



You matter | Ti'n cyfri

# Tenant Pulse on Rent Setting

Oct 2022



## TPAS CYMRU'S RENT SETTING CONSULTATION SURVEY

OUR MOST IMPORTANT TENANT PULSE TO DATE

OCTOBER 2022  
TENANT VOICE SPONSOR



# Report Authors



## Eleanor Speer



## David Wilton





Diolch yn  
fawr i'n  
noddwyr

Thank you  
to our  
sponsors



Ariennir yn Rhannol gan  
**Lywodraeth Cymru**  
Part Funded by  
**Welsh Government**



# Freeze Rent & Service Charge Rises

[REGISTER](#) [DONATE](#) [SIGN THE RENTS PLEDGE](#)

SHAC and partners are demanding that government holds social rents, shareholder rents, and service charges at current levels. Two protests were held outside the Department for Levelling up (14th September and 6th October) demanding a freeze on social rents and service charges, plus, a new eviction ban to stop those unable to pay from losing their homes. An outsized letter was handed over to the Secretary of State, Simon Clarke.



**N** The Negotiator

## Landlord joy as Welsh parliament puts kibosh on rent freeze

A freeze could prompt landlords to stop letting homes or hike rents before they are frozen, the Welsh government says. Mabon ap Gynfor, Plaid...

# Welsh politicians prepare the ground for a national 'rent freeze ...

**We will deliver a rent freeze and ban evictions until at least March 2023**



**SNP** | DELIVERING FOR SCOTLAND 



# TPAS Cymru 4 step process

Rent consultations: Learning from others (last week)



Pulse debrief (today)



2x How social landlords work financially (Nov)



Engagement, Accountability & Transparency (Dec)



# Introduction to Tenant Pulse

Tenant Pulse is the national platform for Wales that enables tenants have their say (anonymously) on the subjects that matter 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 2 annual surveys
- 2) **Specific topical surveys** we develop with stakeholders such as Welsh Government to help bring insight to policy developments
- 3) **Specific audience surveys** – this are often not a visible as they are aimed at specific audiences e.g., PRS Tenants in north Wales on support options, Housing Association, tenants on regulation reform etc.

■ **All reports** are on Tenant Pulse section on our website.

[www.tpas.cymru/pulse](http://www.tpas.cymru/pulse)



# Origin of this report

- Tenants and wider society are experiencing a double whammy right now: A cost of living crisis and consumer price inflation.
- Rent setting for next year is the hottest topic right now in housing news, social media and housing policy.
- We have seen calls for rent freezes and calls from landlords saying rent needs to go up to maintain services as their costs are rising sharply. Scotland Government has passed legislation to enable it to intervene in rent setting of social and private rental sector
- After discussions with Welsh Government, we launched our most important Pulse survey to date looking at subject of Rent and the services it provides and what this means to tenants



**The following quotes from tenants shows the urgency and importance of this issue:**

- **Tenant A** - *'I have to have a roof over my head but will have to choose to eat or heat.'*
- **Tenant B** - *'Tenants & Landlords both have a responsibility to one another. Like any other relationship, we must behave fairly & responsibly towards each other.'*
- **Tenant C** - *We are tenants, our voices need to be heard*
- **Tenant D** - *Everyone has a right to a home. Increasing rents constantly deny this to people.*
- **Tenant E** - *Landlords are better placed than tenants, to face this cost of living crisis.*





# 4 themes of this report

- 1) Tenants need benefits/social welfare payments to rise in line with inflation (or as a minimum in line with any rent increases)
- 2) Tenants repeatedly commented that they want to build a relationship with their landlord focused on transparency, communication and trust regarding any rent rises.
- 3) Tenants want to be consulted directly by their landlord before any changes are put into practice – they want to feel heard
- 4) For tenants whose main income is based on salary, they want minimum/living wage salary increased in line so that they do not struggle to pay their rents.



# Research methods

■ This special Tenant Pulse used the following:

- 1) An online survey using established and proven methods to seek qualitative insight
- 2) 2 tenant focus groups to get further quantitative insight into how tenants felt about some of the subjects raised in the survey
- 3) The survey was live from the 30<sup>th</sup> September – 4<sup>th</sup> October 2022. This was the shortest Pulse we have undertaken, but was driven by discussions with Welsh Government and the subject being very topical.
- 4) 11 questions, 5 to establish response demographics



# How the survey was promoted

- It was sent to tenants signed up to Tenant Pulse, excluding PRS tenants.
- We requested support from social landlord and tenant groups to their tenants. There was little time on this survey
- This request creates some noticeable differences in tenant responses per landlord depending on the landlord's degree on engagement/promotion.



# Social Media campaign

- Similar our National Energy and Net Zero 2022 survey, TPAS Cymru launched a snapshot bilingual social media campaign to promote the Pulse across Twitter, Facebook and Instagram channels.



Yn galw ar holl denantiaid tai cymdeithasol!

Cewch ddweud eich dweud yn ein Pwls Tenantiaid pwysicaf hyd yma. Rydym angen eich llais i wneud yn siŵr eich bod yn cael eich cynrychioli yn y penderfyniad hwn.

[bit.ly/3dUmen3](https://bit.ly/3dUmen3)  
Translate Tweet

**YDYCH CHI'N DENANT TAI CYMDEITHASOL?**

**Dweud eich dweud ar bolisi rhent yng Nghymru**

**Gwnewch yn siŵr bod eich llais yn cael ei glywed yn y cyfnod heriol hwn**

12:33 PM · Sep 30, 2022 · Twitter Web App



Calling all social housing tenants!

Have your say in our most important Tenant pulse to date. We need your voice right now to make sure that you are represented in this decision.

