# Tenants Today SPECIAL SPECIAL



Welcome to this special edition Newsletter which focuses on two important issues for Midlothian Council tenants and prospective tenants: The rent you pay and how we allocate houses. We are interested in hearing the views of as many of our customers as possible, please take a few minutes to read through the information and complete the survey forms attached by Friday 9th October 2015.



#### Keep in touch...

**Online** Our website at www.midlothian.gov.uk is packed with news and information. Check out our popular events listings at www.midlothian.gov.uk/events or visit www.midlothian.gov.uk/housing for housing information and advice.

Facebook Like us at www.facebook.com/MidlothianCouncil

**Twitter** Follow us at www.twitter.com/midgov

**Tenant Participation Officer** Our Tenant Participation officer Lesley Connell is always keen to hear from our tenants. Phone 0131 271 3611 or email Lesley.Connell@midlothian.gov.uk



# Did you know that the Right to Buy is Ending in 2016?

In most cases council tenants do not have the right to buy their home if they became a tenant on or after 2nd March 2011.

However, council tenants who started their tenancy before this date may have the right to buy their home. This is changing next year as the right to buy is ending for all tenants of social housing in Scotland on 1 August 2016. This was agreed as part of the Housing (Scotland) Act 2014.

If you are a council tenant and want more information on the right to buy contact us on: **housing.enquiries@midlothian.gov.uk**For more information, you can also read the Scottish Government guidance for tenants online at **www.scotland.gov.uk** 



# The rent you pay

We want to hear your views on our proposals for future rent increases. We aim to keep our rents as affordable as we can while still improving our existing homes, building new homes and delivering housing services you have told us before that you want. The first chart on the right side of the page shows what every pound of rent you pay is spent on.

Loan charges are the biggest expense as 38p of every pound is spent on the cost of borrowing money. The Council uses the loans to make improvements to your homes such as replacing kitchens and bathrooms and installing new double glazing. Money borrowed also pays for building new council houses.

Repairs costs are the next highest expenditure and cover any day to day repairs carried out and also repairs to empty properties when they are being prepared for letting to the next tenant. The cost of managing these housing services, including estate management, staffing, the waiting list and allocation of housing is 24p in the pound.

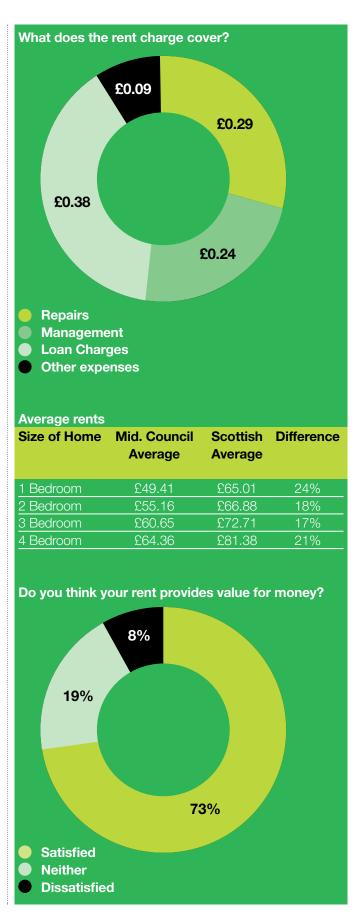
## **Average Weekly Rents (2014)**

The table on the right shows average rent costs for last year compared to other Scottish Councils and Housing Associations. Midlothian Council rents are well below the average for all house sizes in Scotland.

For example, 1 bedroom properties in Midlothian were 24% cheaper than the Scottish average for a property of this size. Also, over a year Midlothian Council tenant living in a 3 bedroom property would pay  $\mathfrak{L}627$  less rent than the Scottish average. For recently built council properties, an additional 25% rent premium is charged to help cover the cost of building these new homes. This is only for the first 10 years after the property is built.

## Satisfaction with Value for Money

The Council's recent Tenant Satisfaction Survey asked the question: How satisfied or dissatisfied are you that your rent provides value for money? The chart on the right shows the responses we received: that 8% of tenants were dissatisfied with the value for money of their rent charge and 73% felt satisfied, with 19% stating that they were neither satisfied nor dissatisfied.









### **New Council Housing in Midlothian**

Since 2006 Midlothian Council has completed 988 new build council houses, which is one of the largest council housing development programmes in Scotland and helps to meet the need for more affordable housing in this area.

