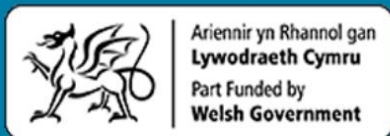




THE 2ND ANNUAL RENT SETTING CONSULTATION SURVEY

OCTOBER 2023
WWW.TPAS.CYMRU



TPAS Cymru's Rent Consultation Survey

October 2023

Introduction to TPAS Cymru's Tenant Pulse

Tenant Pulse is the national platform for Wales that enables tenants to provide anonymous accounts of their experiences, thoughts and feelings relating to their homes and communities.

They currently take the following form:

- 1) **Annual surveys** - subjects we believe are important and need tracking. Currently there are 3 annual surveys
 - Energy and Net Zero survey
 - Rent setting consultation
 - Annual 'What Matters' survey looking at what really matters to tenants and their communities
- 2) **Specific topical surveys** we develop with stakeholders such as Welsh Government to help bring insight to policy developments. Such as the recent Green Paper on Housing Adequacy and Fair Rents.
- 3) **Specific audience surveys:** occasionally we provide specific surveys for organisations, including PRS Tenants in north Wales on support options, Housing Association tenants on regulation reform etc.

We hope the findings and recommendations within this research offer valuable insight into the challenges tenants are experiencing and their thoughts on Rent setting. We believe by listening to tenants, and stakeholders, we can enable, open, honest, and transparent conversations.

All reports are published on Tenant Pulse portal on our website. www.tpas.cymru/pulse

Purpose and objective of this report

This time last year, at the request of the Welsh Government, we undertook our first dedicated tenant pulse focused on rent setting. At the time, tenants and wider society were experiencing a double whammy: Spiralling price inflation and their energy prices escalating fast. Whilst inflation and energy prices have peaked, they remain high, with inflation still seeing prices rise often above wage settlements.

Rent setting is a challenging subject. Landlords need certain levels of rent settlement to continue services as they see an increase in the costs of building materials, repair contractors and staff wages. However, tenants must be able to afford these increases.

After discussions with Welsh Government, we decided to repeat this Pulse survey to understand tenants' views on their increasing rents and if they knew the reasoning behind such increases.

Author: Elizabeth Taylor

October 2023

TPAS Cymru posed 18 questions to Pulse database members and members of the public.

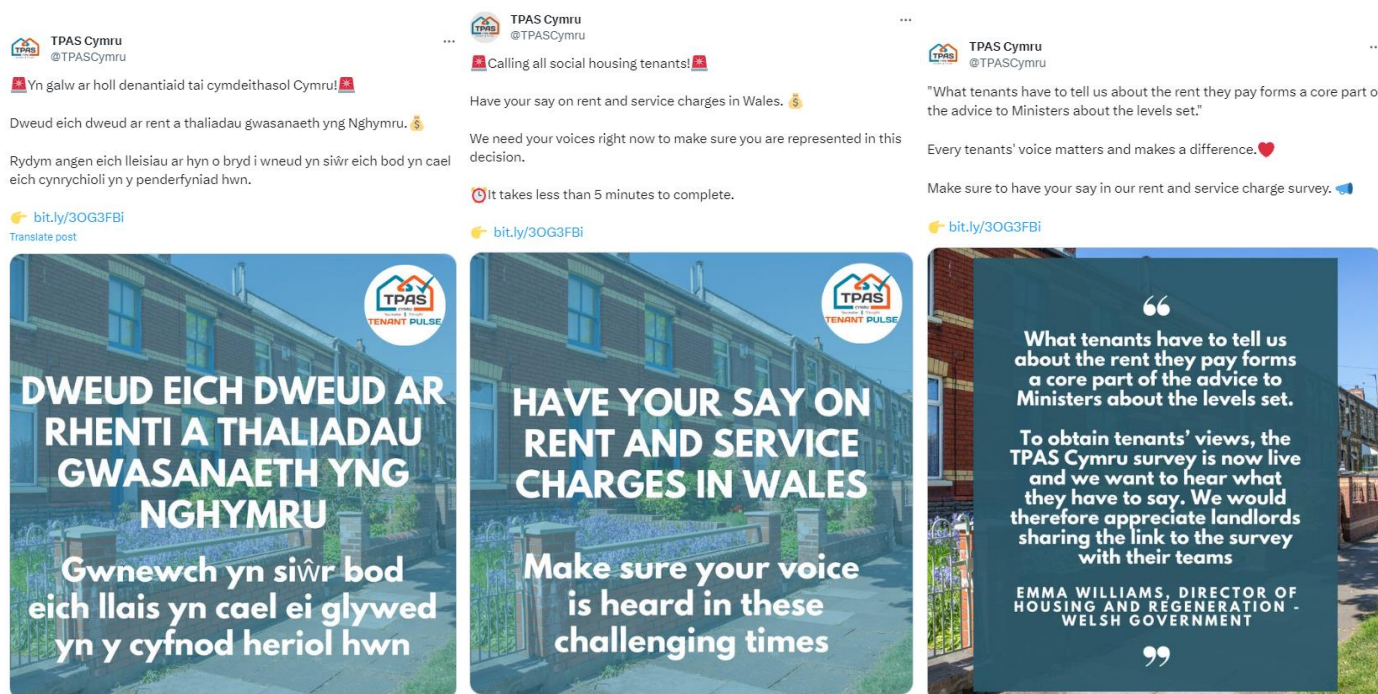
How the survey was promoted

The survey was sent to tenants who are signed up to our Tenant Pulse portal, **excluding PRS tenants** as this subject is specific to the social housing sector.

We saw some publicity support from social landlord and tenant groups to their tenants. This method creates some noticeable differences in tenant responses per landlord depending on the landlord's degree of engagement/promotion.

Social media campaign

TPAS Cymru has a track record in promoting our Tenant Pulse surveys. We launched a fast-track bilingual social media campaign to promote the Pulse across Twitter, Facebook and Instagram channels. This has been our norm with promoting our Pulse surveys over the past 2 years and has proved its efficacy with good results which have improved year on year.



Interestingly, in this Tenant Pulse survey we piloted sharing quotes regarding our Pulse surveys directly from Welsh Government decision makers and stakeholders. This joined-up approach and endorsement led to a spike in engagement through the sharing of the above approach.

Despite this short timeframe, we saw an outcome which represented all counties and ages across Wales and our social media promotion allowed a large audience of both RSL tenants and local authority tenants engaging with the survey.

Advertising

In line with previous TPAS Cymru practice regarding our Tenant Pulse surveys, we ran an advert through the Meta platforms to promote this survey to the wider public. As seen above, our advertising images were bilingual and shared through all of our social media platforms. (Facebook, Twitter/X, Instagram and LinkedIn).

