



# the wellhouse news

## Welcome to your Winter Newsletter

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**wellhouse**  
Housing Association

Keep up to date with  
what's happening in your community.

# Seasons Greetings from the Chair



## Upwards and onwards!



**Maureen Morris –**  
Chair

This has been another very busy year for the staff and committee of Wellhouse Housing Association and we have had some key achievements

including the final sign off of the phase 7 development, the retention of our investors in people status and the completion of an external wall insulation programme. I am delighted to report that on 30 November 2016, the Scottish Housing Regulator decided to end the appointment of the statutory manager at Wellhouse Housing

Association after almost two years, stating that we made good progress in dealing with the issues that led to the statutory intervention beginning in December 2014.

A statutory manager was appointed to the Association to address “serious weaknesses” in its governance and financial management and protect the interests of tenants. The appointment was regularly reviewed and extended while Wellhouse completed an improvement plan and consolidated progress.

Since then the Association has made a number of appointments including Martin Wilkie-McFarlane as our chief officer, who started work with us at the end of May 2016.

Christine Macleod, director of governance and performance, said: “Over the last two years, Wellhouse’s

Management Committee has worked hard to address the serious risks to tenants’ interests. It has faced its difficulties and taken the necessary action to strengthen its governance and financial management. Because of the progress it’s made we are able to bring our statutory intervention to an end.”

The Regulator said it will continue to have high engagement with Wellhouse as we embed and build upon the improvements it has made.

I am very confident that we can all work together to make Wellhouse “the place to be”!

On behalf of everyone at Wellhouse HA, I would like to wish you all a very Merry Christmas and a Happy New Year.

**Maureen Morris**

## ARE YOU AFFECTED BY THE REDUCED BENEFIT CAP?

As you may well have heard, the Benefit Cap has now been lowered to £384.62 per week for couples & families and £257.69 per week for single people with no children living with them. This means that if you currently receive more than this amount from your benefits (including the help towards your rent paid directly to Wellhouse Housing Association) then your payments may shortly be reduced.

There are various exemptions to the Benefit Cap, therefore even if your current income is higher than the figures shown above, you may not be affected due to your circumstances. If you are notified at any point that you will be affected by the cap, please get in contact with the Housing Team or Income Advice Officer at The Hub who can check if you qualify for any of the exemptions.

## UNIVERSAL CREDIT – FULL SERVICE ROLLOUT

As you know, Wellhouse Housing Association have been raising awareness of Universal Credit (UC) for some time now. This may not currently affect you because only single people with no children or disabilities have been asked to claim. However, we can now confirm that from September 2018 this will start to be rolled out to everyone in Glasgow, regardless of your circumstances. It is therefore important that you remain engaged with our Housing Team so that we can ensure your benefits and housing costs are protected.

If you have any questions or concerns regarding UC, the Benefit Cap, or any other benefit changes then please do not hesitate to get in touch with us.



## CHRISTMAS CLOSURE

Our office will close from 1.00pm on Friday, 23<sup>rd</sup> December 2016 and will open again on Thursday, 5<sup>th</sup> January 2017 at 9.00am.

Who do I call now if I have an emergency during this period?

Should an emergency situation arise during this period you should contact the below contractors:

**Scotia Plumbing – 0141 771 9600** (All plumbing repairs)

**City Technical – 0844 579 6493** (All gas central heating repairs)

**City Building – 0800 595 595** (All other trades)

### Out of hours emergencies:

**PLEASE NOTE** - An emergency repair is only a repair which if not carried out could threaten your health and safety, or could cause serious damage to the building e.g gas leaks, flooding, electrical faults which may be dangerous.

## Christmas and New Year Holidays - Wheeled Bin Collection Arrangements

Please note that due to the festive working arrangements, the days that your bins are due to be emptied will change over the Christmas and New Year holiday period.

We would be grateful if you could take note of the revised arrangements shown below:

Bin Colour	Date Shown on Calendar	New Day and Date
Blue or Green or Brown Bin	Sunday 25 December 2016	Tuesday 27 December 2016
Blue Green or Brown Bin	Monday 26 December 2016	Wednesday 28 December 2016
Purple	Monday 26 December 2016	Saturday 31 December 2016
Blue or Green or Brown Bin	Sunday 1 January 2017	Tuesday 3 January 2017
Blue or Green or Brown Bin	Monday 2 January 2017	Wednesday 4 January 2017
Purple	Monday 2 January 2017	Saturday 7 January 2017

Over the holiday period it would be helpful if car owners could arrange to park their vehicles in a position which will allow bin crews safe access to your wheeled bins.

**Thank you for your co-operation.**

[www.glasgow.gov.uk/recycling](http://www.glasgow.gov.uk/recycling)



**Merry Christmas and a Happy New Year**

# Wellhouse's Garden Guru



## *Hi Folks;*

At this time of year, there's not very much that can be done in the garden other than to decorate with lights and try to dig it and tidy it ready for spring.

I just managed this myself and planted 50 tulip bulbs in one flower bed. Just the pond to tidy and I'm done for the year. My aim is to try and provide some colour in spring, summer and autumn. The Winter garden is for the birds, squirrels, hedgehogs and foxes to scavenge. Free slugs and bugs for all.

My thoughts are already on next year's competition and I'd like to take this opportunity to make a few suggestions.

I really believe that categories and best newcomer and best veranda should be reinstated alongside 1st, 2nd and 3rd overall gardens. We need to encourage people to see the benefits of flows and shrubs, fruit and veg and all the wild life that does with it. Just walking past a colourful space or garden brightens your mood for a few seconds. So these categories are just as, or more important than 1st, 2nd or 3rd overall because all anybody can work with is the space they've been given and some of them have worked miracles.

Now I'd like to write about the judging part. I think Wellhouse Housing Association should pick out individual gardens and hopefully verandas' and newcomers just as before, but with someone from the Parks Dept. to see and judge the gardens etc.

This year's competition was far too easy to be manipulated by the votes and should never be used again even though it was planned with only the very best of intentions. (This was the reason I donated by gift voucher prize to a group of my choice. I couldn't in all honesty keep it for myself. Commiserations to garden number 11; you were truly my worthy winners.) But I digress. I'm sure that the Parks Dept. and Wellhouse Housing Association could both enjoy some excellent public relations and publicity with this judging suggestion.

### **The prizes section:-**

I can't understand why a multi-national company should benefit from a small Community Housing Association like ours, when vouchers for prizes from the allotment group could be provided. The quality of their woodwork is wonderful, from the bird boxes and feeders to planters, wishing wells, wheelbarrows and more. There's something for everyone. I truly believe that most people would prefer our Housing Association money is spent in our



community for our community and not given to any big business.

Well, that's enough from me, I know that some won't agree with these suggestions but in the interest of fairness, I hope that most do. Some feedback, good or bad would be nice. Let Wellhouse Housing Association know what you think. I'm away to put my feet up and wonder what I'll do to the garden next year.

All the very best wishes of the season to the Wellhouse Housing Association staff, businesses, tenants and families of the place we all call home.

*Janet Crawford*

The Garden Guru

### **Wellhouse Responds:**

Thanks Janet for your suggestions.

I understand your misgivings that votes over the internet may lead to "favouritism", but we felt it was more open than a small panel. We will look at involving a team in 2017, and I hope you'll help us do that.

I agree that our prizes could be better directed to local initiatives. We will be introducing the categories you have suggested.

Kind regards  
Maureen Morris, Chair





Pictured - Mr Harris with Cllr McAveety, Maureen Morris and Kevin Callaghan (EverWarm)

## Winter Warmer



Leader of Glasgow City Council, Councillor Frank McAveety saw for himself some of the affordable warmth work, delivered by the council in partnership with Wellhouse HA, during a recent visit. He met Mr Harris, who will be applying for this year's Affordable Warmth Dividend. His home has also recently had external wall insulation.