[bit.ly/3Ss8Sxn](https://bit.ly/3Ss8Sxn)

**ARE YOU A SOCIAL HOUSING TENANT?**

**Have your say on rent policy in Wales**

**Make sure your voice is heard in these challenging times**

12:33 PM · Sep 30, 2022 · Twitter Web App



You matter | Ti'n cyfri

# Response Summary

- A total of 353 tenants responded to the survey over 4 days from September 30<sup>th</sup> to October 4<sup>th</sup> 2022. The tenant responses from every housing association and stock retaining Local Authority in Wales.
- We also held 2 Focus Groups with 16 tenants attending. **Making 369 voices heard in this report.**



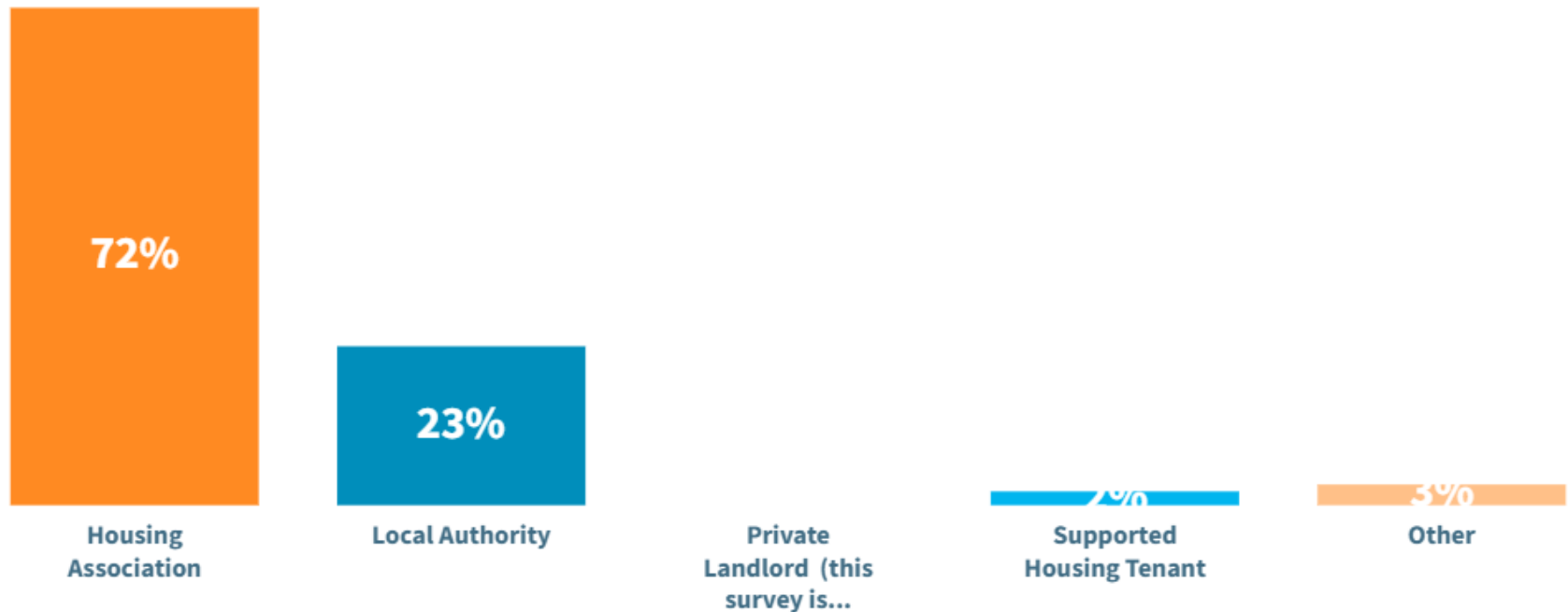


You matter | Ti'n cyfri

# Survey Analysis

# What type of tenant are you?

So we can understand your answers better, what type of tenant are you?



# What County/Local Authority do you live in?

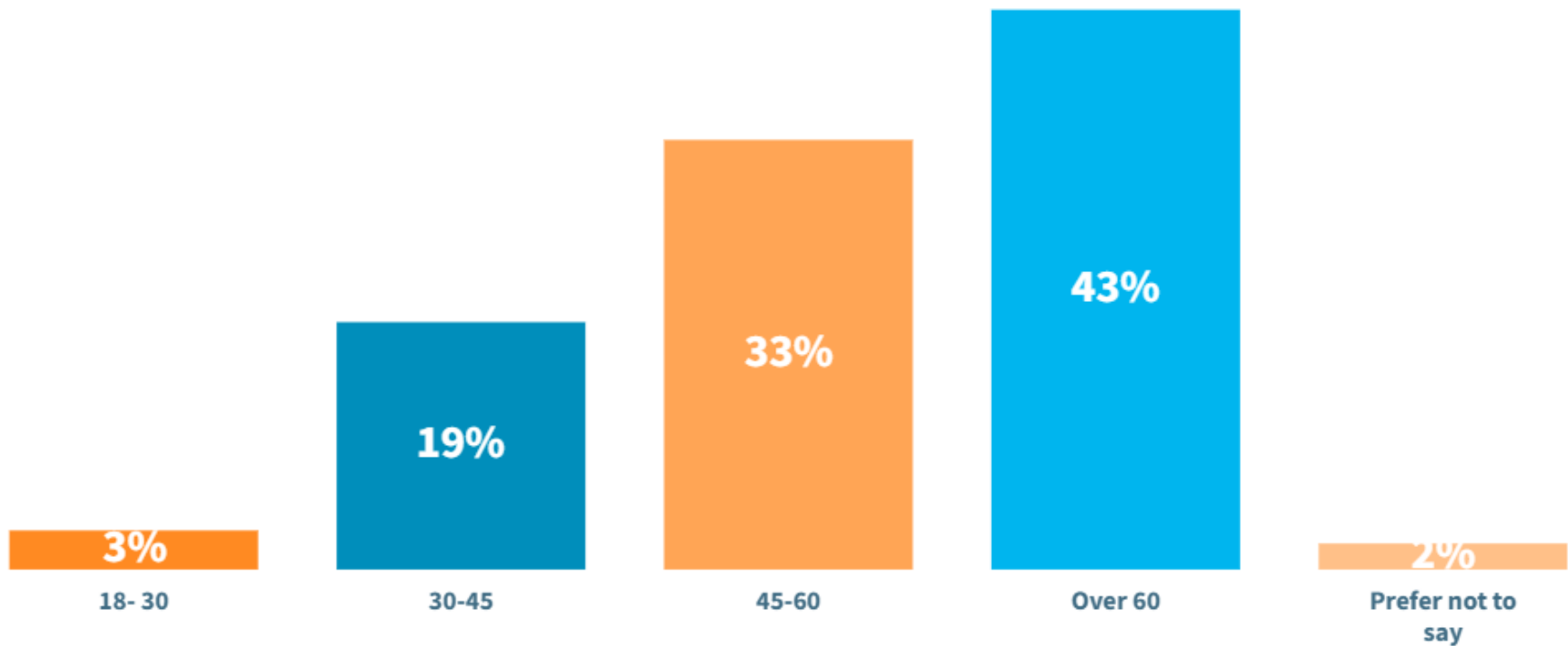
Lowest responding areas were – Wrexham (2%). Denbighshire (2%) and Merthyr Tydfil (2%)