The advertise ran through Instagram and Facebook (both owned by Meta) for 8 days from the 31st August 2023. This advert had a reach of over 18,236 people and analysis showed that over 16% of the visits to the survey were a direct impact of the advert.

As per last year, there are new political advertising guidelines on Meta platforms regarding social topics such as housing. Despite trouble last year obtaining permissions to post through Meta (as our last survey was flagged for political content) we were able to adapt this year and have our advert approved. This is worth noting as it does impact our response rates when compared to last year.

TPAS Cymru has learnt from our research that the paid advertisement tool, with our own select criteria which we have developed, is a key part of obtaining the views of tenants under 40. Specifically, this tool allows us to increase the awareness of the survey to tenants under 35, who are not engaged in traditional housing sector communications or engagement groups. Resulting from this efforts, this Tenant Pulse has a representation of 26% of respondents being under the age of 44.

Response summary

A total of 881 social housing tenants from all 22 local authorities responded to this survey. In comparison to last year, where we had 353 responses last year, (albeit in a smaller survey window). We were delighted with the additional 528 more responses to this survey allowing for richer insight and better statistical significance.

This drastic rise evidence how important this issue is to tenants right now and how much they want to ensure their voice is heard by decision makers in Wales.

Responses

Q1: What County/Local Authority area do you live in?

All local authorities' areas had sufficient tenant responses to establishes that the survey provides representation of social housing tenants across Wales.

Note: We consistently have higher responses in big urban areas compared to smaller or more rural counties.

Highest Responding areas – all social tenants (highest first)	Lowest Responding areas – all tenants (lowest first)
Swansea	Ynys Mon
Vale of Glamorgan	Merthyr Tydfil
Cardiff	Torfaen
Wrexham	Denbighshire

However, there are differences in response rates per area depending on whether you are a Housing Association tenant or a Local Authority tenant:

Highest Responding areas - Housing Association tenants	Highest Responding areas – Local Authority tenants
Swansea	Swansea
Cardiff	Vale of Glamorgan
Newport	Wrexham
4 th equal = Ceredigion / Gwynedd	Pembrokeshire

Note:

- 1. When it came to young people (under 24) the joint highest responding area was Carmarthenshire and Swansea.**
- 2. When it came to Black & Ethnic minority responders, they were almost exclusive to key urban counties along the M4 corridor of Newport-Cardiff-ValeGlam-Swansea-Pembrokeshire (with Powys being the furthest north).**

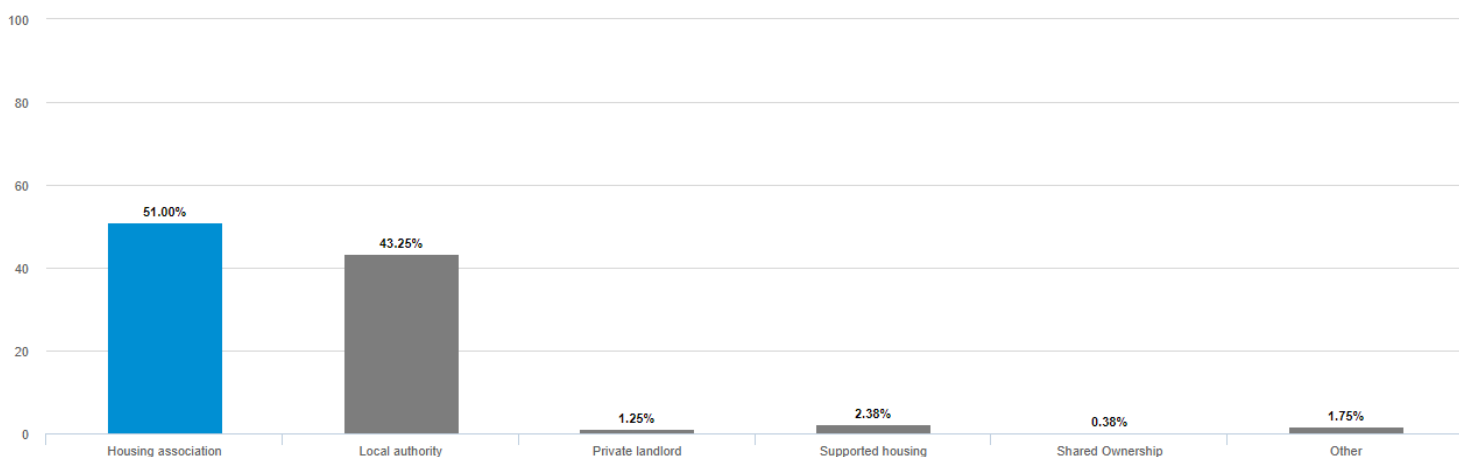
Q2: What type of tenant are you?

Of the **881** respondents:

- **51%** lived in a **housing association**.
- **43%** in **local authority** housing
- and the remaining **6%**, the majority were living in **supported housing**.

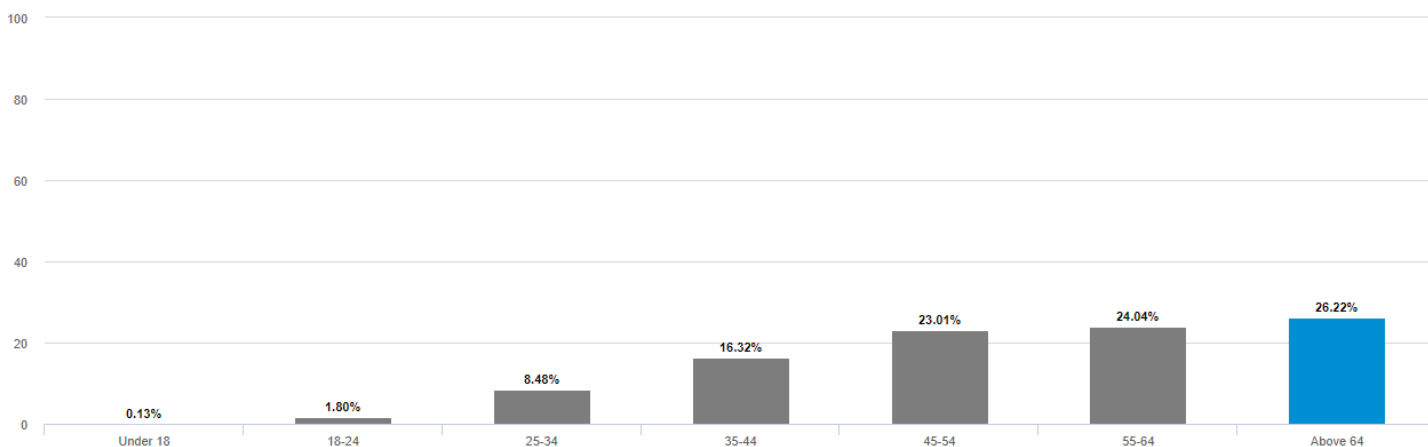
The increase in respondents from LA tenants has **increased significantly since last years survey** when we had just 23% of 353 local authority tenants.

