

THE MORAY COUNCIL
Housing and Property Service

Rent Setting Policy

1. Scope of the Policy

- 1.1 This policy describes the method used in calculating rents for residential properties owned by the Moray Council Housing and Property Service.
- 1.2 The Rent Setting Policy complies with and supplements the Moray Council's Financial Regulations.
- 1.3 The Council seeks to ensure that the Policy does not discriminate between residents on any grounds and in particular, race, gender, sexual orientation, ethnic origin, religious belief, disability/illness or age. The Council will ensure the promotion of equal opportunities by publishing information and documentation in different languages and other formats such as large print, tape and Braille as required.

2. Local Housing Strategy/Corporate Development Plan/ Service Improvement Plan

- 2.1 The Rent Setting Policy will assist the Council to meet its Local Housing Strategy. In particular it will assist the Council to provide rented housing at an affordable and fair rent.

3. Objectives and Principles of the Policy

- 3.1 The overall aim of the Moray Council's Rent Setting Policy is to provide a fair and affordable method of calculating council house rents which ensures that rents charged are sufficient to provide an efficient and effective housing service.
- 3.2 The specific objectives of the Rent Setting Policy are: -
 - To provide a method of calculating rent which is consistent for all properties.
 - To ensure that rent charged reflects the amenities of the property.
 - To ensure that the method of calculation is transparent and easily understood.
 - To ensure that the Council sets rents at a level which is sufficient to provide quality services that offer value for money.

3.3 The principles underpinning the Rent setting Policy are: -

- The Council will ensure that the policy complies with and reflects the legal framework and good practice.
- All tenants are consulted in the development and implementation of the policy.
- Communication with tenants should be in plain language and easily understood.
- The Council will implement detailed procedures and agreed practices uniformly across the service.
- Staff training is provided to ensure that staff are equipped to carry out the roles expected of them.

4. Legal and Good Practice Framework

4.1 The Moray Council will ensure that the Policy complies with current legislation and promotes good practice. This includes the Housing (Scotland) Act 2001 and Outcomes 14 and 15 of the Scottish Social Housing Charter.

4.2 Outcome 14 states:-

‘Social landlords set rents and service charges in consultation with their tenants and other customers so that:

- A balance is struck between level of services provided, the cost of the services and how far current and prospective tenants and service users can afford them
- Tenants get clear information on how rents and other money are spent, including details of individual items of expenditure above thresholds agreed between landlords and tenants.

4.3 These outcomes reflect a landlord’s legal duty to consult tenants about rent setting, the importance of landlords taking account of what their current and prospective tenants and other customers are likely to be able to afford and the importance that many tenants place on being able to find out about how their money is spent. Whether information about expenditure above a particular level is published and in what form and detail is a matter for each landlord to decide in discussion with their tenants. What matters is that discussions take place and the decisions made reflect the views of tenants and other customers.’

5. Freedom of Information

5.1 The Freedom of Information (Scotland) Act 2002 came fully into force on 1 January 2005. The purpose of this Act is to “provide a right of access by the public to information held by public authorities”. In terms of section 1 of the Act, the general entitlement is that a “person who requests information from a Scottish public authority which holds it is entitled to be given it by the authority”. Information which a person is entitled to is the information held by the public

authority at the time that the request is made. However, there are exemptions to this legislation to ensure that 'personal data' is not disclosed in breach of the Data Protection Act 1998.

6. Method for calculating rent

6.1 The Council will use a points based scheme to calculate the rent of all residential properties owned by the Housing Service.

6.2 The points based scheme will consider seven elements of a property. These elements are based on the characteristics and amenities of a property. Each element will have a number of attributes to reflect the varying characteristics of properties.

6.3 Points will be awarded against each attribute and the total number of points for all seven elements will be used to calculate the weekly rent for a property by applying a multiplier. This multiplier will be common to all properties.

6.4 The elements to be used in calculating rent are:

- Property type
- Bedrooms
- NHER value
- Garden
- Kitchen standard
- Location
- Council new build

6.5 Property type and the number of bedrooms will be the main elements used in calculating rents with the number of points allocated to these elements receiving higher weighting.

6.6 The definitions of the elements and the number of attributes in each are as follows:-

Property type (14 attributes)

Indicates the type of property. E.g. semi-detached, ground floor flat,

Bedrooms (8 attributes)

The number of bedrooms in a property. A bedsit is classed as 0 beds

NHER value (3 attributes)

This is the energy efficiency rating of a property based on the National Homes Energy Rating scale of 1 to 10.