| Highest Responding areas - Housing Associations | Highest Responding areas – Local Authority |
|---|--|
| Rhondda Cynon Taf                               | Vale of Glamorgan                          |
| Newport   | Powys                                      |
| Swansea   | Swansea                                    |

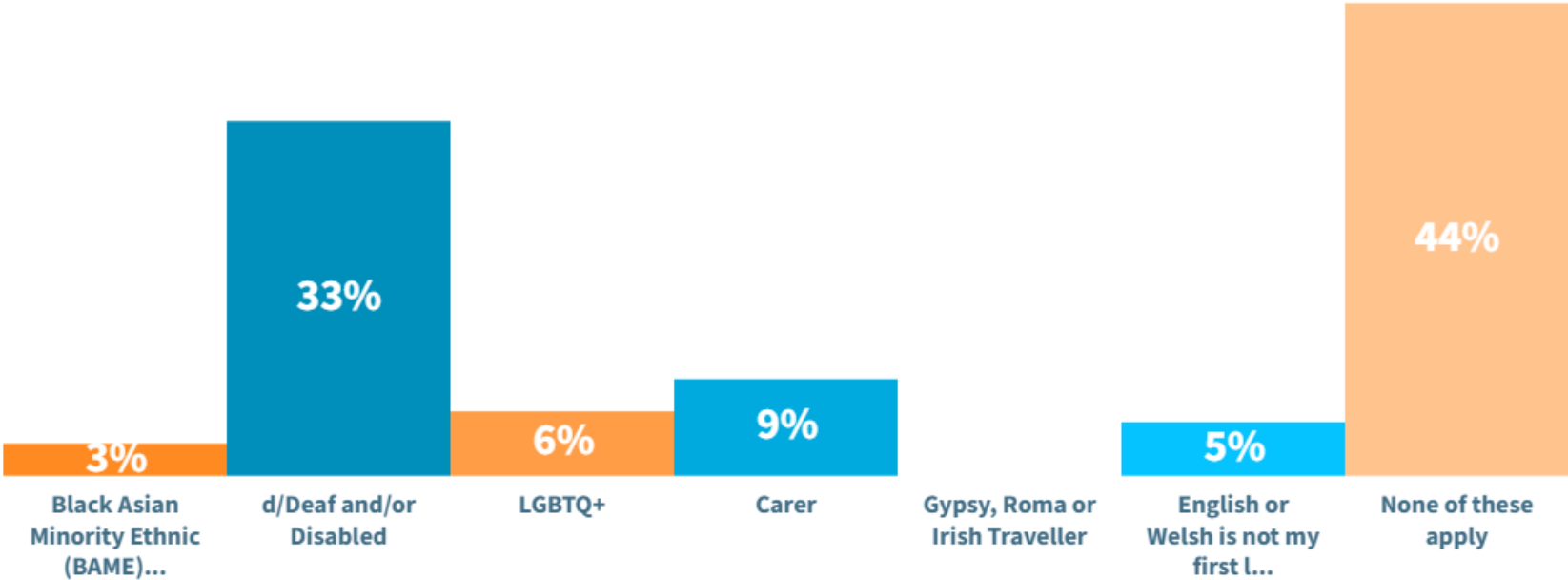


# What is your age?

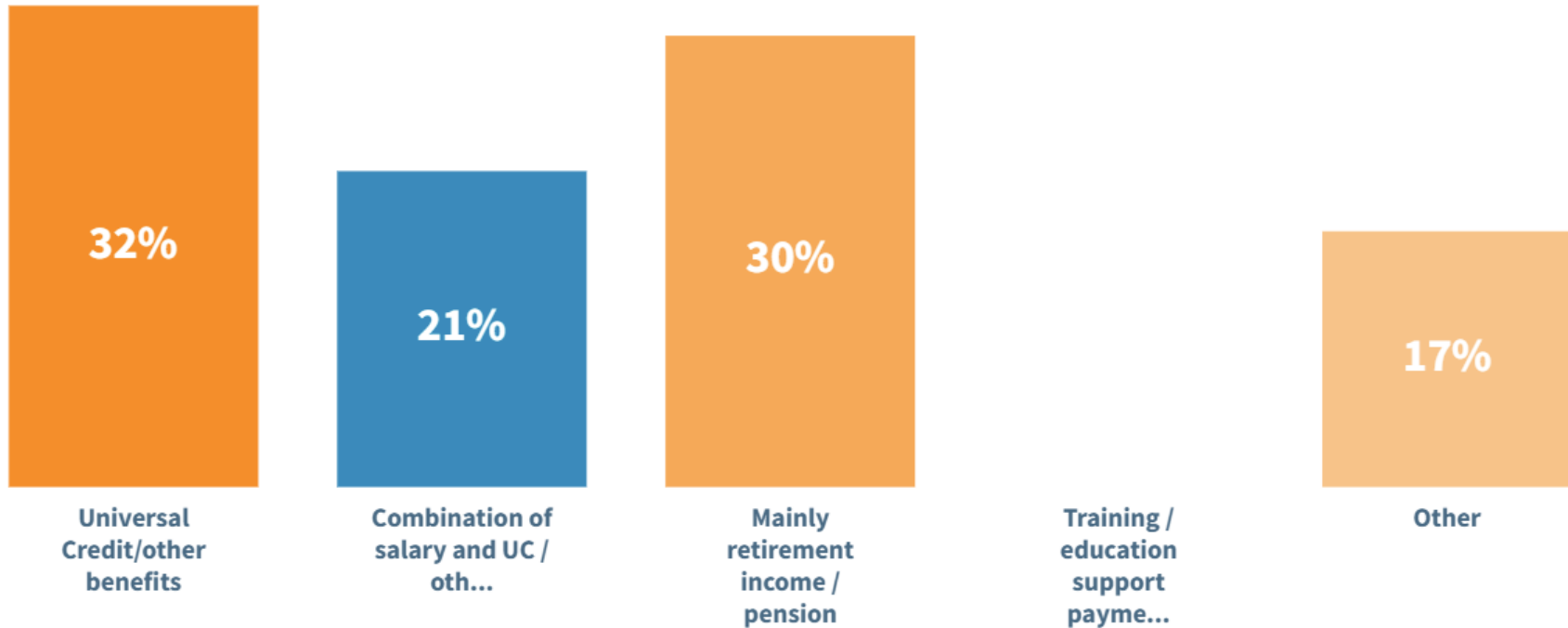
What is your age?