This response rate is notably higher when compared to our standard Local Authority tenant response rate for Tenant Pulse, and gives us a real opportunity to compare the views of tenants living in LA housing and HA housing.



Q3: What age group are you a part of?

We saw a significant improvement in the age distribution this year. Last year, 43% of tenants were over 60, however this year we have had broad representation from each age group, with over a quarter of tenants being under the age of 44.



Underrepresented Groups

Q4: Do you consider yourself to come from a Black Asian Minority Ethnic (BAME) background?

Across all respondents, 2.5% identified as have a Black, Asian, Minority Ethnic (BAME) background.

This is lower than the national Welsh average population (5%).

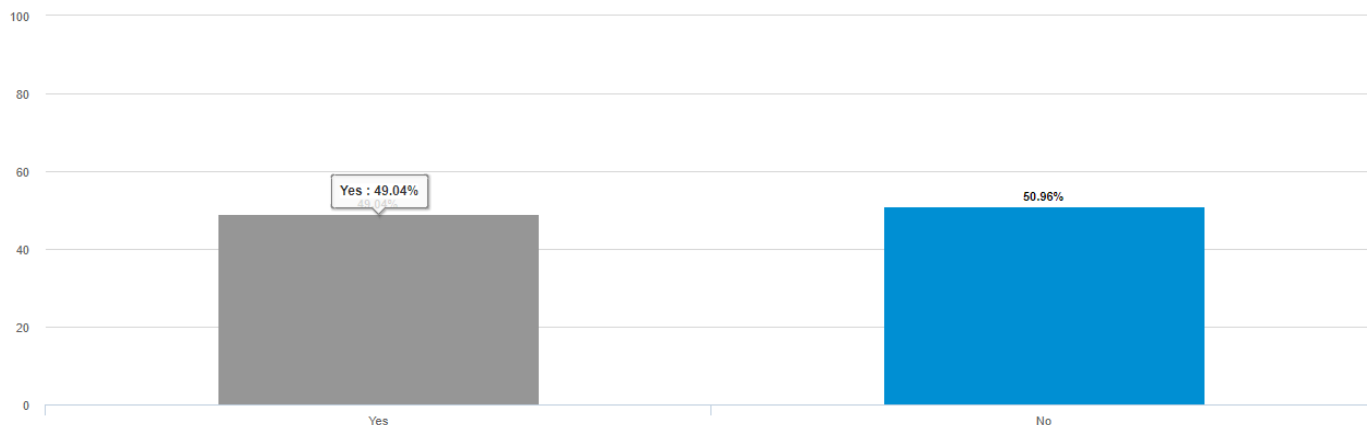
TPAS Cymru recognises, alongside other organisations, that there is work to do going forward to ensure BAME voices are heard and represented in Pulse surveys.

- Amongst those considering themselves from a BAME background, 70% were living in housing associations, 20% local authority housing. 5% supported housing and 5% other.
- There was an even distribution between those aged 35-44, 45-54 and over 64.
- The main source of income for those identifying as BAME was both earned income (42%) and Universal Credit (42%). 5% relied on retirement income, 5% training and 5% other.

Note: For this survey, to ensure we could reach ethnically diverse residents, we specifically contacted 'Oasis' - a Cardiff based charity who work in this area. They promoted this survey.

Q5: Do you consider yourself to have a disability?

Nearly half the responders considered themselves to have a disability. This survey reflects many tenants in social housing, and the responses from this question allowed us to evidence and represent the voices of marginalised tenants who may not have been heard in decision making and housing policy.

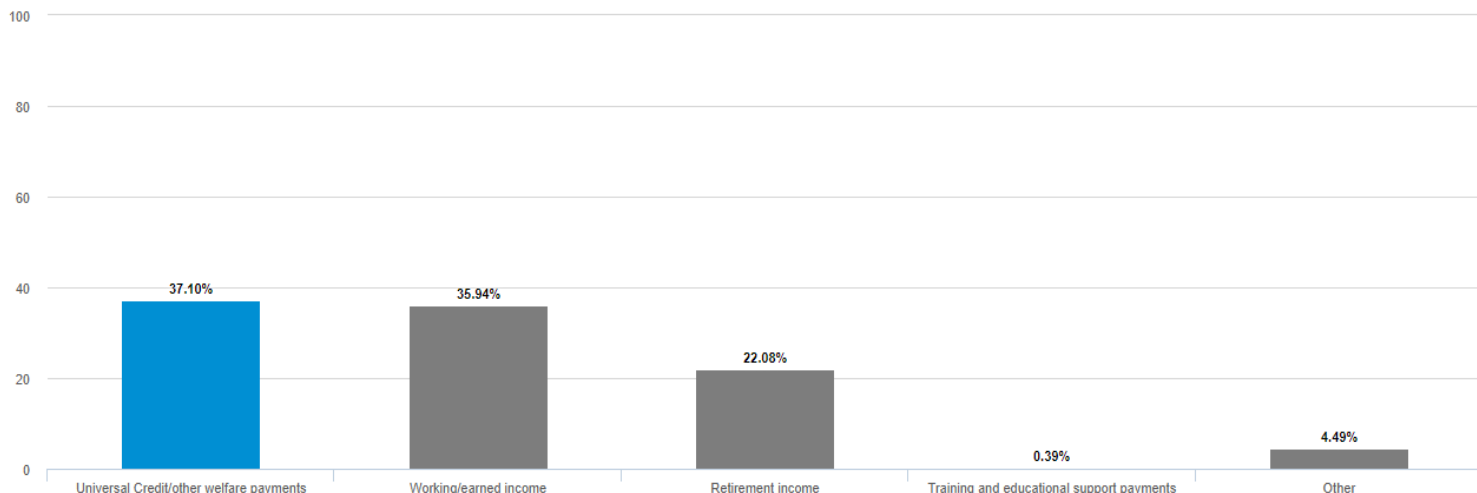


54% of tenants who identified as having a disability were living in a housing association and 43% in Local Authority housing. A marginal difference considering this group represented almost half of the total respondents.

The number of respondents with a disability was 15% higher than last year. This may be a consequence of the increased number of respondents overall.

Q6. What would you say is your MAIN source of household income?

Respondents were only able to choose **one** of the options. Interestingly, **there was less than 2% difference between the number of tenants whose main source of income came from universal credit or working income.**



When looking into the working age groups, those under the age of 24 were most heavily dependent on universal credit and welfare benefits (87%).

Age	Work	UC	Total
25-34	45%	54%	99%
35-44	59%	38%	97%
45-54	36%	41%	99%
55-64	36%	41%	77%

The remaining percentages were training, retirement or other. As can be seen, those ages 55 -64 have the largest deficit which is due to the main source of income being **retirement income.**

As expected, those aged 65+ had retirement income as their main source of income (81%), which was in line with the responses in 2022.

