the total rent collected will remain the same – other than the annual rent increase from April 2017.</p>

<p>15</p>	<p>Having read the information available regarding the above, I would like to make the following observations:</p> <ol style="list-style-type: none"> 1. Whilst I understand that Powys CC you do not have the information needed regarding the energy efficiency of all properties, I am unhappy that those of us with better heating systems pay a higher rent. If our homes are not well insulated we could also face higher heating charges. I live in a flat with uninsulated concrete floors and cavity wall insulation that has allegedly created the damp problem I have. I also notice that solid fuel systems score higher points and I am confused by this. 2. Regarding the points scored for flats, I think consideration should be given to whether the flat has internal or external access. <p>I also believe that the floor that a flat is located on is irrelevant. I appreciate that upper floors are not so easy to access, but as a ground floor tenant I feel that the difference in rent should be cancelled out by the amount of noise disturbance ground floor tenants experience from the flats above and adjacent. I am particularly disturbed by the tenant above using the toilet, playing music and running the tumble dryer, but she hears nothing from my flat. I am also disturbed by tenants and visitors chatting right outside my front door, but other tenants don't have this on the upper floors.</p> <p>The toilet soil pipe from the flat above mine actually runs through my flat rather than the pipe being directed outside. I believe that under current building regs this isn't allowed. The toilet in the flat above is located directly above mine and it is most unpleasant listening to someone using the toilet above whilst I clean my teeth, but I have to pay extra for the privilege.</p>	<p>We believe that heating type is an acceptable proxy for SAP rating. However, once the SAP rating is known for all properties we will revert to this factor for rent setting. We are embarking on a programme of upgrading the insulation to all of our homes.</p> <p>The idea of basing rent for a flat on whether there is internal external access adds a layer of complexity. Also, some tenants may be happier with internal access for additional security and some may be happier with external access as it may feel more homely. We would not want to set rent using what is a fairly subjective criteria.</p> <p>Ground floor flats tend to have better access because of the lack of stairs and so we have given more weighting to this factor. However, it is accepted that any flat with a flat above can be subject to noise nuisance.</p> <p>We are treating every bedroom as bedroom as long as it is over the minimum size permitted. To get into issues of measuring every bedroom and offering differential rents based on the results would create an over complicated and unwieldy system. We want a rent setting system that is easy to understand and easy to administer.</p> <p>Parking facilities are often the cause for dispute. Where parking provision is made in a communal car park there is frequently insufficient to provide car parking spaces for all tenants. Therefore, it would be unfair to add this facility to the rent.</p>
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	<p>3. Rather than scoring points for number of bedrooms, I think the system should be based on how many people the accommodation sleeps. My flat has two bedrooms but only sleeps two. The bedrooms are only 2 sq ft over the maximum size of a child's bedroom (based on what I have read about bedroom tax). These flats were originally built for elderly people and have single bedrooms, the second bedroom which is the same size, is located off the lounge for some strange reason. I have seen one bed flats and bungalows that have larger bedrooms and can sleep two but I have to pay higher rent or bedroom tax so that I can have somewhere to put a wardrobe, freezer and tumble dryer (my kitchen is tiny too).</p> <p>4. I also think that vehicular access and parking facilities should be taken into account.</p>	
16	<p>My home is a non-traditional prefab structure and is very cold and damp. Can that be taken into account when setting the rent.</p>	<p>We are currently seeking to improve the thermal insulation of all of our properties. We are not taking construction type into account when setting rent. There are many construction types and different properties can be affected by different issues over their lifetime. The improvements we are currently making to non-traditional type properties should make them no more expensive to heat than many traditional type of homes.</p>