# Do you consider yourself or anybody in your household to belong to any of the following under-represented groups?

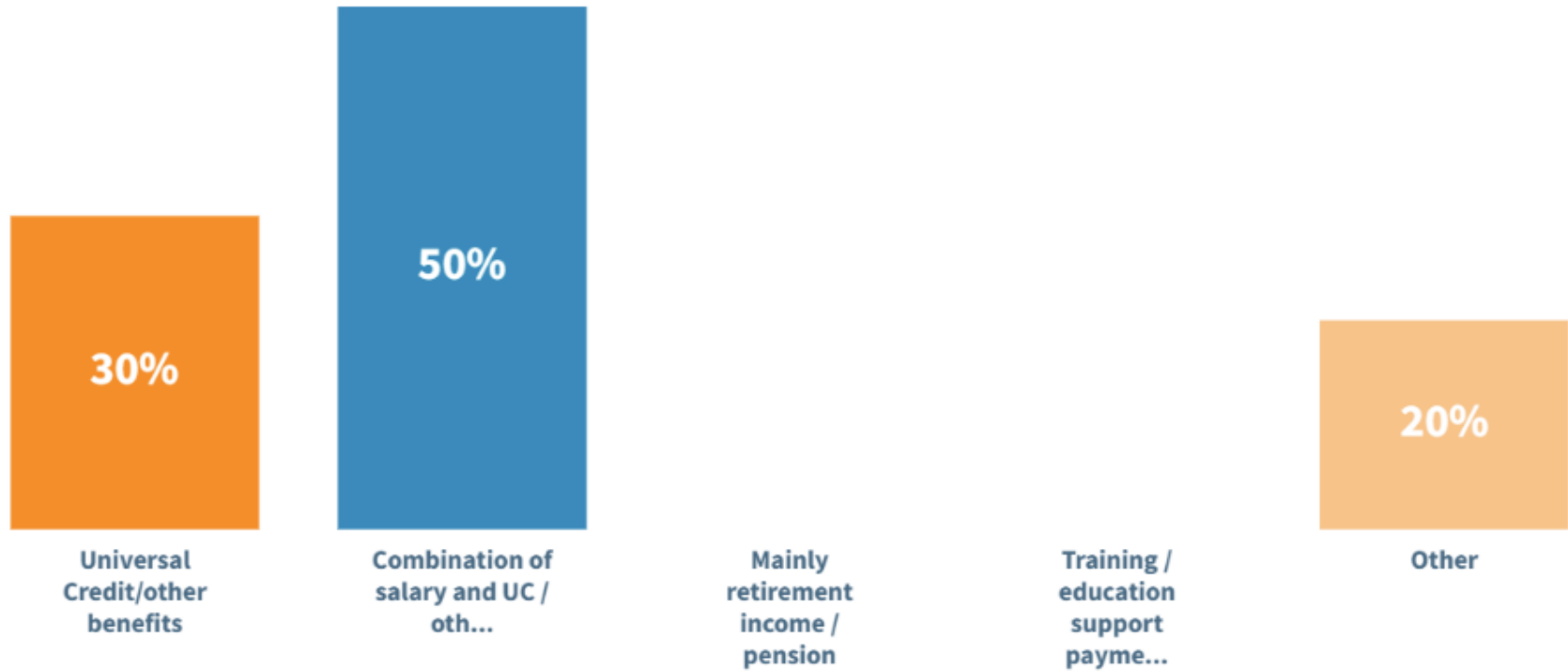


# What would you say is your main source of household income?

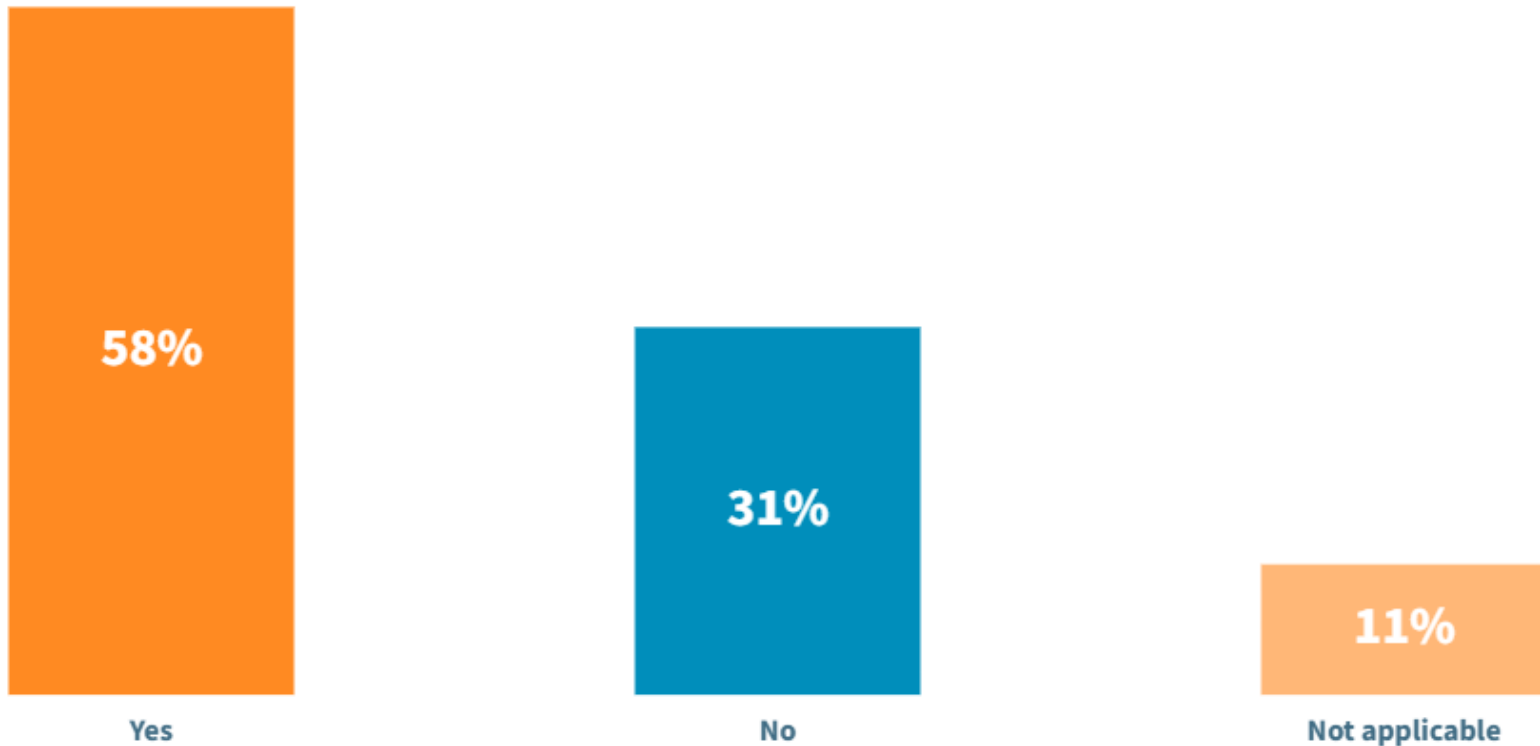