Q7: Do you consider your rent affordable at present?

Key observation:

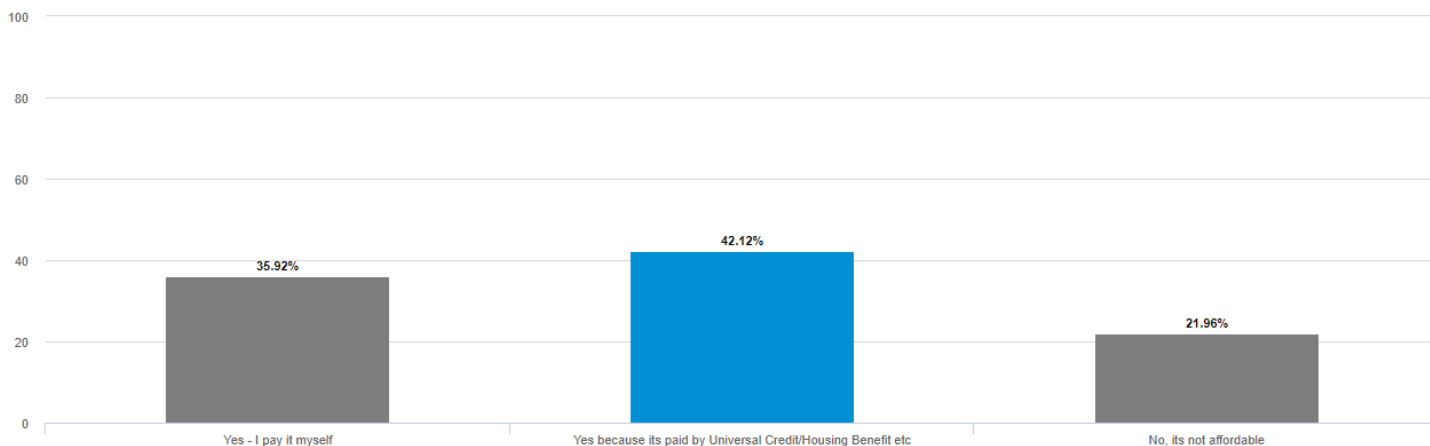
22% of tenants felt their rent is unaffordable this year.

Last year, that was 31% in our poll (same time of year, approach etc)

A 9% reduction in the overall response of those viewing rent as unaffordable.

Note: However before sector gets too excited at this improvement, this tenant quote might bring potential context to this fall.

it's not that my rent is more affordable, it's just everything else is so much more expensive. I have friends struggling to survive renting privately. It makes me more grateful for what I have.



So, who is viewing their rent as affordable or unaffordable?

- Comparing local authority v's housing association tenants, there were **no significant differences**.
- Different age groups varied in their responses, the highest were tenants aged between 45-54, with 31% finding their rent unaffordable. Interestingly, 41% of this age group relied on universal credit as their main income, yet they still found their rent unaffordable. Arguably a consequence of the continuing freezes to Local Housing Allowance.
- 29% of tenants aged 35-44 are finding it unaffordable. This group had the highest number of workers, which aligns with previous findings from the JRF around in work poverty. **The highest proportion of this age group were also living in Swansea (43%).**

Age	I can pay my rent myself	Rent is covered by UC	Rent is Unaffordable	Rent is Unaffordable 2022
18-24	7%	80%	13%	20%
25-34	30%	53%	17%	20%
35-44	35%	36%	29%	38%
45-54	32%	35%	32%	38%
55-64	36%	46%	18%	32%
65+	42%	42%	15%	27%

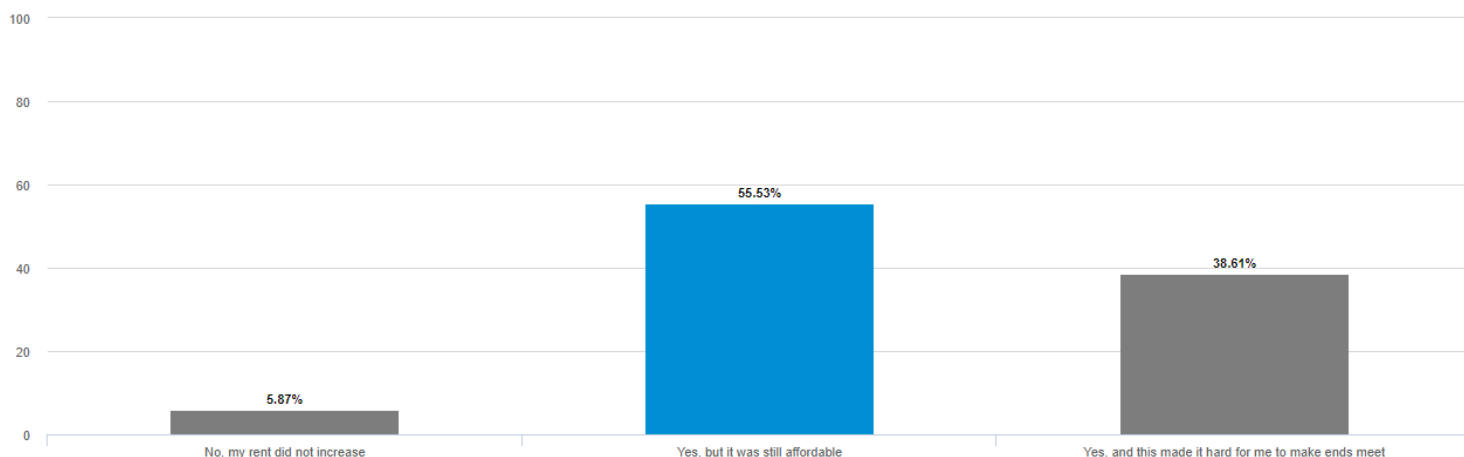
As mentioned above, there is a notable shift in tenants' perceptions of their rent affordability, **suggesting that fewer tenants are finding their rents unaffordable**. Those aged 55-64 were the most significantly impacted, with a 14% increase in the percentage of tenants now finding their rents affordable. However, as can be seen, the increase is consistent across all age groups.

Q8: Did your rent increase from April 2023?

- As expected, the majority of tenants (94%) had received a rent increase.
- However, over half (55%) felt that it remained affordable for them.

Of the 39% who had received the increase, and felt significantly impacted, they were aged between 35-64. There was an almost even distribution throughout those three age groups.

Interestingly, the rent increase didn't seem to impact on what the tenant deemed 'unaffordable', as the previous question highlights. This suggests that the term 'make ends meet' (used in the survey), is associated with different expenses to rent.



Housing Association Tenants

58% of tenants had an increase but felt it was still affordable, 36% felt the increase impacted their ability to make 'ends meet'.

