

Scottish Housing Regulator

National Panel of Tenants and Service Users

4th Year Report



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SUMMARY FINDINGS

The National Panel was established in 2013 as a way for the Scottish Housing Regulator (SHR) to engage with tenants and other users of social landlord services. The Panel fits into SHR's wider approach to communication and engagement with users of social landlord services, and in this way helps to shape SHR's focus in its role as regulator of social landlords. Panel members are volunteers and the Panel remains open to new recruits on an ongoing basis, with membership standing at 468 at the time of reporting.

This report brings together findings across the main exercises conducted with the National Panel in its fourth year: (i) a full survey of Panel members, and (ii) in-depth qualitative discussions with Panel members. These exercises were used to explore service users' views around drivers of value for money judgements, affordability, rent consultations, and demonstrating value.



Value for money

This theme considered views on what value for money means for users of social landlord services. This included the range of factors that contribute to value for money judgements, and to what extent service users see these factors as potentially justifying higher rents. Key points of note are:

- ❖ Survey results suggest that value for money judgements are influenced by a broad range of factors. The level and affordability of rents and the quality of home appear to be the main drivers of views on value for money. However, respondents also mentioned quality of services such as repairs/maintenance, capital investment in tenants' home, and the size of annual rent increases.
- ❖ Comparability of rents, building of new homes and 'wider activities' such as advice and support services were less commonly mentioned as influencing value for money judgements.
- ❖ Survey results indicate that receipt of Housing Benefit has relatively little bearing on the factors that influence service users' views on whether their landlord provides value for money.
- ❖ Nearly two thirds of respondents indicated that they might consider a higher rent if this provided an improvement in specific aspects of their landlord' services. Survey and qualitative feedback suggests that any such willingness is likely to be related to improvements which deliver 'tangible' benefits for tenants –such as investment in their home, a better quality home or more responsive services.



Affordability

This theme considered views and experiences of affordability. This included the current or previous experiences of affordability difficulties, and views on the likely future affordability of their rent. Key points of note are:

- ❖ Around a third of survey respondents had experienced rent affordability problems, including around 1 in 8 respondents who had experienced difficulties in the last year. Those in receipt of Housing Benefit were more likely to have had difficulty affording their rent.
- ❖ Most respondents expressed concerns regarding the potential for affordability problems caused by future rent increases, future benefit changes or changes to their income.
- ❖ The reasons for future affordability concerns varied dependent on whether tenants received Housing Benefit. Those in receipt of Housing Benefit were more likely to express concerns about the impact of benefit changes, while those not in receipt of Housing Benefit were more likely to be concerned about rent increases.



Rent consultation

This theme considered Panel members' awareness of information on annual rent increases, and to gather information on how rent increases are communicated by landlords. Key points of note are:

- ❖ The majority of respondents had received information from their landlord on annual rent increases. RSL tenants showed somewhat stronger awareness than Council tenants on having received information on annual rent increases.
- ❖ Most tenants indicated that communication from their landlord had invited views on the proposed rent increase.
- ❖ Around half of tenants indicated that the information included multiple rent increase options, with information on the likely service provision implications of different rent increase options.
- ❖ More in-depth feedback identified a range of concerns and frustrations for tenants around rent consultation. These included some who did not feel that they have experienced genuine consultation on rent increase options, concern that their landlord does not act on or provide a response to rent consultations, and suggestions that communication on rent increases was not clear.
- ❖ Views on rent consultation appeared to be more positive where tenants feel that their landlord has provided more comprehensive information on rent increase options, including how these relate to service provision and standards.



Demonstrating value for money

The final theme explored with the Panel focused on approaches to reporting or demonstrating value for money. This included views on the importance or relevance of this information for tenants, and on potential measures to demonstrate value for money. Key points of note are:

- ❖ Respondents expressed a clear view that value for money should be included as part of landlord performance reporting - more than 9 in 10 felt that this information would be useful to tenants.
- ❖ A little more than half of all respondents feel well informed about how their landlord is performing on value for money, although relatively few feel “very well informed”. Council tenants and those in receipt of Housing Benefit appeared to feel better informed about performance on value for money.
- ❖ Respondents did not express a clear preference for a single value for money performance indicator, but rather saw value in a range of measures around rent comparability, income remaining after tenants have paid housing costs, and tenant satisfaction with rents.