# What would you say Is your main source of household income? – Under 30s Response

What would you say is your main source of household income?



# Do you consider your rent affordable at present?



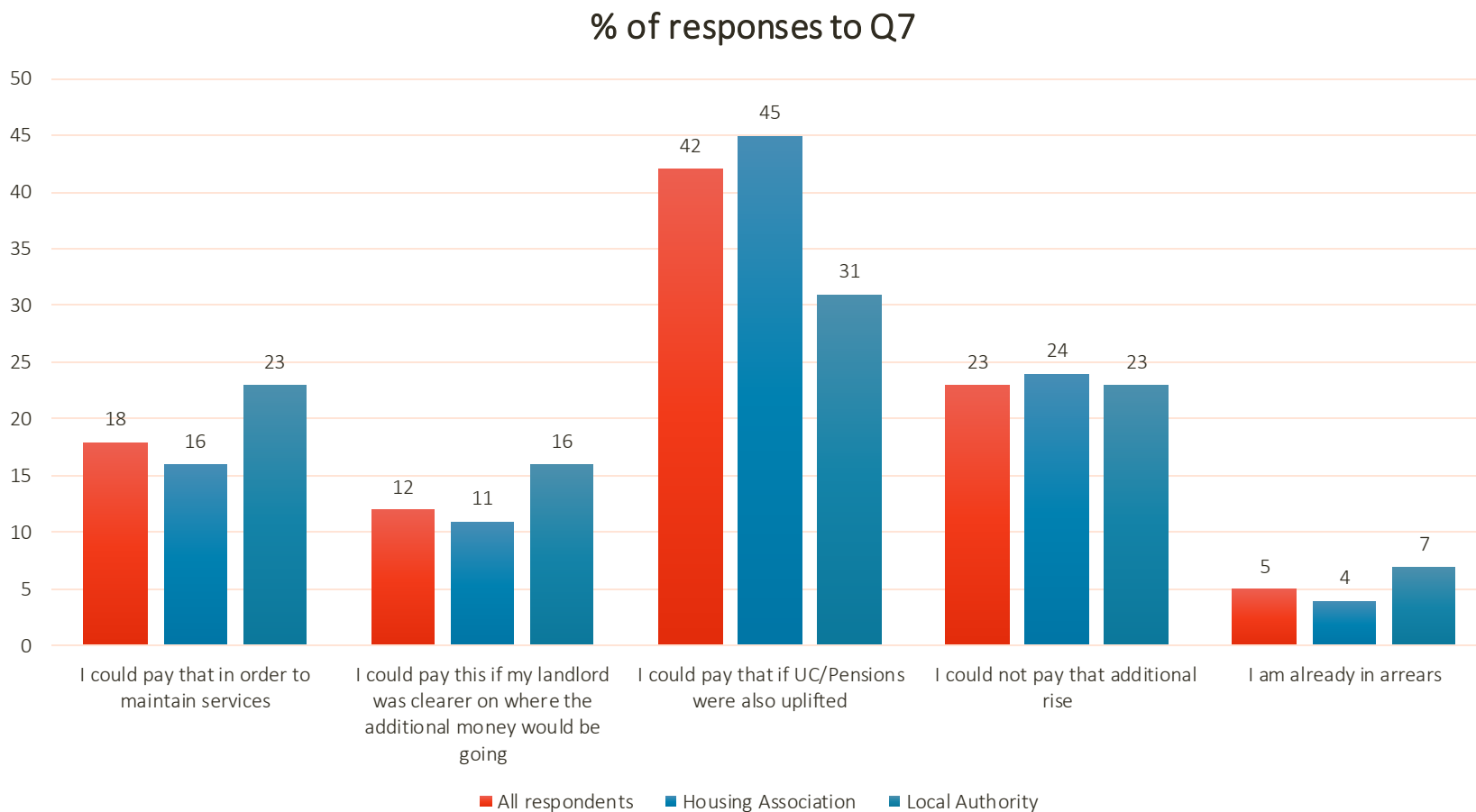
# Do you consider your rent affordable at present?