Local Authority Tenants

53% of tenants had an increase but felt it was still affordable, 43% felt the increase impacted their ability to make 'ends meet'.

The people behind the data

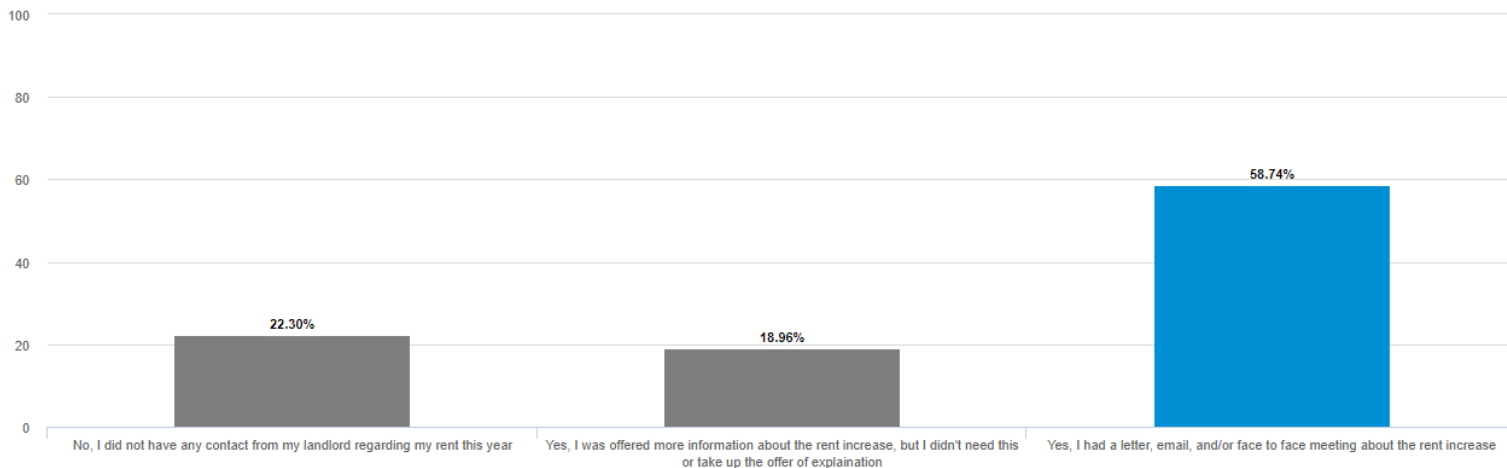
Of the tenants that were struggling, the most impacted were aged between 45-54 (29%), with earned income as their main source of income (48%).

Of the tenants who felt their rent increase was still affordable, the highest proportion were between 54- over 64, (55%) and relied on UC or retirement income as their main source of income (66%).

Note: This question wasn't one that had been asked in 2022, and therefore we could not complete a comparison analysis.

Q9: Did your landlord contact you to discuss your rent increase?

- The majority of tenants (59%) said 'Yes, I had a letter, email, and/or face to face meeting about the rent increase.
- 19% confirmed 'Yes, I was offered more information about the rent increase, but I didn't need this or take up the offer of explanation'.
- 22% claim 'No, I did not have any contact from my landlord regarding my rent this year'.



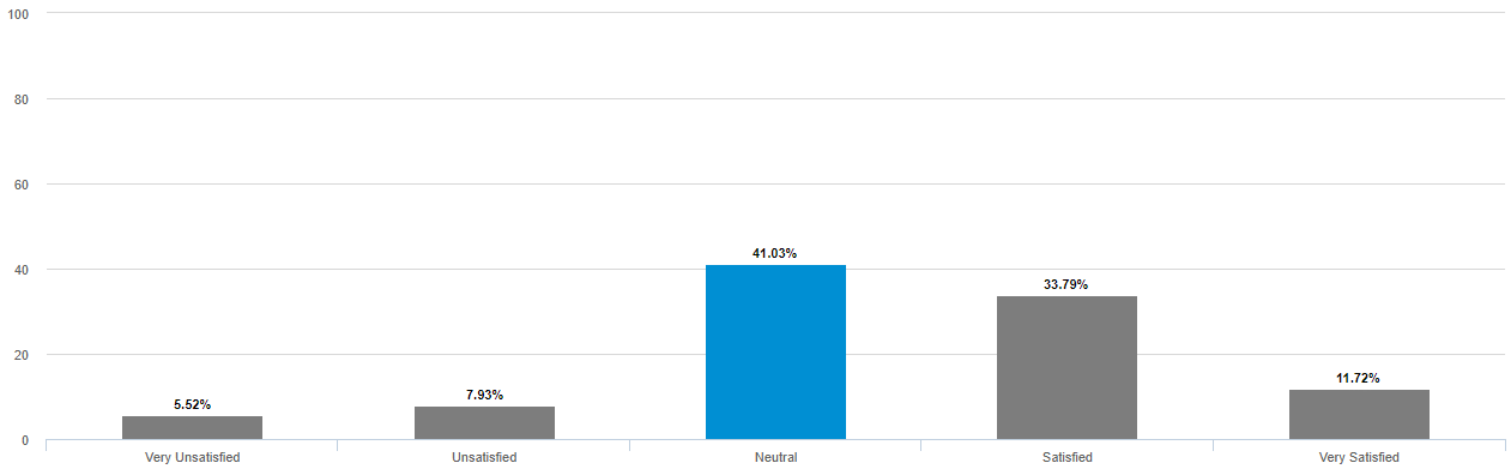
Looking at this in more detail:

- For those that said they didn't have any contact from their landlord about their rent, it was more noticeable for housing association tenants. (25.6% compared to 18.0% for LA)
- There were no significant differences between housing associations and local authorities regarding those that had been informed.
- The highest category for saying they did not receive any contact about a rent increase were tenants identifying as coming from a BAME background at 28%
- Tenants with disabilities were in line with the overall response data.
- Tenants who had said their current rent was unaffordable in the question above were less likely to say ...'Yes, I was offered more information about the rent increase, but I didn't need this or take up the offer of explanation'

Q10: How satisfied were you with communication/engagement on the rent rise?

- The most popular option (41%) was 'neutral' on this, 34% were satisfied and 12% were very satisfied.
- This left 13.5% of respondents as dissatisfied or very dissatisfied.

Of those that were unsatisfied and very unsatisfied, they made up 13% of those that received no communication from their landlords. Of the remaining 8% of tenants who weren't communicated with, they were neutral about this.



We looked at characteristics of those that were unsatisfied, or very unsatisfied to see what lessons we could learn.