Councillor Frank McAveety, said:

"Too many Glaswegians struggle to heat their homes adequately and our elderly citizens are most at risk. "That's why I am delighted the city council can continue to help residents over the age of 80 to keep warm without worrying about how they can afford their heating bills.

Mr Harris said: "I've applied for the dividend for the past two years and it really does help towards the cost of heating my home when fuel bills are so expensive. Now, with the

new external insulation fitted to my block a few months ago I think, I'll really feel the benefit this winter as it'll hopefully be cheaper to heat my house during the cold months."

Glasgow residents who have not received the dividend before and will be 80 years of age or over by 31 March 2017 can get an application form from the council's website [www.glasgow.gov.uk/affordablewarmth](http://www.glasgow.gov.uk/affordablewarmth) or by phoning 0141 287 7961.



## Paying Your Rent

In the run up to Christmas, we are well aware that money becomes tighter and spending priorities can change for many people, however, we would urge you to remember that you should not be tempted to miss your rent payments over the next few months. Your rent is the one payment that you should not change in terms of the priority.

The rent you pay Wellhouse not only keeps you in a home, it also pays for vital services that benefit you, your home and your community. Your rent pays for the repairs service; Environmental services to help keep your neighbourhood safe and clean; Improvements to your home and your community. That's why it's so important to keep up with your payments and always have rent as your priority.

Please remember, if you are struggling to make ends meet, contact us at the Hub as we have lots of ways to help you and particularly if you are worried about debt and how to manage your money, need advice on benefit entitlement, concerned about your fuel bills, or even if you need help furnishing your home, there are practical ways we can help.

Our office is closed from 23 December 2016 until 5 January 2017, if you need an Allpay card to pay the rent during these dates, please contact the Housing Assistants to order this in advance.

Here are all the payment methods we have.



**Direct Debit** - the most convenient method of payment, please call us for this option

**Standing Order** - you set this up with your own bank using our details below:

**Internet Banking** - at Wellhouse Housing Association:  
Sort Code: 82 64 28, Account Number: 40086946



**Allpay card** at various pay-points and post offices displaying the PayPoint logo

**Via the internet** at [www.allpayments.net](http://www.allpayments.net) and selecting "Make a Payment"



**Allpay App** – The app is available to download for free from Apple or Android smartphones. Visit [www.allpay.net/app](http://www.allpay.net/app)

**Text Messaging** – Use your Allpay card and Debit card to register at [www.allpayments.net/textpay/login.aspx](http://www.allpayments.net/textpay/login.aspx)

**By Telephone** – call 0844 557 8321, enter the reference number from your Allpay card and follow the instructions (or call this office on 781 1884 for a note of your reference number). This service is available 24 hours a day, 7 days a week.

**By voluntary wage deduction** with prior agreement with your employer



## Christmas Spending – Advice from EPIC 360



Christmas spending can quickly get out of hand it's estimated that the average adult will spend £280 on gifts this year and that's not including the food, drinks and other Christmas spending. Angie, Epic 360's very own Christmas Angel is here to offer a few festive spending tips that could help to take the pressure of purses:

Always remember – it's just one day with a glorified Sunday roast, try not to go overboard, make a meal plan including realistic portion sizes so there isn't too much overspending and food waste.

And if you know you will go overboard ... plan to make Boxing Day leftovers day. Instead of doing a separate food

shop for Boxing Day, find out just how creative you can get with Brussel sprouts.

All the little extras add up, things like Christmas crackers, napkins, table cloths etc., look for bargains, raid the pound shop or get the kids to make the crackers, come up with the jokes and make the gifts.

And while the kids have the crayons and glitter out .... Get them to make cards and draw pictures as wrapping paper, that way family members get tow presents in one, what could be nicer?

Double up with family & friends –

There are lots of 2 for 1 or three for two offers about on gifts and food, you might not use three of the one thing but you can group up with family and friends who would buy similar items and split the discounts

Christmas Eve as the supermarkets are closing can often be a good time to pick up discounted items – you may be able to stock up on a few things to get through January with.

Re-Gifting – We don't always want or need everything we receive so it's nice to see those things go to a good home, presents and especially food and drinks that guests bring when they visit. Just keep track of

who the item came from, so they don't end up with their own gift back!

Take advantage of the sales, if there are people you know you won't see until after Christmas, think about delaying gift buying to when the post-Christmas sales start, they could have the exact same present for a lot less money.

Thanks to Janine Bonner at Epic 360 for this article.

"Epic 360 is a Big Lottery funded financial capability organisation supporting the people of Glasgow with financial capability skills."

## FACTORING - Changes to the Homeowner Housing Panel

The Homeowner Housing Panel (HOHP) was set up following the implementation of the Property Factors (Scotland) Act 2011. It was an independent judicial body which homeowners could apply to if they remained dissatisfied with the outcome of a complaint they had made to their registered property factor.

As of 1 December 2016 the HOHP no longer exists. It has now been replaced by The Housing & Property Chamber First-tier Tribunal for Scotland.

While Wellhouse Housing Association would hope to resolve any issues you may have directly and by following our complaints procedure, if you are a homeowner and remain unhappy with our final decision, you now have final recourse to The Housing & Property Chamber.

This is a newly formed body and results from the merging of the HOHP and the Private Rented Housing Panel (PRHP).

You can find more information at [www.housingandpropertychamber.scot](http://www.housingandpropertychamber.scot). Their contact details are:

Housing and Property Chamber  
First-tier Tribunal for Scotland  
4th Floor  
1 Atlantic Quay  
45 Robertson Street  
Glasgow  
G2 8JB  
Tel: 0141 302 5900



# Rents 2017

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This newsletter article is the first stage of our consultation with Tenants on the potential rent increase that may be applied from April 2017. We want to give you some background to why we consult with Tenants on rent increases and let you know about the key stages and dates in the process.

## Background

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You will be aware that the Housing (Scotland) Act 2001 requires all social landlords to consult tenants and take account of their views when making decisions about proposed rent increases. The Scottish Parliament, through the Scottish Social Housing Charter ('the Charter') sets the standards and outcomes that all social landlords in Scotland should aim to achieve when performing their housing activities. The Charter does not prescribe how landlords should consult tenants about proposed rent increases but it contains 16 standards and outcomes and three explicitly refer to rent, consultation, affordability and value for money. Rent is a major household expenditure item and future rent affordability is very important for Wellhouse and Tenants alike.

## December 2016

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At this time of year, Wellhouse Housing Association along with many other landlords begins the process of looking at the budget for the coming year. It is essential that we ensure good financial management and consider all expenditure for 2017/18 and for years beyond this. Our aim over the next month is to ensure that you get information from us. We have considered the best ways to engage with our Tenants about proposed rent increases and have decided that we will issue information leaflets; carry out a survey; send text messages; post information on Facebook and Twitter; facilitate drop in sessions at the hub; meet Tenants in their homes.

The information we will provide should be easy-to-understand, however, please let us know if you need more information or a different format to help you to express your views on this matter.

## January 2017

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The next important stage is January 2017 when the Management Committee will be presented with the budget and will instruct staff to begin formal consultation with all Tenants on any proposed rent increase that will take effect from 1 April 2017.

During late January into early February, you will be contacted to get your opinion, please help us by filling in the survey forms; attending our open sessions or speaking to our staff. Your opinion really counts and does make a difference in the final stages of this process.

## February 2017

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This is the final stage when a decision will be made at our February Management Committee Meeting on any rent increase. Within a few days of the decision being made, you will be written to formally notifying you of the changes to rent that will then take effect in April 2017.

## April 2017

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Rent increase takes effect from 1 April 2017.

## Other Considerations

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Tenants will be aware that over the last few months we have been working with Arneil Johnston on a rent restructuring exercise which aims to bring fair and consistent rents for all Wellhouse Tenants. We have also been working on ensuring that our Stock Condition Survey is accurately reflecting what investment we need to make in our homes in 2017/18 and for the next 30 years.



