

Summary of Tenant Consultation on the Rent and Service Charge Review (July /August 2023)

An online and postal survey was made available to Moray Council tenants from July/August 2023 across a 4-week response window via a link provided online on the Council's social media account. The survey was also advertised through the Moray Council Tenants' Voice Newsletter and tenants could request a paper survey if preferred.

497 (8%) Moray Council tenants returned survey responses (target response rates would be 10-20%). At the conclusion of the online and postal questionnaire, tenants were invited to indicate whether they would be willing to attend an engagement workshop to enable Moray Council to further examine tenant attitude and opinion in relation to rent and service charge restructuring. 16 tenants participated.

A summary of the conclusions from tenants participating in both the survey and focus groups:

- **Property Size/Type:** There is overwhelming support from both the questionnaires and tenant focus groups for the use of property size and property type in a revised rent structure. These were the two highest ranked property characteristics by tenants.
- **Location:** There was mixed opinion when asked if location should be used in a revised rent structure with 62% of tenants completing the questionnaire agreeing that location should be used. The focus groups were less supportive with 6 out of 14 (43%) participants agreeing that location should be used as factor sighting subjectivity as a reason that it should not be used.
- **Gardens:** There was also mixed opinion when asked if gardens should be used as a factor in a revised rent structure. 59% of tenants surveyed agreed that rents should vary as a result of having access to a garden in the yes/no questions, while the Focus Groups ranked this as the bottom of the rent criteria spectrum. The age and stage profile of the focus groups may well be a factor in the low rating here.
- **Energy Heating Costs:** Were ranked third highest by the Focus Groups but comments gathered during the sessions suggested that there only be a deduction for this factor in exceptional circumstances. Analysis of the any other criteria that should be used to determine rents asked as part of the tenants' questionnaire, identified the highest reason was property condition in relation to reducing energy costs and meeting energy standards.
- **Amenity:** There was a varied response between the questionnaire responses and the Focus Groups feedback when asked if rents should vary due to amenity. 51% of the survey responses agreed, while the Focus Groups' average position of the rent spectrum was second lowest and 40% agreed that amenity should be used as a factor.
- **Service Charges:** The outcome of both the tenants' survey and Focus Groups was in favour of including, where possible, service charges in the rent. More

detailed feedback from the Focus Groups on the individual service charges identified that there was unanimous support for the shower value to be included in the rent charge.

- **Implementation Approach:** If Moray Council implemented a new structure the majority of tenants from both the questionnaire responses and Focus Groups agreed that it should be implemented gradually over time, with an even higher proportion agreeing that Moray Council should consider setting a cap to restrict the value of both increases and decreases following the implementation of the new rent structure.

The following core recommendations from the outcome of the Tenant Consultation on the Review of Rents and Service Charges have been considered by the Review Group in the formulation and testing of the revised rent setting structure.

Recommendation 1: Integrate property size and property type into testing of options to rent restructure where Moray Council has clear and consistent information available to do so.

Recommendation 2: Test further options to deduct energy efficiency from rents where Moray Council has clear and consistent information of properties in exceptional circumstances.

Recommendation 3: Test options of integrating service charges with the rent value, in particular the value associated with shower value and communal area expenses.

Recommendation 4: The outcome of more detailed Focus Group work regarding the use of locations and gardens as factors for setting rent was that these were more subjective factors therefore it is recommended that Moray Council should consider carefully if this should in fact be a rent attribute.

Recommendation 5: Test options to include the amenity value of sheltered housing and supported housing into the wider rents.

Recommendation 6: Prior to the implementation of a new rent structure Moray Council should test two scenarios, gradual implementation and setting a cap.

Recommendation 7: Given the low turnout at the Focus Groups, Moray Council should undertake further tenant engagement to test tenants view on the balance of future rent and investment levels and deal with this matter as part of the annual rent consultation and not the rent harmonisation process.

The core recommendations for Moray Council to note from the outcome of the Tenant Consultation on the Review of Rents and Service Charges are detailed below.

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