We noted:

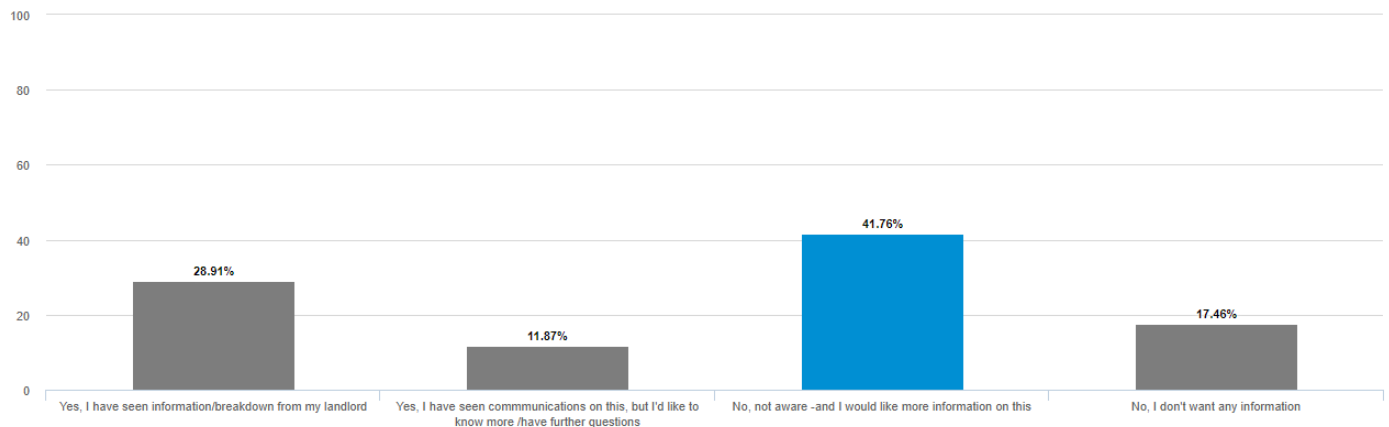
- There were slightly more Housing association tenants than LA tenants. No disability.
- Significantly more working tenants than retired or in receipt of UC.
- Struggling to manage all costs relating to home and life.
- But 100% of the unsatisfied tenants acknowledged that they received communications in a previous question.

Q11: Do you know what your landlord spends the collected rent on?

The purpose of this question was to test previous tenant feedback that emphasised that they were not aware of how their rents were spent.

The last rent settlement was 6.5% and there were sector assurances of greater tenant transparency. Therefore, we wanted to see if landlords have succeeded in communicating where rent was spent.

- The largest proportion (42%) of tenants weren't aware of what their rent was being spent. They chose the option: *No, not aware -and I would like more information on this*



There were slight differences between those living in housing associations and local authority housing, which can be seen in the table below.

	Housing Association Tenants	Local Authority tenants
No, but I don't want any info	14%	21%
Yes, I have seen breakdown	33%	23%
Yes, seen but want more	14%	11%
No, but want to see	39%	45%

Housing association tenants

A total of 47% had seen information on what their rents were being spent on, 53% had not and 53% wanted more information.

Local authority tenants

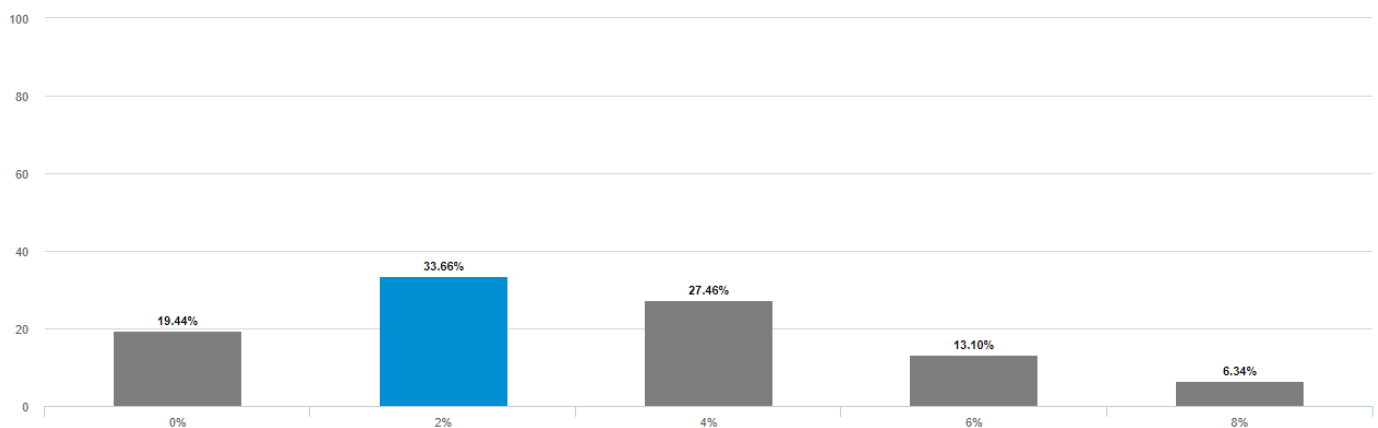
A total of 34% had seen information on what their rents were being spent on, 66% had not and 56% wanted more information.

Q12: If social landlords do not increase rents, they have less money to spend on services due to high inflation which drives up the costs of staff and materials, staff etc.

This might mean some services would have to be reduced or cut. The lower the rent rise means the bigger the seriousness of the cuts.

Inflation is currently 8%, what do you think rents should rise by?

- Unsurprisingly, the most popular choice for tenants was a 2% rise, closely followed by a 4% rise.



There were **no notable differences between local authority tenants and housing association tenants**, except from the percentage of tenants who felt an 8% increase was ok. 8% of HA tenants were comfortable with an 8% increase, whilst only 4% of LA tenants were.

- **Those most comfortable with 6-8% rises had UC as their main source of income (43%).** However, 28% of tenants on retirement income and 27% on working income, were also happy with the higher increase.
- **Of the respondents that felt 2% was a suitable increase, 43% relied on working income** as their main source of income, 36% on UC and 15% with retirement income.

The 2022 findings comparison

Although we didn't ask this question in last year's survey, we did ask about how tenants would feel about paying a 5% rent rise. The results from that survey highlighted that the only way tenants could afford such a rise would be if welfare benefits also increased, which, as we know, has not been the case. In addition to that, a significant proportion of tenants also stated that a 5% rise would be unaffordable.

Taking these findings into account, we predicted tenants would not be comfortable with rent rises being in line with inflation, as set in the original rent settlement.