The second phase of new building is still taking place with 48 recently completed in Penicuik and 6 further sites being planned at:

- Edgefield Road, Loanhead
- Eastfield Farm Road Road, Penicuik
- Polton Street, Bonnyrigg
- Stobhill Road, Gorebridge
- Newbyres Crescent, Gorebridge (Redevelopment)
- Kirkhill, Penicuik

This building project was started to deal with the high need for affordable housing in Midlothian – a common problem for councils across Edinburgh and the Lothian area. Despite the considerable investment in new housing a total of 4,876 households are currently waiting for council housing in Midlothian. 563 of these households are Midlothian Homes tenants who want to move house for a variety of reasons, including medical needs and overcrowding.

It is a key priority for the Council to meet the level of housing need in the area and extra borrowing is required if the Council is to continue new building beyond 2017.

## **Options for future rent setting**

Following consultation the Council agreed to the rent setting strategy of a 6% increase per year from 2011/12 to 2015/16.

We are now ready to consider the options for future rent charges for the period April 2016 – March 2019. The table on the right shows the options we would like to hear your views on.

Option 1 which is an increase of 4% per year is the minimum increase required in order that council housing in Midlothian can continue to invest in maintaining the existing housing stock. This table shows that a 1% higher rent increase (5% instead of 4% per year) would fund an additional 240 homes. Larger increases would increase the number of new homes being completed.



Option	Annual increase between 2016/17 to 2018/19	No. of additional new homes built
Option 1	4%	0
Option 2	4.5%	100
Option 3	5%	240
Option 4	6%	400

# Tenants Today SPECIAL EDITION

# How affordable is Midlothian Council's Housing?

In providing affordable housing it is suggested that when housing costs exceed 30%-35% of a households income, the costs are judged to be unaffordable. The table on the right shows an average weekly 3 bedroom Midlothian Council house rent and compares this to a gross household income based on a full time employee working the living wage (£7.85 per hour) and the minimum wage (£6.70 per hour). It shows in both cases that current rents are well below 30%-35% of households who receive either the minimum wage or the living wage and who do not receive housing benefit.

Even if the maximum rent increase option was applied for the next 3 years (6% increase per year) a householder earning either the minimum wage or living wage would still be paying less than 35% of their gross income to pay for housing costs.

#### Your feedback

Can you please take a few minutes of your time to complete the Rent Setting survey enclosed to let us know what you think and give us your views about the options for future rent charges. You can also fill in this form online at <a href="https://www.surveymonkey.com/r/mcrent">www.surveymonkey.com/r/mcrent</a> You will need to type in a reference number which is found on the survey form itself. You can also text us your comments on 60777, using the word 'rent' followed by your comments.



Affordability of Housing Average weekly rent (3 bedroom)	g for those o £60.65	Percentage of income spent on rent
Living wage income	£274.75	22%
Minimum wage income	£234.50	26%



## Come to one of our Housing Chats Events in Midlothian!

After reading this newsletter you may have more questions about Midlothian Council's Rent Setting Strategy or views about the Housing Allocation Policy. Why not come along to one of our drop in sessions taking place in several locations throughout Midlothian in September?

Just drop in at any time for a chat, ask questions, or to hand back your survey form. We'd be delighted to see you!

- Loanhead Library, George Avenue, Loanhead Monday 28 September, 15:00pm–18:00pm
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- Gorebridge Library, Hunterfield Road, Gorebridge Wednesday 30 September, 10:00am–13:00pm
- Newtongrange Church, Main Street, Newtongrange Tuesday 6 October, 13.00pm–16.00pm
- Woodburn Miners Club, Woodburn Road, Dalkeith Wednesday 7 October, 16:00pm–19:00pm

If you prefer, you can email or text us comments about the Rent Setting Strategy or the Allocation Policy by contacting **tenantparticipation@midlothian.gov.uk** or texting **60777**.

# Tenants Today







## How we allocate houses

Midlothian Council changed its Allocation Policy in 2013 in order to give priority to applicants in greatest need. Some of the key features of our current Allocation Policy:

#### **Midlothian Homes**

Midlothian Council operates a Common Housing Register with Melville Housing Association. This means that all applicants only need to fill in one form in order to be housed by either the Council, or Melville Housing which, after the Council, is the second largest provider of affordable housing in Midlothian.

#### **Qualifying Size Criteria**

The Allocation Policy was revised to ensure that future council tenants would not be affected by the underoccupancy charge which was introduced by the UK Government's Welfare Reform changes in 2013. Applicants will only be offered the size of property their household needs. Any permanent member of the household who is temporarily absent is still included in the household for the purposes of assessing the size requirements. Same sex children share until aged 16 years. Opposite sex children share until aged 10 years.



#### **Waiting Time Points**

One point for every two complete months on list. No limit is now applied. The previous maximum was 30 points.