| When we filter on age | Affordable | Not affordable | N/A |
|-----------------------|------------|----------------|-----|
| All responders        | 58%        | 31%            | 11% |
| 18-30                 | 80%        | 20%            | 0%  |
| 31-45                 | 57%        | 38%            | 5%  |
| 46-60                 | 58%        | 32%            | 10% |
| 60+                   | 58%        | 27%            | 15% |

| When we filter on household income | Affordable | Not affordable | N/A |
|------------------------------------|------------|----------------|-----|
| All responders                     | 58%        | 31%            | 11% |
| Universal Credit                   | 50%        | 33%            | 17% |
| Salary or with UC                  | 72%        | 25%            | 3%  |
| Retirement/Pension                 | 61%        | 25%            | 14% |
| Other                              | 48%        | 43%            | 9%  |

In England, there is a consultation about a 3%, 5% or 7% rent rise (as inflation is around 10%).

Using 5% as an example, how comfortable would you feel paying 5% rent rise? (E.g. £80pw rent would rise by £4, £100pw rent by £5 etc.)



# The analysis showed some interesting insight:

## ■ Finding 1 : The 18-30 age range feel the most impacted by this

- 22% said they were already in arrears compared to a group average of 5%
- A **separate** 34% of this age range said they couldn't pay the rise
- They were least likely to say 'yes' across the first 3 'I could options if' and out of that group of 'Yes if'  $\frac{3}{4}$  of them were firm on wanting an explanation and justification on where the money would be going.

## ■ Finding 2: over 60s are most comfortable paying the increase (78%) If their pension or other support benefits gets an appropriate uplift (triple lock rise etc)

- The over 60s were least concerned about having detailed explanation from their landlord.
- None claimed to be in arrears



## The analysis showed some interesting insight:

### ■ Finding 3 - Household Income source make a big difference on tenants' ability to absorb a 5% rise

- 81% of UC recipients were comfortable to pay the 5% increase **IF** their UC was uplifted as well
- 82% of people on pension income also felt the same **IF** the pension was uplifted as well.
- This compares to a lower 65% of those on salary or mix of salary and supporting benefits
- The category of 'Other' (which we believe from survey comments represent the 'gig economy') has only 54% comfortable. Similar to the category of age 18-30 they wanted a good explanation of why and what they would get.
- Conversely, Other income was highest category of feeling they could not pay (33%) or were already in arrears (12%)

## Tenant comments:

- 5% would be acceptable and affordable. Friends in private rent property pay £800 a month where as I pay £500 for the same size property.
- I have answered 'I can afford'. However, I have all my rent paid for in advance by my UC. If I didn't, I would never be able to afford it.
- As long as there are services in place, and we are given a genuine reason for rent to increase then it has to be paid.
- I currently work. My salary isn't great. I am working poor. If it goes ahead I will struggle to pay what's been proposed and any cost of living rise.
- Rents here are on par with private landlord and it is becoming so very hard to pay the rent so very worrying. If the rent is raised again I worry about becoming homeless.

Some landlords are facing difficult decisions in trying to keep rent rises low whilst protecting and reducing services. Which of the following would you have the **MOST CONCERN** about **CUTTING**? (select 3)



# Key observations:

- Given the energy crisis that exists right now, tenants most value projects to reduce their energy bills
- Care & Support also scored highly but we believe that is over-stated as explained above.
- As expected from other insight, building new homes is not as valued by existing tenants as much the sector might hope. The sector as a whole has not always successfully communicated what value or benefit it brings to existing tenants.
- There is good support for the value of additional services that social housing provides such as money advice and community improvements
- Comments in 'Other' (10%) were generally about frustration about repairs

# AGE is key to what tenant value

- ✓ Younger people significantly value Money Advice (55% compared to 28% average) & Training opportunities (33% compared to 9%)
- ✓ Over 60s are the opposite needing less money advice and training, but not as extreme opposite as 18-30.
- ✓ Younger people saw less value in community improvement/regeneration (11% compared to 27% average).
- ✓ Community improvement support peaks in middle age brackets (32%) which reflected in comments about safety, ASB and quality of neighbourhoods on themselves as individuals and as parents of younger family members.
- ✓ Most age groups barely moved from the overall average for valuing new homes (29%) with exception of younger people who valued it less (22%)

# Key observations when we filter on under-represented groups

- Tenants who identified as coming from a BAME background strongly valued **training opportunities** (22% compared to 9% average)
- Tenants who identified with a disability valued **energy saving initiatives** higher (62% compared to 50% average)
- Tenants who identified as English or Welsh not being their first language strongly valued **training** (31% compared to 9% average) and **money advice** (37% compared to 28%)