Bringing all of this work together will place Wellhouse in a strong position to ensure we have fair rents that Tenants feel they understand and that we remain financially able to carry out works and commitments for the next 30 years and beyond.

We would like to give tenants genuine options for the proposed the rent increases and spell out what each option means in terms of levels of investment in homes and the level of services offered. We have already heard from Tenants from our rent restructuring questionnaire and open sessions on the types of services that they want us to provide, we want to hear from more Tenants if possible.

One of our priorities is to ensure that any changes to rent has been researched to ensure that we can assure tenants that Wellhouse rents are generally considered affordable.

Additionally, we want to assure you that your views are important when proposals directly affect you and rent levels obviously affects all of our Tenants; this is why we need as many people to speak to us as possible. We will report back on the outcome of all of our consultation processes.

Please refer to our newsletter supplement for more detail.

**Sharon Flynn, Housing Manager**

## Message from the Director



As we round off 2016, I am completing seven months with Wellhouse Housing Association. Most of that time has been spent restructuring the organisation, establishing a management team and working on moving us to the next stage of our relationship with the Regulator. In 2017, I will be working with the Management Committee on further improvements and in making us more responsive to you, our customers. Myself, and other management team members, will be available to meet you in The Hub and take any questions regularly throughout the year and we will also be doing estate walkabouts – follow Facebook and Twitter for dates and times.

All the best for 2017

**Martin**

Wellhouse: the Place to Be



Trust Honesty Integrity Excellence Accountability Sustainability

# Rent Restructure Tenant Consultation Outcomes

December 2016



INVESTORS  
IN PEOPLE



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Arneil Johnston  
50 Scott Street  
Motherwell  
ML1 1PN

## 1 Introduction

In October 2016, Wellhouse Housing Association (“the Association”) commissioned Arneil Johnston to deliver a rent restructuring review. The Association recognised the importance of ensuring that its customer base was fully involved in the rent restructuring project by expressing their views on what constitutes a fair and consistent approach to rent setting.

On this basis, together with Arneil Johnston, Wellhouse HA devised and sent a questionnaire to all tenants. In total, the Association received 75 responses; which accounts for approximately 9% of the Association’s tenant base.

Tenants who completed the questionnaire were then invited to attend one of two consultation events facilitated by Arneil Johnston in November 2016. These events were used to validate the outcomes from the initial consultation exercise, and provide tenants with the opportunity to express their ideas and opinions on how to create a fair, consistent and simple rent structure for the Association.

This briefing paper seeks to summarise the outcomes of both consultation exercises

### 1.1 Questionnaire

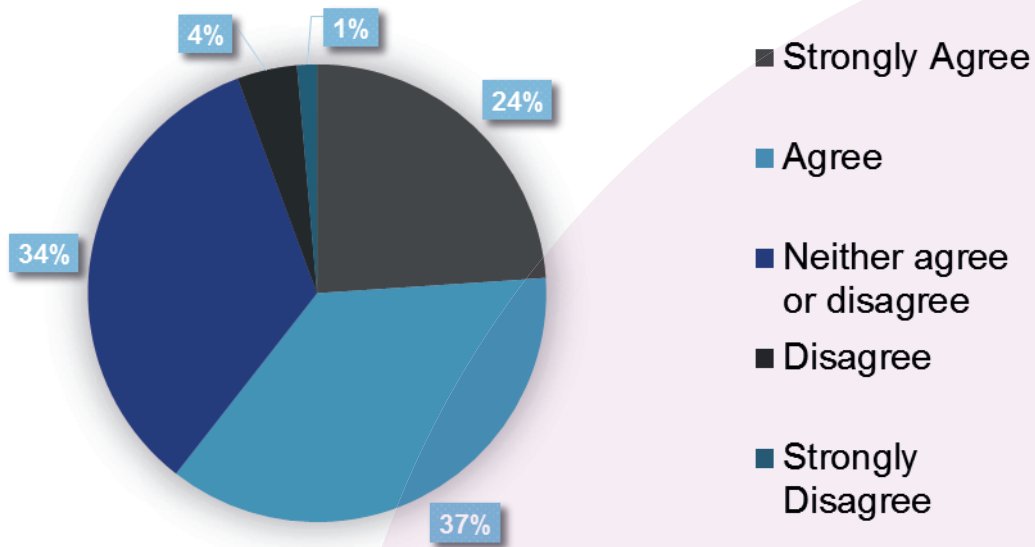
As stated above, 75 rent restructure questionnaires were completed by tenants and returned to the Association. The questionnaire was designed to seek tenants’ opinions on the principles of rent restructuring; for example whether they agreed that similar properties should have similar rents. It was also an opportunity to gauge tenants’ opinions on the criteria which may be used as part of a new structure; for example property size or energy efficiency.

The following sections outline the responses in detail.

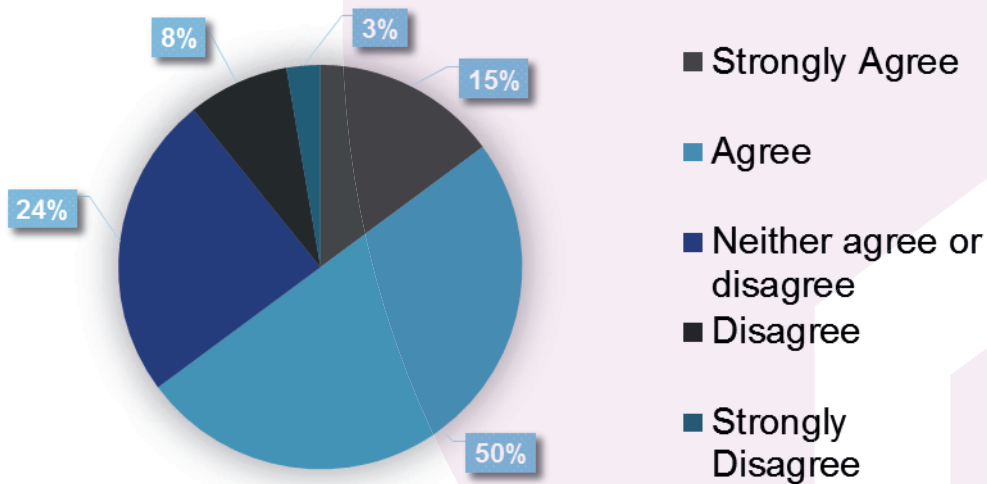
#### 1.1.1 Principles of Rent Restructuring

The first two questions in the questionnaire sought to capture tenants’ views on the principles of rent restructuring. Tenants were asked whether they agreed that the Association should have a consistent way to set its rents, and that properties which have similar characteristics should have similar rents; the results for which are shown in the graphs below.

## A consistent approach to setting rents should be adopted



## Do you agree that properties which have similar characteristics should have similar rents?



Graphs 3.1 and 3.2: Tenants' views on the principles of rent restructuring



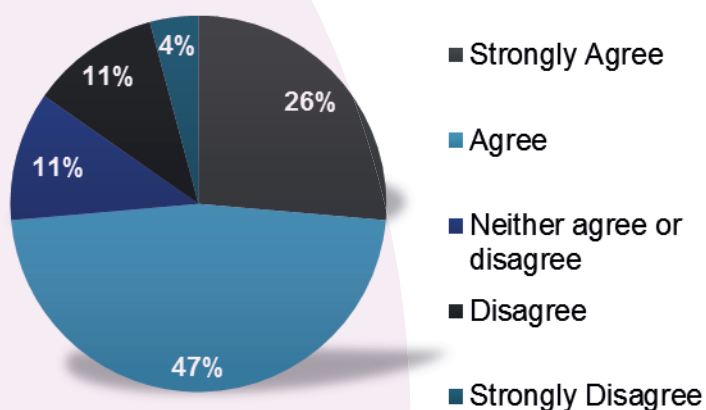
There was evidently substantial support among tenants in terms of the principles of rent restructuring, with 61% agreeing that a consistent approach to setting rents should be adopted, and 65% agreeing that similar properties should have similar rents.