Garden (3 attributes)

Whether a property:

has a garden for the sole use of the tenant (this includes a garden which has a shared path for access)
has a garden shared with another property
has no garden

Kitchen standard (2 attributes)

Whether the kitchen in a property is above or below the Scottish Housing Quality Standard

Location (5 attributes)

The town, village or settlement in which a property is situated. This will be based on the lettings areas used for the Council's Allocation Policy.

Council New Build (1 attribute)

This is an additional rental premium based on a percentage of the points allocated in the "Property Type" and "Bedrooms" elements. The points values for attributes within these elements will be increased by 30% for new council houses built after 2009.

6.7 A full list of the elements, attributes and point values to be used in the Rent Setting policy is detailed in **ANNEX I**.

6.8 Where the Council agrees with the tenant to fit an over bath shower there will be a flat weekly rate charged to recoup the cost of the shower calculated over a 12 year period.

7. Changes to attributes

7.1 The Council will review the rent of a property following a change to any of the attributes used in the calculation of the rent.

7.2 Any resulting increase in rent will be effective 60 days from the date of the change. The Council will give 28 days written notice of any increase in rent.

8. Review of rent levels

8.1 The Council will review its rents annually as part of the budget process.

8.2 As part of the review process, tenants will be consulted on any proposed rent increase.

8.3 At least 28 days written notice will be given to tenants in the event of any rent increase.

9. Review of decision and complaints

- 9.1 A Review Process exists for tenants who are not satisfied with the way their rent has been calculated. In the first instance a tenant can ask for an explanation from their Area Housing Officer. If the tenant is not satisfied with the explanation they should write to the Housing Services Manager requesting a review of the rent level. A tenant who is still not satisfied will have the right of appeal to the Housing Appeals Sub-Committee.
- 9.2 The Council operates a Complaints Procedure that is available to any tenant who is not satisfied with the way their case has been dealt with. Details of the Complaints procedure can be obtained from any Council office.

10. Performance Monitoring

- 10.1 The Council will monitor rent levels and rental income generated under this policy.
- 10.2 The Council will also monitor the following:-
- The level of requests for review of rent
 - Progress on the removal of transitional relief
 - The impact of rent increases on the Allocations Policy
- 11.3 Reports will be submitted to the Council and Communities Committee as part of the budget setting and monitoring process.

11. Review of policy

- 11.1 This policy will be reviewed in 2017.

ANNEX I

LIST OF ATTRIBUTES, ELEMENTS AND POINTS

ELEMENTS	ATTRIBUTES	POINTS
PROPERTY TYPE	ATTRIBUTES	POINTS
Indicates the type of property. e.g. Semi-detached, Ground Floor Flat	Second Floor Flat (3 Storey)	20
	First Floor Flat (2 Storey)	20
	First Floor Flat (3 Storey)	20
	First Floor Flat (Block of 4)	22
	Ground Floor Flat (2 Storey)	24
	Ground Floor Flat (3 Storey)	24
	Ground Floor Flat (Block of 4)	24
	Second Floor Maisonette	25
	First Floor Maisonette	27
	Ground Floor Maisonette	32
	Mid Terrace House	35
	End Terrace House	40
	Semi-detached House	40
Detached House	50	
BEDROOMS	ATTRIBUTES	POINTS
The number of bedrooms in a property (A bedsit is classed as 0 bedrooms)	0 Bedrooms	40
	1 Bedroom	65
	2 Bedrooms	85
	3 Bedrooms	102
	4 Bedrooms	123
	5 Bedrooms	175
	6 Bedrooms	200
	7 Bedrooms	250
NHER VALUE	ATTRIBUTES	POINTS
This is the energy efficiency rating of a property based on the National HomesEnergy Rating scale of 1 to 10	Rating under 5	1
	Rating between 5 and 7	4
	Rating over 7	8

GARDEN	ATTRIBUTES	POINTS
The type of garden attached to a property	Garden with sole use	4
	Garden shared with another property	2
	No garden	0

KITCHEN STANDARD	ATTRIBUTES	POINTS
Whether the kitchen in a property is above or below the Scottish Standard	Above Standard	5
	Below Standard	0

LOCATION	ATTRIBUTES	POINTS
Town, Village or Settlement in which a property is situated. This will be based on the lettings areas used for the Council's Allocation Policy	Elgin	15
	Forres	12
	Buckie, Keith, Lossiemouth	10
	Small Town	7
	Village	5
	Settlement	2

COUNCIL NEW BUILD	ATTRIBUTES	POINTS
For new build council houses provided after 2009	Points values for attributes within 'Property type' and 'Bedrooms' elements will be increased.	30% UPLIFT