# When we filter on household income type on what they valued:

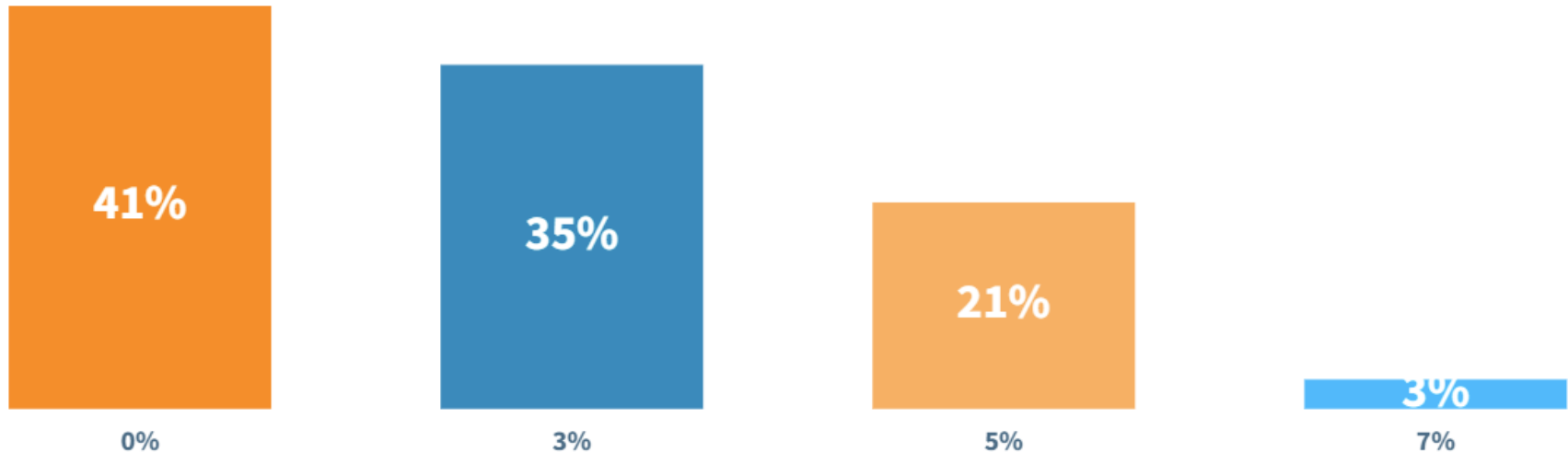
Generally, we didn't see much significant varies. For example, recipients receiving Universal Credit followed the overall collective average very closely.

Noticeable exceptions were:

- Those whose household was primarily salary income valued **money advice** higher (43% compared to 28%) and **training opportunities** (18% compared to 9%). This was at the expense of community improvement + care & support.
- Retired tenants valued **energy savings projects** higher than the average (57% compared to 50%)

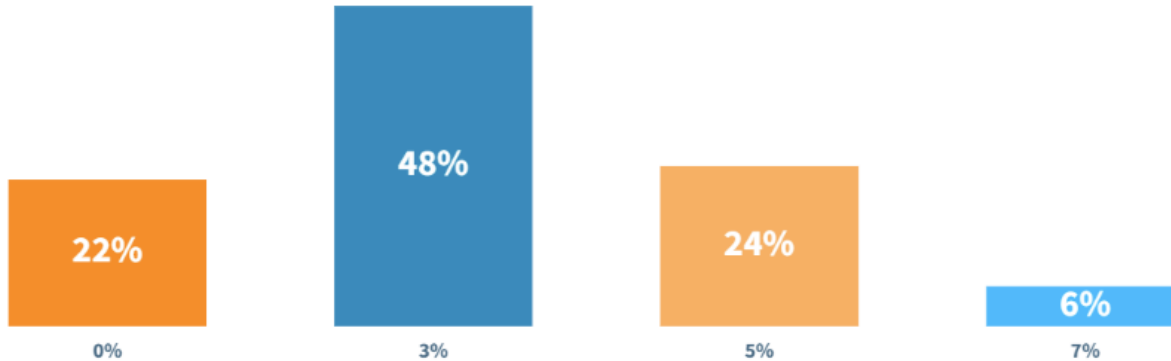
**Social landlords have submitted evidence to Welsh Government that if rents are not increased, they will have a lot less money to spend on services, due to high inflation.**

**This might mean some services would have to be reduced or cut. The lower the rent rise the bigger the seriousness of the cuts. Inflation is approx. 10%, what do you think rents should rise by?**

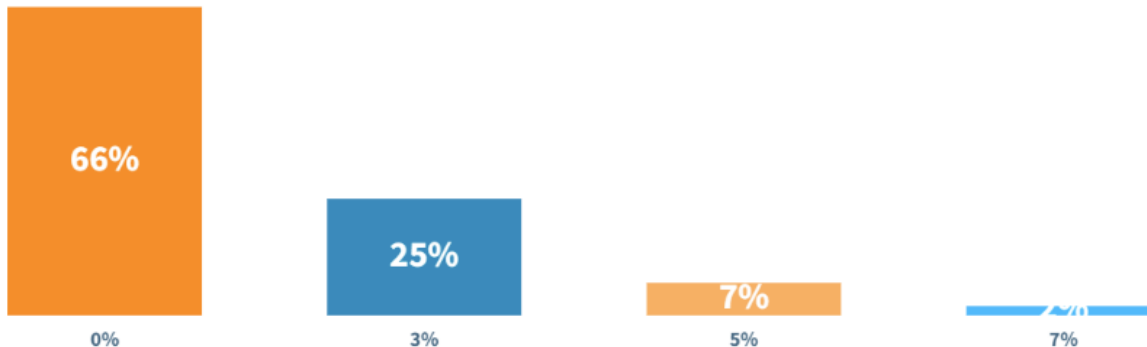




When we filter on those who thought their rent was **affordable now**, they are **more agreeable to a higher rent rise**



Unsurprising, those who view their rent as **unaffordable right now**, were **less agreeable to rent rises**