#### **Number of offers**

All applicants will be entitled to 2 formal offers of housing. Where 2 reasonable offers, which meet needs and choices, are refused, the application will remain on the waiting list, but no further offers will be made for a period of 12 months.

#### **Choice of Housing**

All groups will have a choice of all house types, areas and landlords.



#### **Allocation Groups**

There are now three allocation groups with different letting targets.

#### • 1. Choice: Target is 15% of all lets.

The Choice group comprises of applicants who are not currently council house tenants and have no identified housing need, but would like a Council tenancy and also Council tenants who are adequately housed but would like another house.

#### • 2. General Needs: Target is 40% of all lets.

This is the largest group of applicants and is formed by those applicants who have a variety of housing needs. It includes householders who are overcrowded, or are under occupying their present housing, those with medical priorities, those who are living care of another household but want their own tenancy, and applicants for Sheltered and Extra Care Housing.

#### • 3. Homeless: Target is 45% of all lets.

Homeless applicants account for a growing proportion of the waiting list as a result of legislative changes. This Group also includes households who are currently serving in the Armed Forces and require housing.

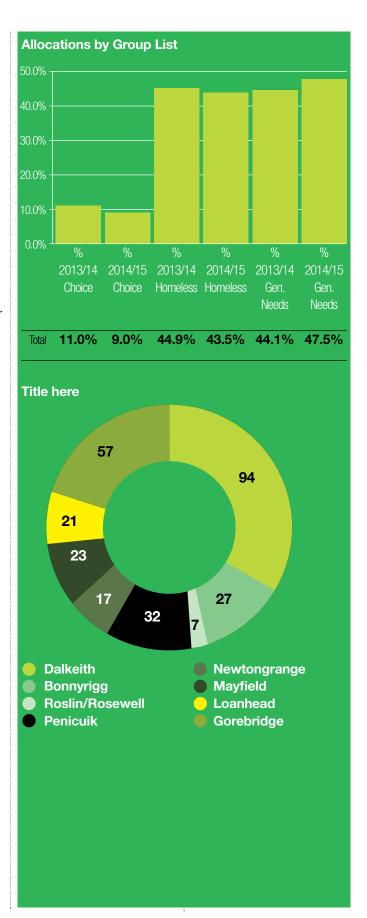
You can see from this chart on the right that Midlothian Council were close to meeting our targets, except for applicants on the choice list, who do not have a specific housing need.

# How many applicants are waiting for housing?

A total of 4,876 households are on the Midlothian Homes Waiting List. These are separated into the 3 housing needs groups:

# Where are council homes being let?

You can see from the chart below that of the 278 lets we made last year, most of them were in Dalkeith with 94 lets, followed by Gorebridge with 57, and Penicuik (32).







# What could we change about the current Housing Allocation Policy?

The Housing Allocation Policy is working as it delivers on the aims and outcomes. We are happy with how the new Allocation Policy is working and think it is easy to understand, gives applicants more choice, and prioritises housing to those in the greatest need. However, we could make some changes to the Policy but welcome your views to help us make these decisions.

We also need to take account of the recent legislation changes in the Housing (Scotland) 2014 Act which affects some of the circumstances which we legally have to consider when we allocate houses.

#### 1. Bedroom size qualification

In 2013 this was changed to single people or couples only being allowed to choose one bedroom housing except in some circumstances. This was done to protect households requiring housing benefit from being penalised by an underoccupancy charge (bedroom tax).

Since 2013, there has been a significant increase in people waiting for one bedroom housing due to the change in household size eligibility. At the same time, the number of households requiring two bedroom housing has decreased significantly. Two Bedroom housing continues to be the most common property size being let – we had 72 one bedroom homes to let in 2014/15 and 141 two bedroom homes. We are considering if it would be better to allow single people and or couples to be allowed two bedroom sized property.

#### 2. Changing the groups to meet identified needs

Would it be better to reduce the annual lets target to the Choice List to focus our lets on people with specific needs? Since the Policy changed in 2013 more households with medical needs have been provided with housing. However, there has been a reduction in lets to people who live in overcrowded circumstances or insecure accommodation. We think it might be better to ensure that groups with specific needs are given more opportunities to be housed by having a target for housing those with medical needs and those with other housing needs such as overcrowding. The need to provide a significant proportion of lets to homeless households remains very important.

## 3. Providing opportunities to help current tenants who are overcrowded or underoccupying

The Council currently operates an Incentive to Move Scheme which provides £1000 for households who are current Midlothian tenants who are underoccupying their home by 2 or more bedrooms to move to a smaller property and therefore make a larger family house available. Our 1 bedroom and 2 bedroom homes are in very high demand so providing a financial incentive to move to these properties is not a good idea. Instead we would like to promote the use of mutual exchanges using www. homeswapper.co.uk for people who are underoccupying their property. We are thinking of providing an increased incentive to move payment of £1500 for households who use Homeswapper to downsize by 2 bedroom sizes or more but not providing this payment for tenants who prefer to wait to be allocated a let they can transfer to.