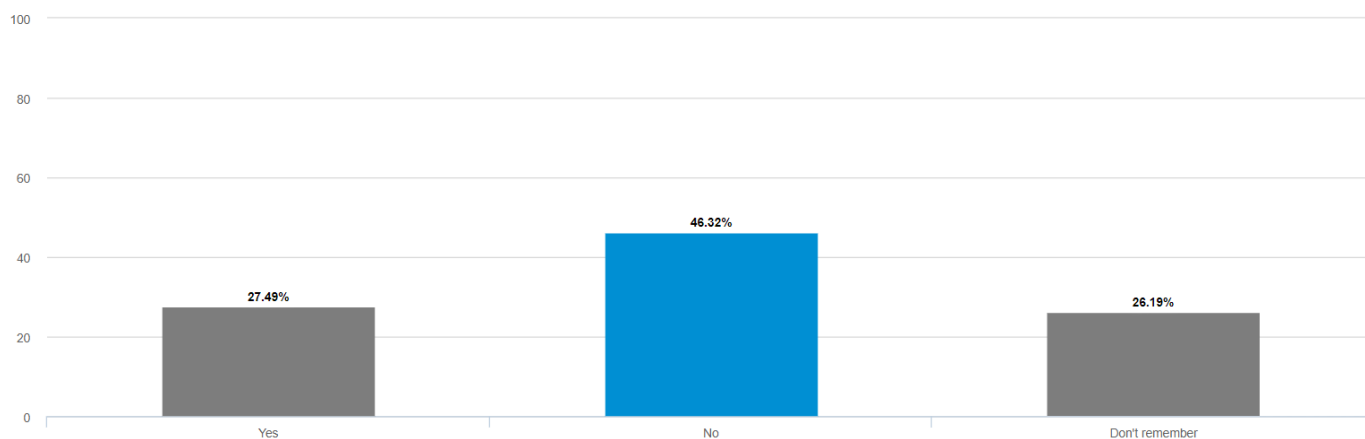
Q13: In addition to keeping the rents below inflation, for tenants experiencing financial hardship, social landlords agreed to help tenants access support.

If you were experiencing financial hardship, did your landlord offer or help you to access support?

(Note: this had a 'skip' option if not applicable)

This was a key commitment from landlords last year.

- Almost half (46%) of tenants hadn't had the offer of support from their landlord.
- A further 21% didn't remember any offer.



Which tenant demographic didn't receive the offer of help:

- There was a large % of local authority tenants who missed the offer compared to Housing Association tenants.
- Those of working age between 35-54 were the majority age missed (58%)
- Younger people answering no at a higher % than their representation.
- Nothing significant noted for who responded as having a disability or ethnical diverse background. In line with the whole response group.

Q14: Where your landlord maintains communal areas or undertakes additional services such as maintaining communal gardens, they may charge you a 'separate' service charge in addition to your rent.

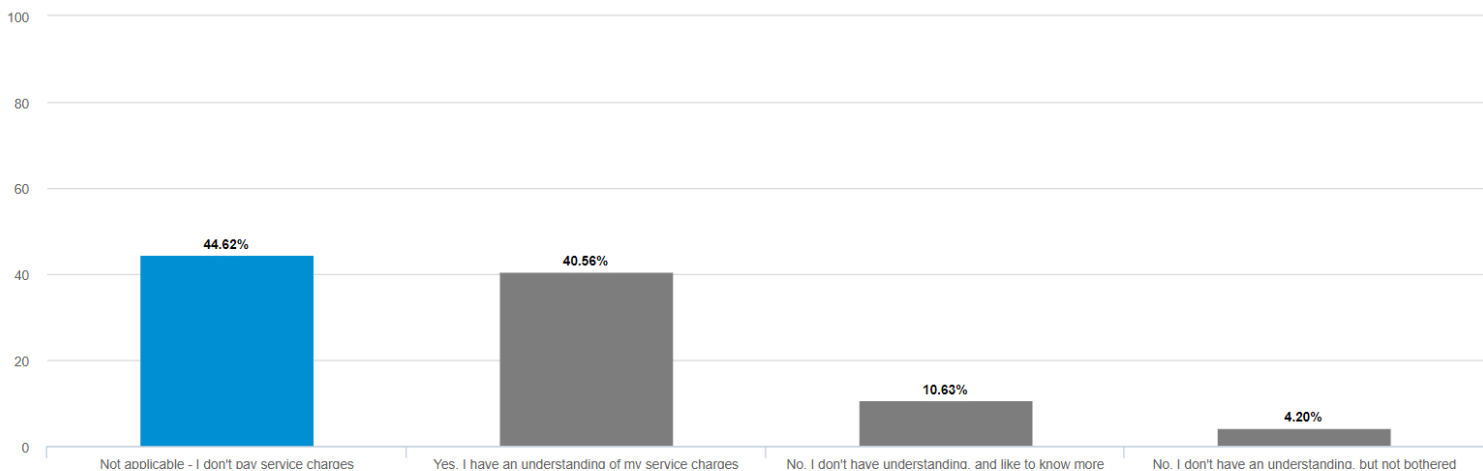
If you pay separate service charges, do you know what services you pay for?

Note: Last year we focused solely on Rent, but there was a feeling that service charge inflation, affordability and transparency went hand in hand with the rent challenge.

Note: This question has a clear 'skip' for those not impacted.

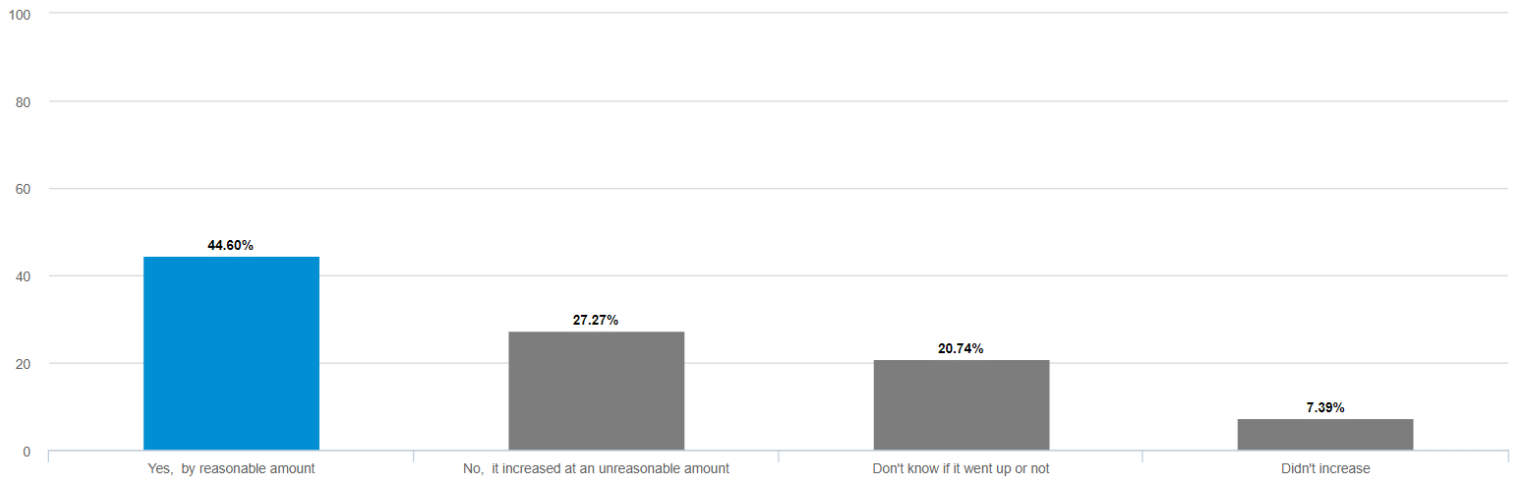
Key findings

- Amongst all respondents, **only 55% paid service charges**
- Of those who do pay service charges, 41% knew what they were paying for.
- **11% wanted to know more**
- 4% had no interest in knowing more
- Of the 41% who understood what their services charges were for, **75% were HA tenants**, 22% LA and 4% supported housing.