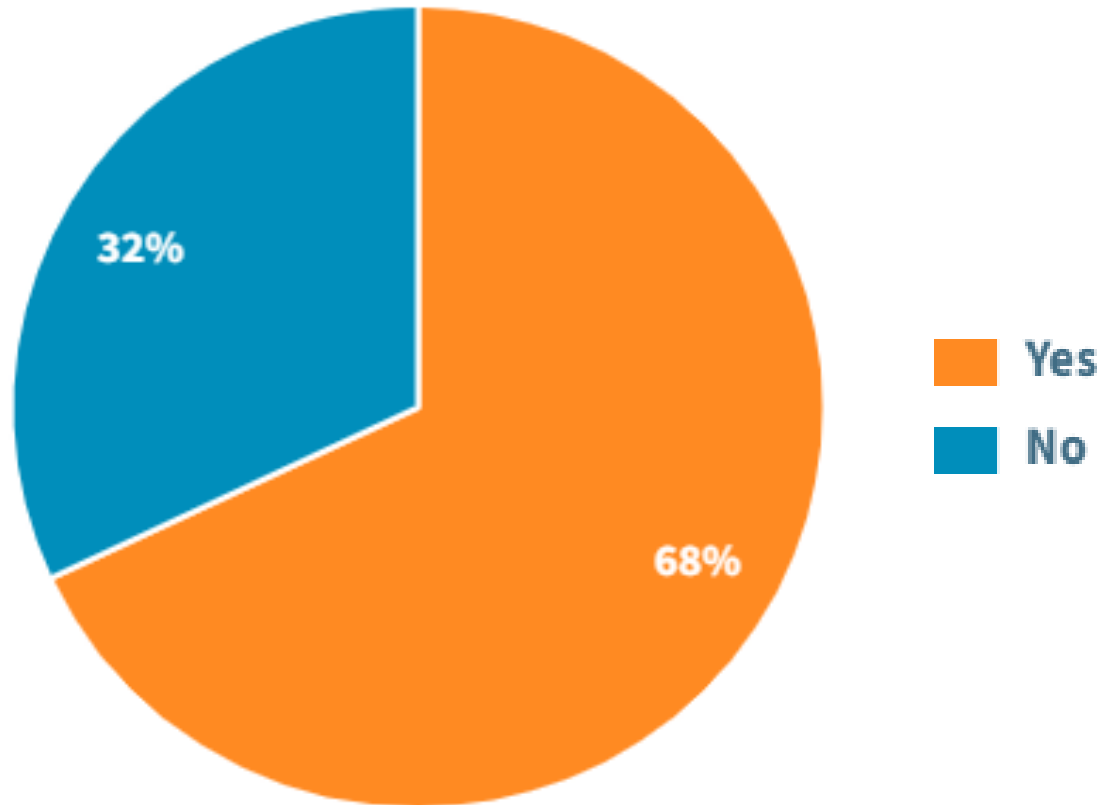


## When we break the data down:

| What would tenants choose as rent rise?        | 0%  | 3%  | 5%  | 7%  |
|--|-----|-----|-----|-----|
| <b>All tenants</b>                             | 41% | 35% | 29% | 3%  |
| <b>Housing Association</b>                     | 34% | 40% | 20% | 6%  |
| <b>Local Authority</b>                         | 41% | 35% | 21% | 3%  |
| <b>Age 18-30</b>                               | 22% | 56% | 11% | 11% |
| <b>31-45</b>                                   | 29% | 36% | 31% | 4%  |
| <b>46-60</b>                                   | 42% | 36% | 17% | 5%  |
| <b>Over 60</b>                                 | 34% | 42% | 19% | 5%  |
| <b>BAME</b>                                    | 11% | 67% | 11% | 11% |
| <b>Disabled</b>                                | 38% | 42% | 17% | 3%  |
| <b>Carer</b>                                   | 21% | 46% | 29% | 4%  |
| <b><u>Non English</u>/Welsh first language</b> | 19% | 56% | 19% | 6%  |
| <b>Universal credit</b>                        | 39% | 34% | 21% | 6%  |
| <b>Salaried income</b>                         | 30% | 46% | 21% | 3%  |
| <b>Retired</b>                                 | 28% | 47% | 20% | 5%  |
| <b>Other</b>                                   | 42% | 33% | 19% | 6%  |

**TPAS Cymru is calling on social landlords to have urgent open conversations with tenants about rent setting, and what different levels of rises mean in terms of protecting services and/or cutting services.**

**Would you attend such conversations if they were a choice of options to attend?  
(i.e face to face & online, daytime and evening etc)**



# Finally, is there anything else you would like to say about Rent Setting that you wish the Minister to consider?

## 4 themes emerged from their responses:

- 1) Tenants believe that benefits and social welfare payments must rise in line with inflation and in line with any rent increases.
- 2) Tenants repeatedly commented that they want to build a relationship with their landlord focused on the values of transparency, communication and trust regarding any rises or extra income a landlord may receive.
- 3) Tenants want to be consulted directly by their landlord before any changes are put into practice – they want to feel heard
- 4) For tenants whose main income is based on salary, they would like to see the minimum salary increased in line with a living wage salary, so that they do not struggle to pay their rents.

## Quotes from tenants:

1. We are tenants, our voices need to be heard.
2. Rents should rise, but housing benefit has to take this into account. Housing benefit recipients are usually on a fixed income, so any rent rise must be followed by adjusting the housing benefit accordingly.
3. I think it's important that landlords consult their tenants and be upfront and honest.
4. Private rent prices are what puts people out of homes in the first place. So doing the same with social housing is not helping anyone who rely on them for homes of affordable pricing
5. There is not clear communication as to what the housing association is spending the money on to improve the standards of the homes.
6. More transparency about why rent increases are required and how each business is reducing their own costs.

# TPAS Cymru recommendations

1. Rents to be affordable and set in consultation with tenants,
2. The consultation should hear from diverse range of tenants
3. Landlords to be open & transparent about their rent setting process and decisions
4. Landlords to better proactively demonstrating VFM to tenants
5. Landlords to better involving tenants in measuring and assessing VFM
6. Tenants to be supported and enabled to scrutinise rent setting proposals and decisions



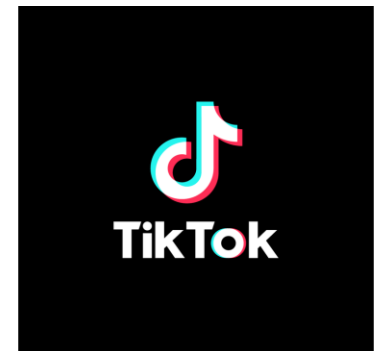
**This report  
is now on  
our website**



**TPAS CYMRU'S RENT  
SETTING CONSULTATION  
SURVEY**

OUR MOST IMPORTANT TENANT PULSE TO DATE

OCTOBER 2022  
TENANT VOICE SPONSOR



# How did we do?



<http://doo.vote/views>

<http://doo.vote/gwerthusiad>