#### 4. Ready to Rent

Ready to Rent properties are council homes in certain streets which have been refused more than two times which are then advertised to allow suitable applicants to note their interest in the property. This often results in an applicant being housed quicker and the property will be let faster. This has worked well and we are planning to extend this to a few more streets and withdraw it in areas which appear to have become more popular.

#### 5. Home owners

At present Midlothian Council is legally required not to take account of whether an applicant for rented housing is a current home owner. The Housing (Scotland) Act 2014 will allow us to take this into account when determining whether an applicant is in housing need. This could mean, for example, that home owners are less of a priority unless they have specific circumstances, such as a medical condition.

#### 6. Antisocial Behaviour

The Housing (Scotland) Act 2014 sets out measures that Midlothian Council can now take to help tackle anti social behaviour. For example, Midlothian Council could introduce a suspension period for some housing applicants who have behaved in an anti social way in their current area or if they have been convicted of an offence near their home, has been evicted from a previous tenancy or are due rent.

#### 7. The Right to Buy is Ending in 2016

In most cases council tenants do not have the right to buy their home if they became a tenant on or after 2nd March 2011. However, council tenants who started their tenancy before this date may have the right to buy their home. This is changing next year as the right to buy is ending for all tenants of social housing in Scotland on 1 August 2016. This was agreed as part of the Housing (Scotland) Act 2014. If you are a council tenant and want more information on the right to buy call Midlothian Council on 0131 271 3165. For more information, you can also read the Scotlish Government guidance for tenants online at www.scotland.gov.uk

#### **Your Feedback**

Can you please take a few minutes of your time to complete the Housing Allocation Policy Survey enclosed to let us know what you think and give us your views about the things you can change. You can also fill in this form online at www.surveymonkey.com/r/mcpolicy You will need to type in a reference number which is found on the Survey Form itself. You could also tell us your comments via text on 60777. Just mark your comments with 'review' then your message. Texts will be charged at the standard rate which your supplier charges for sending you texts.

## COMMUNICATING CLEARLY

We are happy to translate on request and provide information and publications in other formats, including Braille, tape or large print.

如有需要我們樂意提供翻譯本,和其他版本的資訊與刊物,包括盲人點字、錄音帶或大字體。

Zapewnimy tłumaczenie na żądanie oraz dostarczymy informacje i publikacje w innych formatach, w tym Braillem, na kasecie magnetofonowej lub dużym drukiem.

ਅਸੀਂ ਮੰਗ ਕਰਨ ਤੇ ਖੂਸ਼ੀ ਨਾਲ ਅਨੁਵਾਦ ਅਤੇ ਜਾਣਕਾਰੀ ਤੇ ਹੋਰ ਰੂਪਾਂ ਵਿੱਚ ਪ੍ਰਕਾਸ਼ਨ ਪ੍ਰਦਾਨ ਕਰਾਂਗੇ, ਜਿਨ੍ਹਾਂ ਵਿੱਚ ਬਰੇਲ, ਟੇਪ ਜਾਂ ਵੱਡੀ ਛਪਾਈ ਸ਼ਾਮਲ ਹਨ।

Körler icin kabartma yazilar, kaset ve büyük nüshalar da dahil olmak üzere, istenilen bilgileri saglamak ve tercüme etmekten memnuniyet duyariz.

اگرآپ چاہیں قو ہم خوشی ہے آپ کوڑ جمہ فراہم کر سکتے ہیں اور معلومات اور دستادیزات دیگر شکلوں میں مشلا پریل (نابینا افراد کے لیے اُنجرے ہوئے حروف کی کھائی) میں مٹیبے پریاز ہے ویک کھائی میں فراہم کر سکتے ہیں۔

Contact 0131 270 7500 or email: enquiries@midlothian.gov.uk

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#### Useful contact details...

Allocations Team: 0131 271 3394

Homelessness and Housing Advice: 0131 271 3397

Revenues and Benefits: 0131 271 3201

Repairs: <mark>0131 663 7211</mark> Arrears: **0131 271 3499** 

Anti-social behaviour hotline: 0131 271 6677

asb@midlothian.gcsx.gov.uk/text ASB to 66777

Police: **101** (Non emergency) Mediation service: **0131 271 3617** 

Emergency Homelessness: 0131 663 7211

For online housing options advice, why not visit: www.eastscotlandhousingoptions.co.uk/midlothian.html