1 INTRODUCTION

Background

- 1.1 The National Panel was established in 2013 as a way for the Scottish Housing Regulator (SHR) to engage with tenants and other users of social landlord services. The National Panel fits into SHR's wider approach to communication and engagement with users of social landlord services, and is used to gauge priorities and experiences – and in this way helps to shape SHR's focus in its role as regulator of social landlords.
- 1.2 As a mechanism to gather the views of tenants and other service users, a significant element of the Panel's value is as an accessible group of engaged individuals willing to participate in Panel exercises. As such the focus for the Panel is on ensuring a good cross-section of tenants and other service users. This is a key element of our ongoing promotion and recruitment work around the Panel which seeks to ensure the Panel has a broad reach in terms of the size of the membership, and representation of specific population subgroups. Some members have stepped down from the Panel over the last year, and some new members have been recruited, such that there has been a small net loss of members during the year with the overall Panel membership standing at 468 at the time of reporting.
- 1.3 A profile of the current Panel membership is appended to this report.

2016/17 Programme

- 1.4 This report brings together findings across the main exercises conducted with the National Panel in its fourth year.
- 1.5 The fourth year of Panel engagement sought to further develop previous years' approaches, tracking results over time while focusing more specifically on the theme of rents and value for money. This included exploring service users' views in more depth around drivers of value for money judgements, affordability, rent consultations, and demonstrating value.
- 1.6 The 2016/17 engagement programme involved two key strands:
 - **A full Panel survey** issued in January 2017 and providing postal, web and telephone response options (overall response rate of 54%).
 - **In-depth qualitative engagement** with Panel members via a mix of telephone interview and discussion group approaches to explore themes emerging through the survey in more detail (involving a total of 84 members).
- 1.7 This report integrates both quantitative results (i.e. statistical survey findings) and qualitative findings (i.e. from the discursive work with Panel members) to provide a rounded view of participants' views and experiences. The report structure reflects the main themes around which quantitative and qualitative work was based.

2 VALUE FOR MONEY

- 2.1 This section considers views on what value for money means for users of social landlord services. This includes the range of factors that contribute to perception of value for money, and to what extent service users see these factors as potentially justifying higher rents.
- 2.2 This section brings together survey results on the key factors driving Panel members' value for money judgements, and detailed qualitative feedback.

Views on value for money

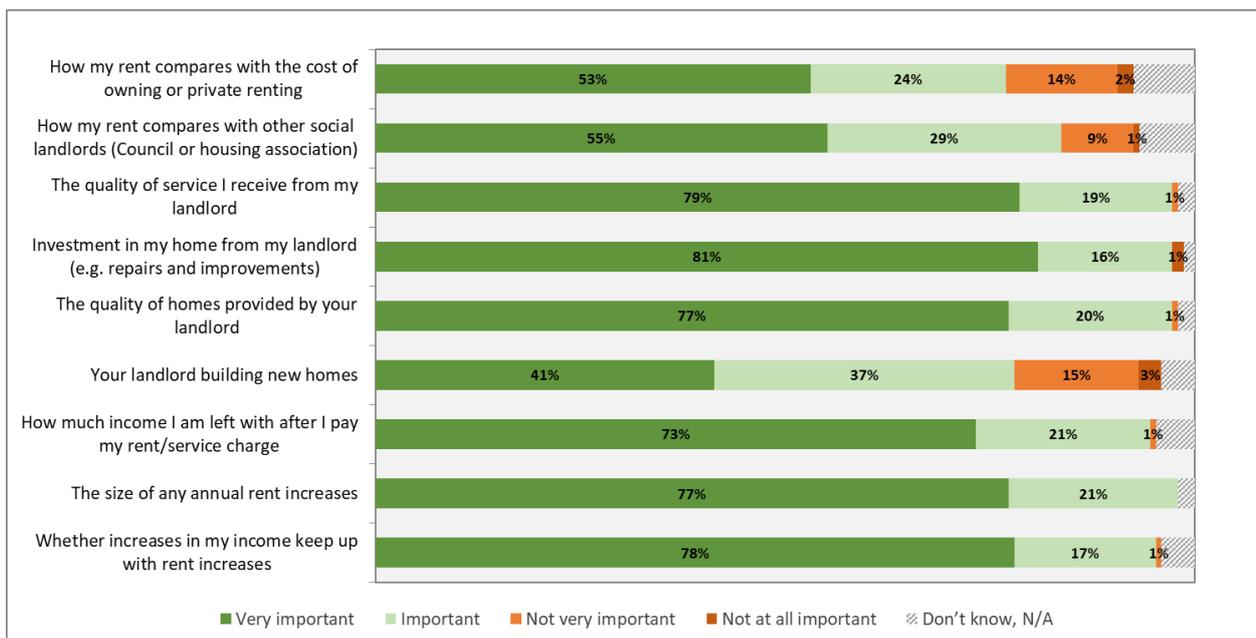
- 2.3 The survey first asked Panel members to list the first three issues or aspects of their landlord's services that they think of when asked to judge whether they receive value for money. Respondents were invited to describe these key drivers of their value for money judgements in their own words, and a broad range of sometimes quite specific issues were raised. However, as Figure 1 shows, some common issues emerged.
- 2.4 The ***level of rents and quality of home were the most commonly mentioned issues.*** Around half of all respondents included each of rent levels and quality of home as one of the three factors that influence their views on value for money. The level of rents was also the first thing that around a third of respondents thought of when asked about value for money, and quality of home for around a quarter of respondents.
- 2.5 Respondents also mentioned the quality of services as one of the key drivers of their value for money judgements. Some survey respondents referred to service quality in a broad sense rather than any specific landlord service, and it is notable that some qualitative research participants thought first of the overall responsiveness of services. However, a substantial proportion of respondents did refer to specific landlord services as having a more significant bearing on their value for money judgements. Repairs was the most commonly mentioned specific service area; around half of respondents mentioned repairs as one of the first three things that they think of when asked about value for money. This was also linked to the prominence of quality of home as a driver of value for money judgements; some respondents referred to repairs services specifically in the context of addressing issues for the quality and condition of their home, or described negative repairs experiences in terms of the impact on the fabric of their home.
- 2.6 Respondents also mentioned considerations such as capital investment, the size of rent increases, and comparability of rent – although fewer individuals mentioned these as one of the main factors in value for money judgements. A small number of respondents mentioned other issues that informed their views on value for money. This included issues around ease of access to services such as availability of a dedicated named contact, the manner and knowledge of service staff, estate management, and dealing with neighbour disputes and safety/security issues.