Q15: If your service charges increased this year, did they increase by a reasonable amount?

- Almost half of respondents felt that the amount that increased was reasonable
- The main source of income for these tenants was varied, with 43% on UC, 28% retirement income and 22% earned income
- 21% had no idea if it had increased or not
- 27% felt it increased by an unreasonable amount



The 27% that felt that the increase was an unreasonable amount was made up equally of tenants receiving UC (32%) working income (32%) and retirement income (32%). The remaining 4% was student income.

When comparing local authorities with housing associations, the majority of those that felt it unreasonable were living in HA (78%). That being said, the same group felt they had a thorough understanding of their service charges.

Q 16: Finally, is there anything else you would like to say about your rent or service charges?

We wanted to give tenants the opportunity to share anything about their rents and service charges that they hadn't been able to share throughout the rest of the survey. The main theme that came out **was 'repairs and maintenance'**.

There was a clear frustration amongst tenants about the annual increases in their rents but the increase in the repairs and maintenance had not.

"I pay my rent each month, but it would seem the council struggle to do maintenance and upkeep of the property, including mould issues reported in January. Absolutely disgusting with the lack of care and communication the council deliver"

"Unfortunately, the rent goes up but the standard of repairs in my area are poor. Repairs take way too long to fix and people never seem to come back to you. The local council magazine always says people are happy and they meet their targets. These figures must be wrong. I would like my landlord to take care of their properties and communities and if you want to keep increasing the rent make sure repairs are done and houses and gardens are usable for tenants"

"I pay my rent every month. I believe the property is not maintained to reflect the amount of rent I pay. The windows are draughty, bedrooms are damp. Unable to adequately heat the property in winter due to heat loss through non sealed windows"

The second most recurrent theme was the **impact of the cost-of-living crisis on full-time workers**.

"Life in general is getting more expensive with everything going up like basic amenities, electricity, water, food, as well as transport and telecommunications, so increases in rent and services makes living hard for those who are on a fixed income"

"I work full time ... and my rent has increased by over £30.00 a month...with everything else going up and no help, it's a real struggle...and still no pay rise...I would probably be better off claiming benefits. I live alone and by the time all the bills are paid there is nothing left. I was quite shocked about how much the rent went up this year...I and I'm extremely anxious about the future and the cost of living"

"Well, I can understand the economic inflation where average people experiencing right now. Just wanted to hear from council that the rent would not rise this year or will decrease the percentage amount to help a little for their tenants like me. I am paying my rent in full"

The tenants who had felt comfortable with their rent increases and service charge levels had stated that they had **'no comments to add'**.

Recommendations

1. More work is needed in communicating and engaging tenants with rent and service charges during these challenging times.
2. To do that, the sector needs communication and engagement professions to be challenged and resourced go further than they have before, in reaching tenants to explain rent changes and how rent is used.
3. We need to continue to invest in support for those struggling particularly the self-payers (people working) who are in that middle period of working age 34-55. The sector needs better insight into their profiles and challenges, who else is reliant on them (like families) so that better targeting on support can take place.
4. Rent setting is a challenging subject; where rents may need to rise again to maintain services but the sector needs to show that its delivering on its promise of well maintained affordable, warm homes.
5. We would be interested in exploring the themes of this report in more detail with tenants to get more insight and recommendations from them. If you are a policy maker who is interested in being involved do get in touch elizabeth@tpas.cymru

Next Steps

Tenants have given time to give their views in this survey.

Their voices matter and deserve your consideration and action.

- 1) All tenants who completed the survey and opted to receive a copy of the report will be sent a copy ahead of publication.
- 2) We will be sending this report to key decision makers across the housing sector including Welsh Government, Member of the Senedd (with an interest in housing), Housing CEOs and Heads of Service asking for their consideration and action.
- 3) TPAS Cymru will look for opportunities to present and discuss the findings withing sector and media to ensure stakeholders absorb and act on the report.
- 4) In addition, based on other TPAS Cymru's reports its likely we will be approached to present to tenant groups and staff teams across Wales. To request a session, please contact enquiries@tpas.cymru

We are very interested to know your views on this report and especially what action you took as result.

Acknowledgements

We would like to take this opportunity to thank our Tenant Pulse panel for their continuous inspiration and commitment to taking part in our surveys. Your input is truly valued and helps to shape the future of housing.

We would also like to thank Welsh Government for part funding TPAS Cymru as an organisation and to Wales & West for the year-round lead sponsorship.

About TPAS Cymru



TPAS Cymru has supported tenants and landlords in Wales for over 30 years developing effective tenant and community participation through training, support, practical projects and policy development. Locally we support community empowerment through practical advice, support, training and project work.

At Government level, we contribute to policy changes by working with partner organisations to ensure the tenant voice influences decision making.



Tenant Pulse is the voice of tenants in Wales. www.tpas.cymru/pulse. It's been created by TPAS Cymru and is supported by Welsh Government. We aim to:

1. Find out what matters most to tenants
2. Release regular surveys
3. Hold prize draws to reward people who take part

The results of our surveys are used by decision makers to create housing policy which works for tenants, and which helps make housing in Wales safer and fairer.

Tenant Voice sponsor



Tenant Pulse is part of programme of a work looking to amplifying the voice of tenants. We are very grateful for Pobl Group who sponsor this work.

To meet one of our team to discuss the points raised, please contact: Elizabeth Taylor at elizabeth@tpas.cymru.

Appendix 1 - how did tenants hear about the survey?

Note: This was an optional question after the official survey, so not everyone completes it.

TPAS Cymru find it useful to track engagement channels and how tenants heard about it

- As expected, we know that most tenants hear about it via our tenant database.
- 'Landlord Communications' will include a variety of channels inc email and various social media.
- Instagram was low this time as we didn't do a paid ad campaign this time, choosing to re-try Facebook adverts again after a period of pausing them.
- 14% of 'other' is too high and we will seek to refine that in future surveys.