### 1.1.2 Key Factors for Revised Structure

Tenants were asked a series of questions which were aimed at discerning their views on what the key criteria of a revised rent structure should be.

Tenants were firstly asked to consider property size, i.e. the number of bedrooms in the property. Tenants were asked whether they agreed that rents should vary depending on this characteristic; which, as shown below, the majority agreed with

## Do you think rent charged should vary depending on the size of the property?

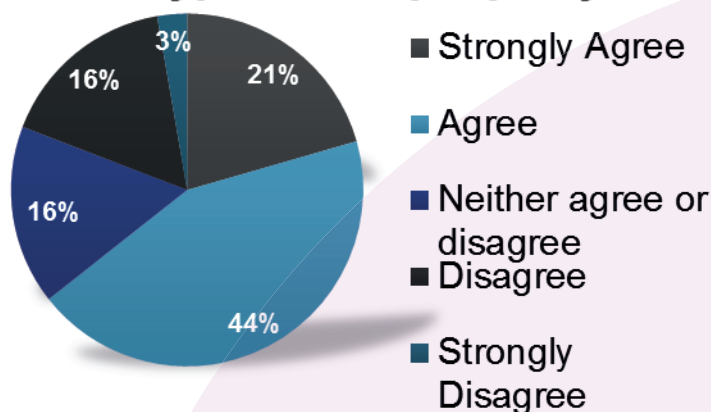


**Graph 3.3: Respondents' feedback on rents being based on property size**

73% of respondents agreed that the size of a property should influence the rent which is charged to a property. In comparison, just 15% of tenants disagreed, clearly showing that there is considerable support among the Association's tenant base that property size should be considered in a revised rent structure.

Tenants were then asked to consider property type as another potential criterion for a revised rent structure. When asked if property type should influence the rent charged, over half of tenants (65%) agreed, including 21% who agreed strongly with this. The graph below outlines the distribution of opinion for all of the respondents.

## Do you think rent charged should vary depending on the type of the property?



**Graph 3.4: Respondents' feedback on rents being based on property type**

In order to establish tenants' preference for the various property types, respondents were asked to rank a range of property types from 1 to 6 – 1 being this most important and 6 being the least – in order of preference. This will help to inform the final assumptions used for the revised structure if property type is selected as a criterion.

A detached house emerged as the most preferable property type, with over two thirds of tenants (68%) selecting it as either their first or second choice when ranking all of the property types. A bungalow was also popular among respondents, as it was ranked first or second by 60% of tenants. In comparison, a flat was ranked first or second by 17%, and just 11% selected a mid-terrace as one of their top two choices.

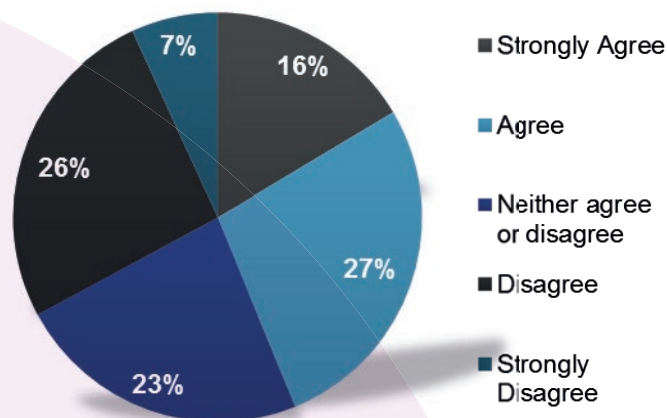
On average, the property types were ranked in the following order, with 1 being the most desirable and 6 being the least desirable:

1. Detached House
2. Bungalow
3. Semi Detached house
4. Flat
5. End Terrace
6. Mid Terrace

The third criterion tenants were asked to consider was amenities (for example, a garden). When asked if the rents charged should vary depending on a property having extra amenities, nearly half of the respondents (43%) agreed, with 16% strongly agreeing with this. As shown in graph 3.5 below, the majority of the remaining respondents were split between disagreeing (33%) and neither agreeing nor disagreeing (23%) with the revised structure using amenities.



## Do you think rent charged should vary depending on amenities of the property?

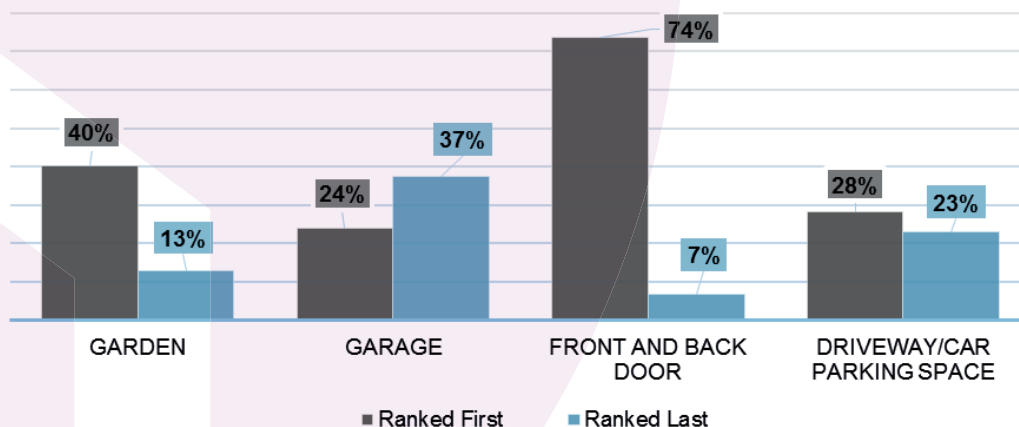


**Graph 3.5: Respondents' feedback on rents being based on amenities**

In order to establish tenants' preference for various amenities, respondents were asked to rank a small number of example amenities. These included a garden, a garage, a front and back door and a driveway/car parking space. As was the case with the property type rankings, this will help to inform the final assumptions used for a revised structure if amenities are selected as a criterion.

As shown in the graph below, the amenities favoured most by respondents – i.e. the amenity with the highest proportion of respondents that selected it as their first preference – was a front and back door (74%) followed by a garden (40%).

## Amenity Ranking: Most and Least Favoured Options

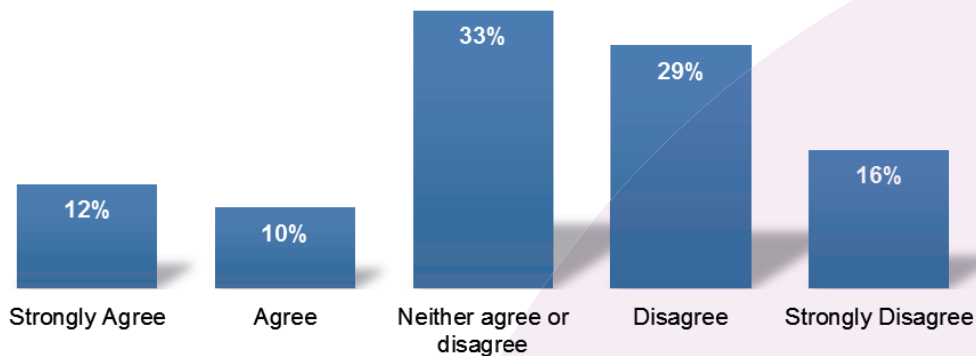


**Graph 3.6: Amenity ranking: respondents; most and least favoured options**

In comparison, it was evident that there was considerably low support for a garage, with 37% of tenants selecting it as their least preferred amenity from the list of four. In comparison, 24% of tenants stated that a garage was their most favoured. In relation to a driveway/car parking space, there was similar proportions of tenants selecting it as their first (28%) and last option (23%).