Figure 1: First things that Panel members think of when judging “value for money”

	1 st choice	Top 3
Level of rent, affordability, fair structure	34%	52%
Quality of home including suitability, heating	24%	49%
Repairs and maintenance	13%	54%
Quality of service	6%	24%
Capital investment	2%	9%
Size of rent increases	2%	6%
How rent compares with others	1%	3%

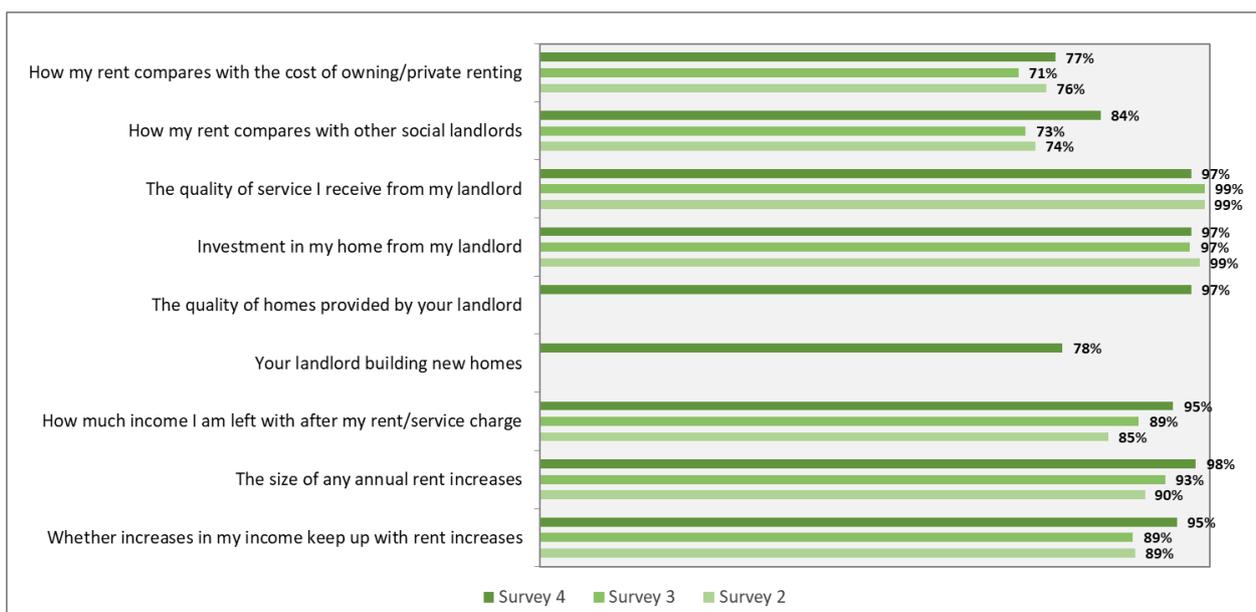
- 2.7 The survey also asked Panel members to comment specifically on a set of potential drivers of value for money judgements (see Figure 2 over the page). These findings reinforce that ***Panel members’ views on value for money are influenced by a broad range of factors***. The quality of their landlord’s service, capital investment in their home, the quality of their home, rent affordability and the size of annual rent increases were identified as the most important drivers of value for money judgements. More than 9 in 10 respondents rated these as important for their sense of value for money, including a large majority who described these as “very important” (73% to 81% rating each factor as “very important” to their sense of value for money).
- 2.8 It is notable that the size of rent increases was rated as an important driver of value for money by a large majority of respondents, while findings presented at Figure 1 above suggest that tenants think first of rent levels and affordability before the specific issue of rent increases. Comments from participants suggest that rent levels may be seen as the key rent-related concern for most tenants, but that annual rent increases remain a significant factor in value for money judgements. This appears to be particularly the case for those not in receipt of Housing Benefit, a number of whom referred to the importance of the relationship between annual rent increases and income growth.
- 2.9 Comparability of rents and landlords’ building of new homes were seen as less important for value for money judgements. Respondents were significantly less likely to rate comparability of rent (with other social landlords or with owning or private renting) and building of new homes as very important to their sense of value for money. Only around 40-50% of respondents rated these as “very important”. However, it should be noted that more in-depth engagement with Panel members identified a number of tenants for whom comparability of rent (and in parallel, comparability of services) is a very significant consideration. The lower ranking of rent comparability at Figure 2 may in part reflect variations in tenants’ awareness of how rents compare across landlords. For some participants with a better understanding of rent comparability, this appeared to have a similar status to issues such as quality of home, rent levels and quality of repairs.