The final criterion tenants were asked to consider in the questionnaire was energy efficiency. As shown in graph 3.7 below, there was a low level of support for using the energy rating of the property as a criterion for the revised rent structure. Just 22% of respondents agreed that energy efficiency should be considered, with nearly half of respondents (45%) disagreeing with this. There was also a relatively high proportion of respondents who were undecided and neither agreed nor disagreed (33%).

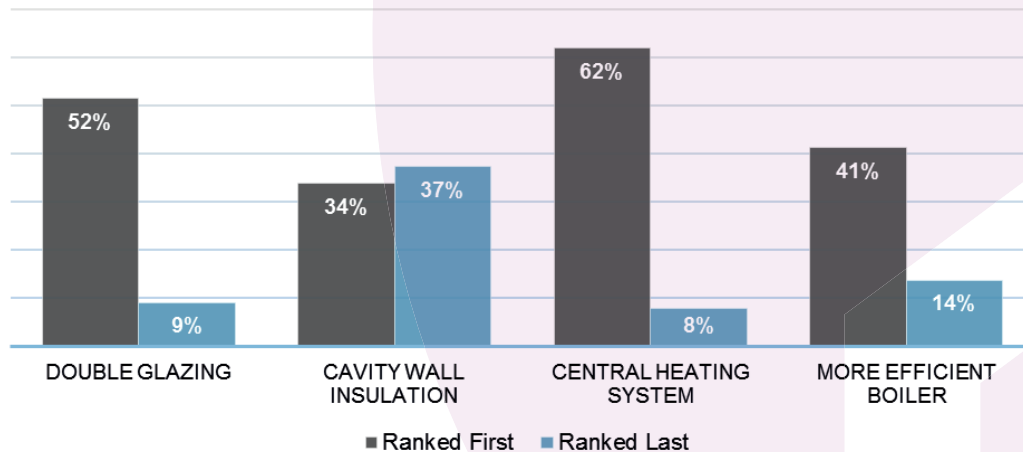
## Do you think rent charged should vary depending on the energy efficiency of the property?



**Graph 3.7: Respondents' feedback on rents being based on energy efficiency**

Similar to the property type and amenities criteria, tenants were asked to rank a small number of energy efficiency measures in order of preference, including double glazing, cavity wall insulation, central heating and a more efficient boiler. The graph below shows, for each option, the proportion of tenants that ranked it either first or last. It can be seen that the most favoured element is a central heating system, which 62% of tenants selected as their first choice. Alternatively, the least popular was cavity wall insulation, which over one third of respondents (37%) selected as their least favoured option.

## Energy Efficiency Ranking: Most and Least Favoured Options



**Graph 3.8: Energy efficiency ranking: respondents' most and least favoured options**

Towards the end of the questionnaire, participants were asked to suggest any other factors which they think should be considered for the revised rent structure. The most common suggestions made were location (6 tenants suggested this) and the age of the property/property condition (5 tenants suggested this).

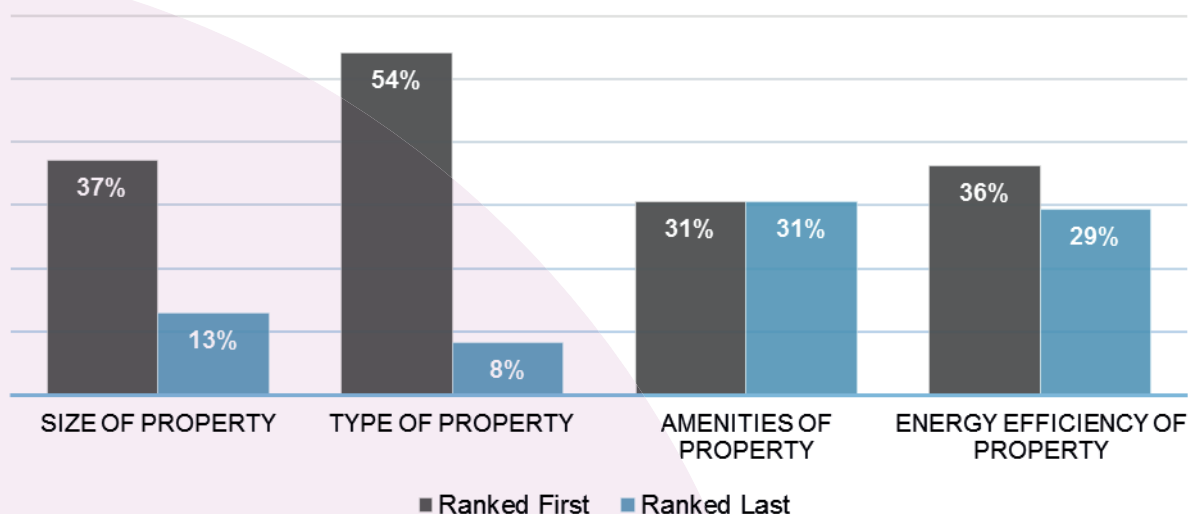
### 1.1.3 Key Criteria

After exploring each of the criteria individually, tenants were then asked to consider all of the factors and rank them in order of importance. Graph 3.9 below outlines the proportion of respondents that selected each criterion as the most and least important to them in determining the revised rent structure (i.e. their first and last choices).

Type of property emerged as the criterion which was the most important to tenants, with over half (54%) selecting it as their first preference. This was followed by, size of the property (37%) and energy efficiency (36%) which were also considered to be important.



## Most and Least Important Criteria



**Graph 3.9: Respondents' views on the importance of various criteria**

In comparison, around a third of tenants (31%) selected the amenities of a property as the least important criterion out of the four, this criteria was also ranked first by only 31% of the respondents.

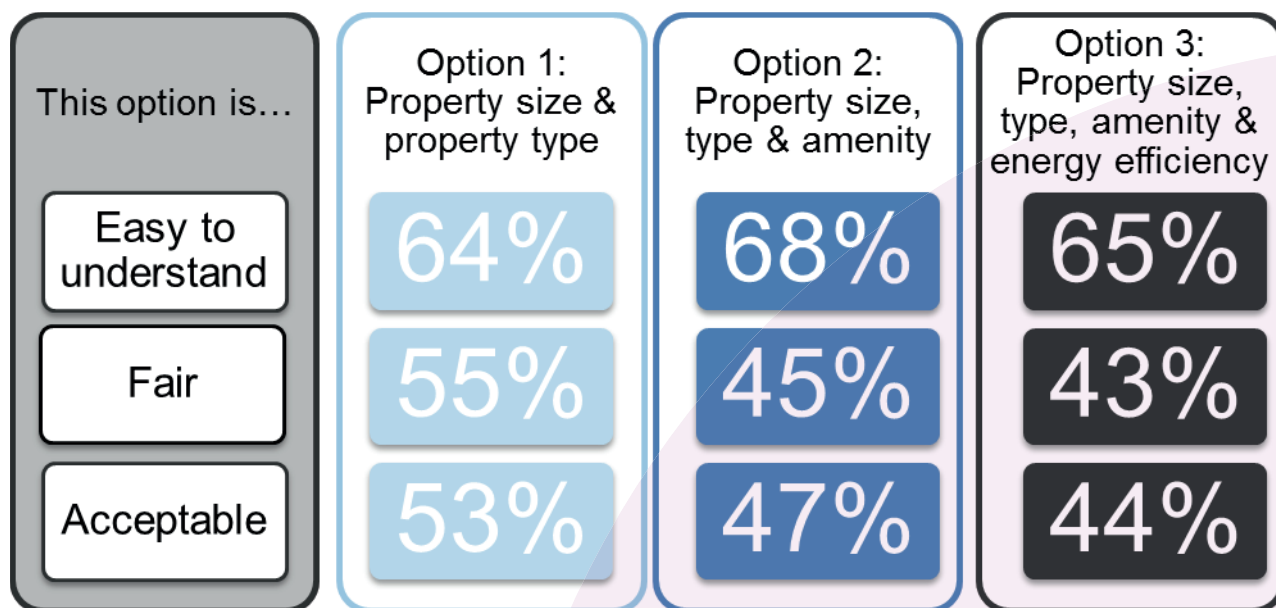
The outcomes of graph 3.9 do correspond, to some extent, with some of the earlier responses from tenants where they were asked to consider each criterion individually. For example, there has been consistently high support for property type and property size and low support for amenities and energy efficiency.

### 1.1.4 Options for Revised Rent Structure

Tenants were then asked to consider three options for the revised rent structure. Option 1 is the simplest structure, with rent based on property size and property type. Additional criteria are then added with each subsequent option. The three options presented to tenants are as follows:

- Option 1: Rent based on property size and property type;
- Option 2: Rent based on property size, property type and amenity; and
- Option 3: Rent based on property size, property type, amenity and energy efficiency.

Firstly, tenants were asked whether they felt that each option was easy to understand, fair to all tenants, and acceptable. The diagram below outlines the proportion of respondents that agreed that this was the case.

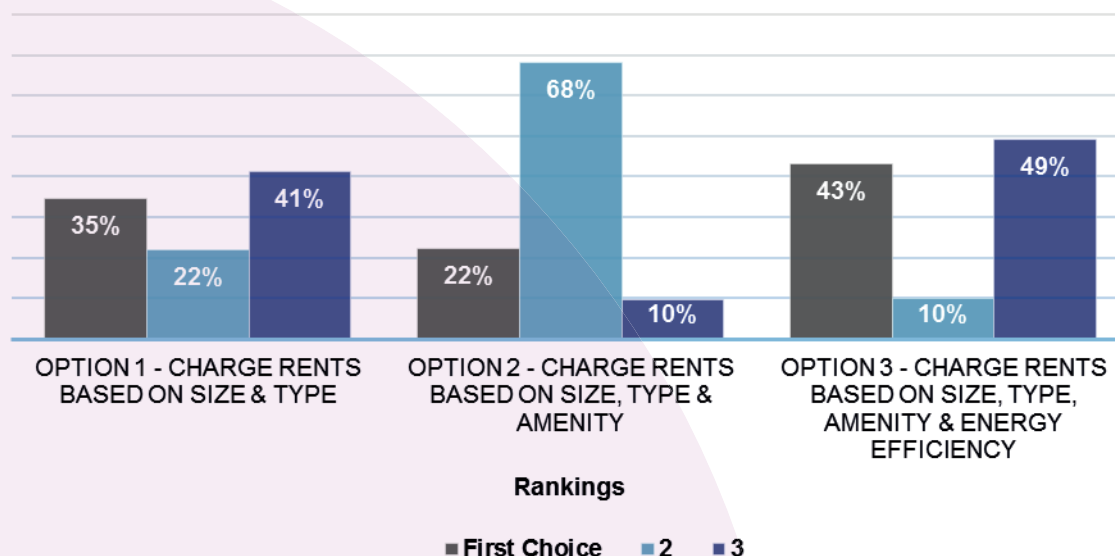


**Diagram 3.1: Proportion of respondents that agreed each option is easy to understand, fair and acceptable**

As shown above, well over half of respondents agreed that all three options were easy to understand. Option 1 was considered to be the most fair (55% agreed), and acceptable option (53%). Option 3 was seen as the least fair and acceptable by respondents, with only 44% suggesting that it would be acceptable. However it is important to note that there was less than 10% between all three options.

Following this, tenants were asked to rank the options in order of preference. Graph 3.10 below shows the proportion of respondents that selected each option as their first, second or third choice.

## Preference of rent options based on size, type, amenity & energy efficiency



**Graph 3.10: Respondents' views on the rent restructure options**

The graph above shows that option 3 (Rents based on size, type, amenities and energy efficiency) is the most popular, with almost half of respondents (43%) selecting it as their first choice. Option 1, came second with (35%) selecting it as their first choice. This somewhat contradicts the earlier responses given the low level of support for using energy efficiency in a revised rent structure, as shown in graph 3.7 and diagram 3.1 above. This is perhaps addressed, however, by the 49% of tenants that selected option 3 as their least favoured option.

In terms option 2 where rents are charged based on property size, property type and amenity, although only 22% of tenants selected it as their first choice, a greater proportion of respondents (68%) ranked it their second choice, and only a small 10% ranked it last.

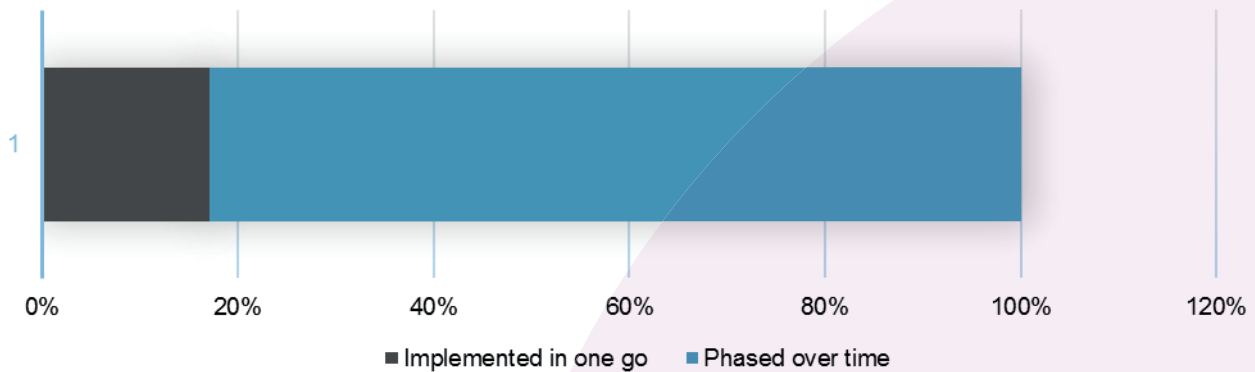
### 1.1.5 Implementation

The scenario modelling tool designed by Arneil Johnston to assess the impact of revised rent structures on the Association and its tenants enables various convergence options to be tested. In short, the options vary between a full implementation (a "Big Bang approach) or a phased implementation (either over a specific time period e.g. three years, or by limiting any increases and decreases using a cap).

On this basis, tenants were asked about their preferred approach to implementing a revised structure within the postal questionnaire; the results for which are shown in the graph below.



## If any changes are made to the rent structure, should this be implemented in one go or phased over time?



**Graph 3.11: Respondents' views on implementation of revised rent structure**

As shown above, the significant majority of respondents (83%) felt that any changes to the rent structure should be phased over time.

## 1.2 Consultation Workshops

At the end of the postal questionnaire, tenants were asked to indicate whether they would like to attend one of two focus group workshops to enable the Association to further gauge the opinions of tenants with regards to a revised rent structure.

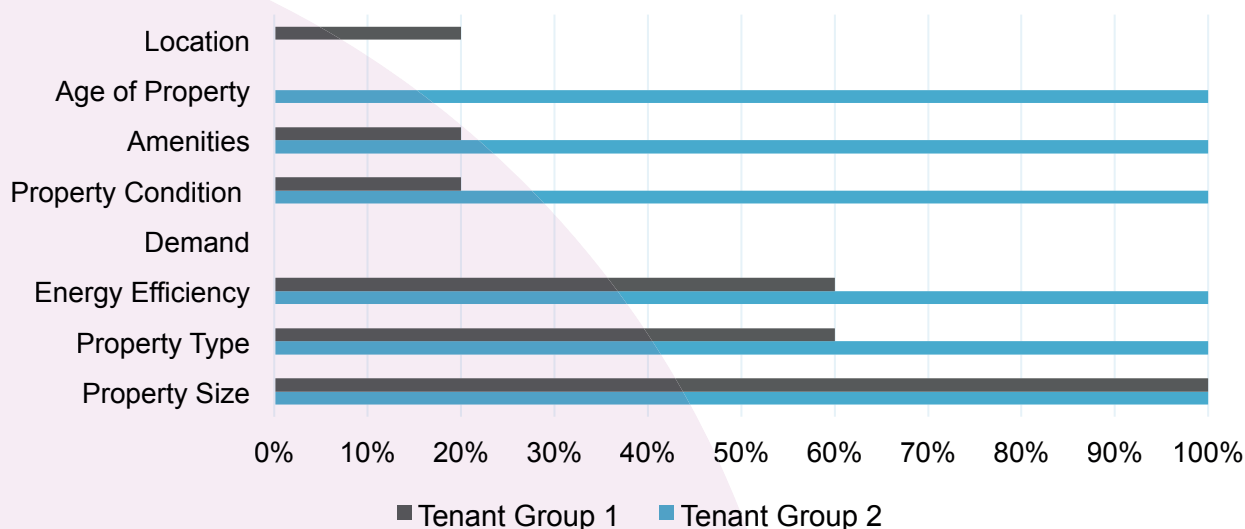
Facilitated by Arneil Johnston, two workshops were held on Thursday 24<sup>th</sup> of November 2016, one at 2.30pm (referred to as Tenant Group 1 in this report), and one at 5.30pm (Tenant Group 2). After providing participants with an overview of the project, they were invited to take part in a number of interactive activities; the outcomes for which are outlined in the following sections.

The first workshop at 2.30pm was attended by 5 tenants and the second workshop at 5.30pm was attended by 6 tenants.

### 1.2.1 Interactive Activity 1

As an initial reaction exercise, tenants were invited to consider a range of property characteristics and asked whether they felt that rents should vary using these characteristics under a new structure. The graph below outlines the responses from participants across the two sessions.

## Initial Reaction: Rents should be different as a result of...



**Graph 3.12: Tenants' initial reaction to what should influence how rents are set**

As shown in the graph above, most of the criteria received some level of support, with the exception being demand. The characteristics which received support from both groups of tenants were property size, property type, energy efficiency, property condition and amenities, with property size receiving 100% from all tenants that participated.

There was some dubiety between the two groups in relation to age of property where there was 100% support from tenant group 2 and 0% support from tenant group 1. In regards to location one participant from group 1 felt this should influence rents while the rest of the participant initially disagreed.

### 1.2.2 Focus Group Session: Examining Rental Criteria

Having expressed their initial reactions, tenants were then invited to consider the advantages and disadvantages of each characteristic to determine their relevance and suitability within a fair, transparent and simple rent structure.

The table below outlines the feedback from tenants having been presented with the advantages and disadvantages of each criterion by Arneil Johnston.

Criterion	Tenant Group 1	Tenant Group 2
<b>Property Size</b>	Property size was considered to be very important among tenants. With a number of them suggesting that it should be broader than number of bedrooms and should include the square footage of the property. However, it was noted that Wellhouse HA currently do not have this data and it would be difficult to implement.	All tenants agreed that property size is very important and should influence the rent levels.
<b>Property Type</b>	Participants agreed that property type was an important factor and were in agreement over which properties should be charged higher than others. All participants agreed that a flat and a four in a block should be charged the lowest rate and hold the same value, followed by a house, and then a townhouse which should hold the highest rental value.	Property type was considered to be as important as property size. Tenants agreed that a flat should be charged the least, followed by four in a block, then a townhouse and finally a house.
<b>Location</b>	Location was not considered a factor.	Participants were all in agreement that location should not be used as it can be subjective and the desirable locations can change over time.
<b>Energy Efficiency</b>	Tenants very much supported the idea of the energy efficiency of properties influencing rent levels.	Tenants very much supported the idea of the energy efficiency of properties, however, they questioned the integrity of the data that the Housing Association currently holds.
<b>Heating Type</b>	Tenants thought heating type was important when considering setting rents, however while it is not as important as property size and type it is more important than a private garden and designated parking.	Tenants agreed that heating type should be a factor when setting rents, however looking to the future they would like to see all properties having an upgrade to gas.
<b>Age of Property</b>	The tenants agreed that the age of the property should not be considered when setting rents as the age of the property doesn't suggest there is	Participants felt that the age of the property should be a factor when setting rents. Those in new builds should be charged a slightly higher rate, as the



Criterion	Tenant Group 1	Tenant Group 2
	something wrong.	condition of the older properties are generally poor and there have been little upgrades or improvements in the older properties.
<b>Private Garden</b>	Tenants felt that a private garden could potentially influence rents. They did not feel that it was as important as some of the other characteristics. Tenants, acknowledged that this potentially would be important to some people and they would be happy to pay slightly more to ensure they have a garden.	Participants felt that a private garden should not influence the rents as this is linked to property type, so it would not be fair to charge tenants twice for this characteristic.
<b>Designated Parking</b>	Tenants agreed that having a designated parking space or a driveway could influence the rent charged for the same reasons as a private garden influencing the rents charged.	Participants agreed that having a designated parking space should not influence the rent charged, as similarly to a private garden this is linked to property type.
<b>Popularity or Demand</b>	Tenants agreed that the popularity of a property should not influence the rent charged.	As was the case with Tenant Group 1, participants agreed that the popularity of a property should not influence the rent charged.
<b>Garage</b>	Tenants all agreed that a garage should not be used when restructuring the rents.	Tenants felt that a garage should not influence the rents charged.
<b>Additional WC, Bath or Shower</b>	Tenants agreed that having an additional WC is similar to having a garden or a designated parking space and therefore could potentially influence rents.	Tenants felt that an additional WC, bath or shower should not influence the rents for the same reasons as a private garden and a designated parking space should not influence rents.

**Table 3.1: Participants' views on each criterion following detailed examination**

The table above shows that there was some level of agreement between the sessions, particularly the support for using property size, property type, energy efficiency and heating type.

Although tenant group one did feel that the Association could potentially charge more to those who have a private garden, designated parking space or an additional WC, bath or shower, they did acknowledge that this potentially could be linked to property type in the same way that group two felt that tenants should not be charged more for these characteristics.

All the tenants from both groups agreed that location should not be a factor when setting rents as the popularity of one location and the unpopularity of another location can change over time and can often be very subjective as it is linked to individual choice and preference. In a similar way, tenants felt that the demand of a property should also not be used as a factor for setting rents.

### **1.2.3 Ranking Rental Criteria: Spectrum of Priorities**

Having explored each characteristic in detail, participants were invited to take part in an exercise where they built a spectrum of priorities by ranking the criteria in terms of simplicity and fairness. Tenants were asked to consider each criterion and collectively decide whether it was a fair and simple factor to consider when setting rents (and therefore place it towards the top of the spectrum), or whether it was not a fair and simple factor to consider when setting rents (and therefore place it towards the bottom of the spectrum). The completed spectrums for each group are shown below.

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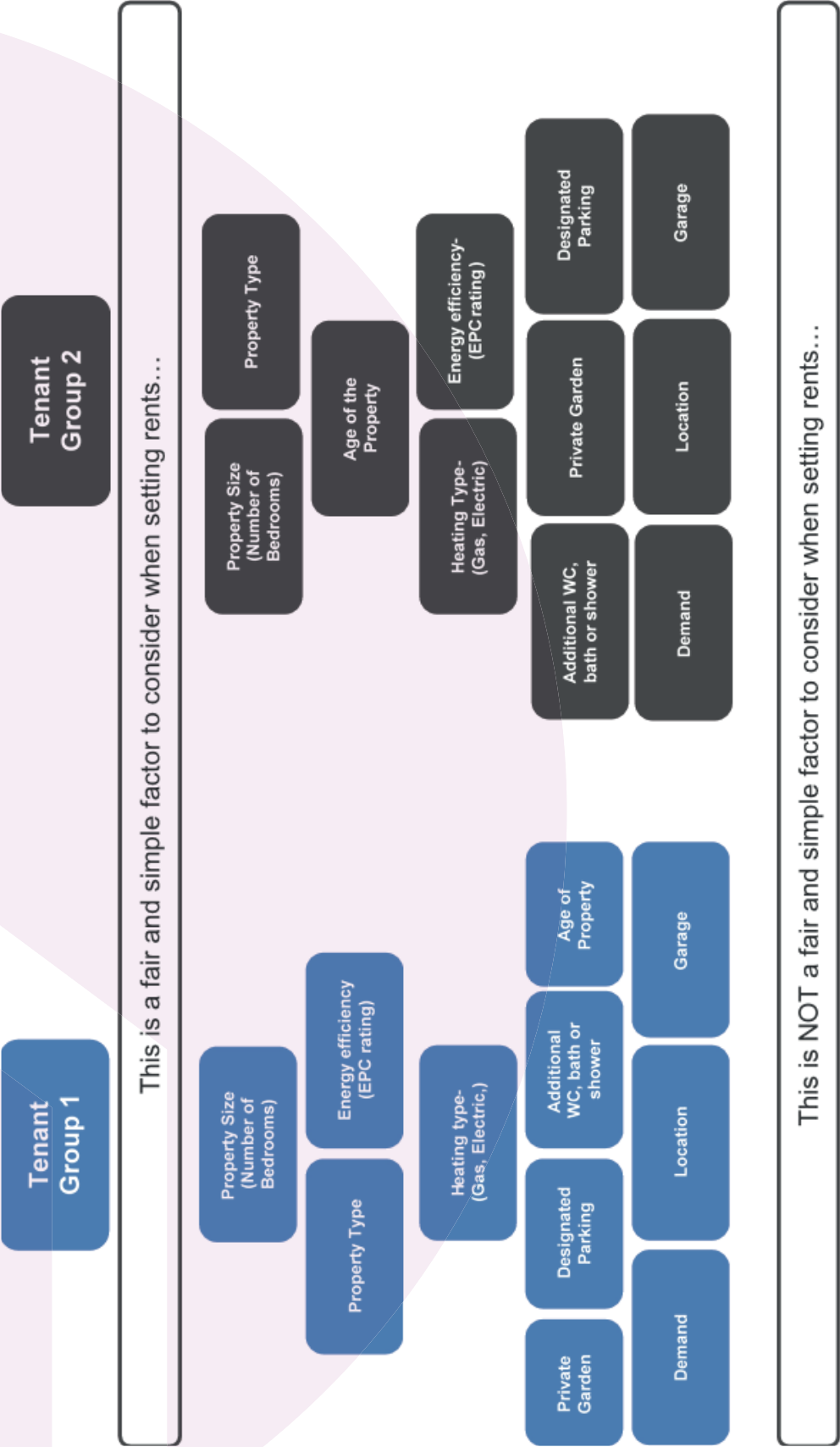


Diagram 3.3: Completed spectrum of priorities for tenant consultation sessions



For comparative purposes, the table below summarises where each group of participants placed each of the characteristics in their completed spectrums.

Criterion	Tenant Group 1	Tenant Group 2
Property Size – Number of bedrooms	Top	Top
Property Type	Middle	Top
Energy Efficiency	Middle	Middle
Garage	Bottom	Bottom
Location	Bottom	Bottom
Demand	Bottom	Bottom
Heating Type (Gas, Electric)	Middle	Middle
Age of Property	Bottom	Middle
Private Garden	Middle	Middle
Designated Parking	Middle	Middle
Additional Bath, Shower or WC	Middle	Middle

**Table 3.2: Criterion positioning on each group's spectrum**

Across the two groups, there were a number of similarities about the factors which are fair and simple. For example, all groups expressed support for property size. From the above it can also be seen that energy efficiency, heating type, private garden, designated parking and additional WC, bath or shower was placed in the middle for both groups, while it was agreed by both groups that location, demand and a garage should not be factor when setting rents.

As it can be seen above, property type was placed in the middle for group 1 however, it was near the top of the scale just underneath property size. So although group 2 placed it at the top alongside property size, it is clear that across both tenant groups all participants thought property type was an important factor when setting rents.

## 1.2.4 Interactive Activity 2

Having explored all of the characteristics, both as individuals and as a group, the participants were then asked to participate in a "Yes/No" voting session where they were asked ten questions in relation to what they think makes a fair rent structure, the depth of the structure and how it should be introduced.

For comparative purposes, the table below highlights the outcomes of this activity across the sessions, in this activity one participant left from group 1 leaving only 4 tenants participating in this activity.

Question	Tenant Group 1		Tenant Group 2	
	Yes	No	Yes	No
If Wellhouse HA opted to base rents on size and type alone, would this be easy to understand?	4	0	6	0
If Wellhouse HA opted to base rents on size and type alone would this be fair to all tenants?	4	0	0	6
If Wellhouse HA opted to base rents on size and type alone would this be acceptable?	4	0	0	6
When applying criteria, should we only use property characteristics which are known, and objective?	4	0	6	0
Should we only apply criteria if the Association has full information to measure this against every property?	4	0	6	0
Where property characteristics are different, should there be clear differences in the rent charges?	4	0	6	0
If we add value for positive characteristics, should we deduct value for negative characteristics?	4	0	6	0
If changes to the rent structure are introduced would it be fair to introduce them in one go?	0	4	4	2
If changes to the rent structure are introduced would it be fairer to introduce them gradually over time?	4	0	2	4
If the rents for a property go up or down under the new structure, should the Association set a cap (e.g. +£10 per month) to restrict increases or decreases?	4	0	0	6

**Table 3.3: Outcomes of voting session**

As can be seen from the table above, there was mixed opinions between the two groups on a number of the questions:

- Basing rents on size and type alone would be fair to all tenants,
- Basing rents on size and type alone would be an acceptable option,
- It would be fairer to introduce a new rent structure in one go,
- It would be fairer to introduce a new rent structure gradually over time; and
- The Association should set a cap (e.g. +£10 per month) to restrict increases or decreases

There were mixed opinions between tenant group 1 and tenant group 2 on question 2 & 3, where all participants from tenant group 1 indicated that basing rents on size and type alone would be a fair and acceptable option, whereas all the tenant from group 2 disagreed with this statement.

In regards to the implementation of a new structure, there were also mixed opinions. Tenant group 1 unanimously agreed that rent changes should be introduced gradually over time, with a cap to restrict increases or decreases. Whereas, with tenant group 2 one third of participants felt that it would be fair to introduce them in one go and two thirds felt that it should be implemented over time. Surprisingly all participants in group 2 agreed that there should not be a cap to restrict increases or decreases to the new rent structure.

### 1.3 Key Headlines

- There is support from the questionnaire and the consultations for using property size and property type in a revised rent structure but there is significant support that size and type should not be the only factors;
- Participants at all the consultation workshops agreed that as well as size and type the Association should look at criteria such as, energy efficiency heating type, and amenities. Respondents from the questionnaire also agreed with this, with 43% selecting option 3 in graph 3:10 as their preferred option ;
- Whilst tenants felt that amenities are important, they were aware that tenants should not be subject to a double charge, as often amenities are heavily linked with property type and size.
- Should the Association implement a new structure, most tenants across the questionnaire and the consultation agreed that it should be phased over time
- However, 6 out of the 10 tenants that participated in the consultation events felt that there was no need for the Association to set a cap to restrict the number of increases and decreases following the implementation of the rent restructure and would rather a big bang approach.

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We close at 5pm Monday to Thursday and at 4.30pm on Fridays

Call us on **0141 781 1884**.

Email us direct, e.g. [Pat@wellhouseha.org.uk](mailto:Pat@wellhouseha.org.uk) if you know who you want to contact,  
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