Figure 2: Importance of service aspects to sense of whether landlord services are “value for money”



2.10 As Figure 3 shows, there has been little change across recent surveys in the factors driving value for money judgements. The overall ranking of these factors has been broadly consistent over time with quality of service, capital investment in tenants’ homes¹, rent affordability and annual rent increases remaining key drivers of views. The only notable change is in relation to comparability of rents with other social landlords – there has been an 11-point increase since 2015/16 in the proportion of respondents mentioning this as an important factor in their views on value for money.

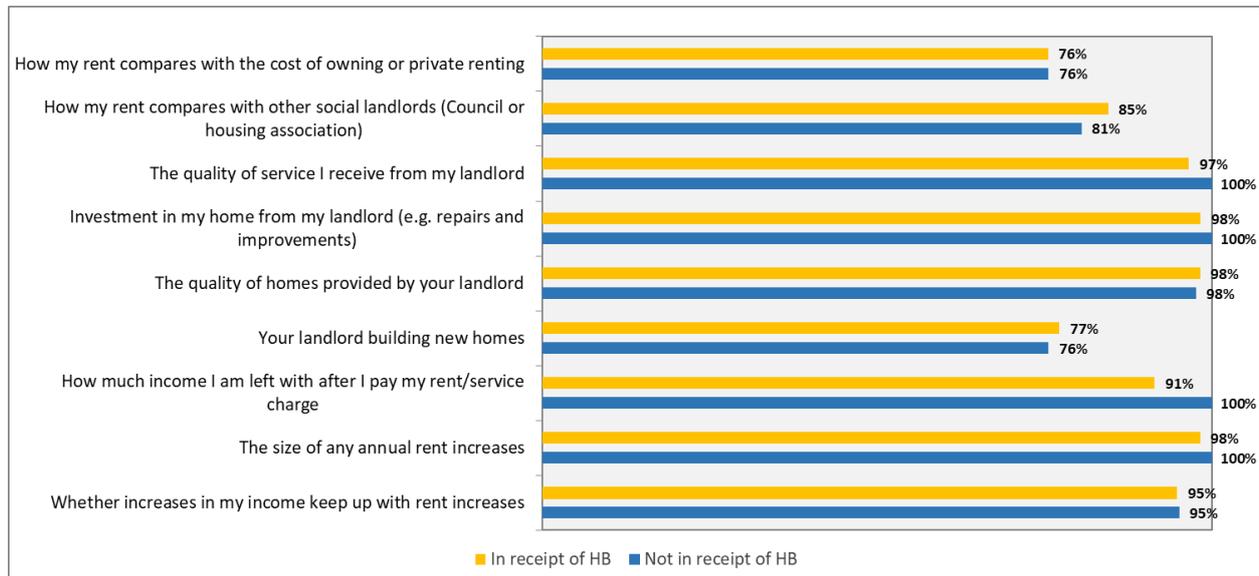
Figure 3: Aspects of services rated as important to sense of “value for money” – change over time



¹ Qualitative feedback suggests that tenants are likely to be particularly positive about value for money where they have seen specific capital investment in their own home, but feedback also made clear that tenants do take a broader view of the extent to which their landlord is investing in the housing stock as a whole.

2.11 Survey results also suggest that receipt of Housing Benefit has relatively little bearing on the factors that influence service users' views on whether their landlord provides value for money. As Figure 4 shows, there is very little variation in respondents' ranking of these factors associated with receipt of Housing Benefit.

Figure 4: Aspects of services rated as important to sense of "value for money" – receipt of Housing Benefit

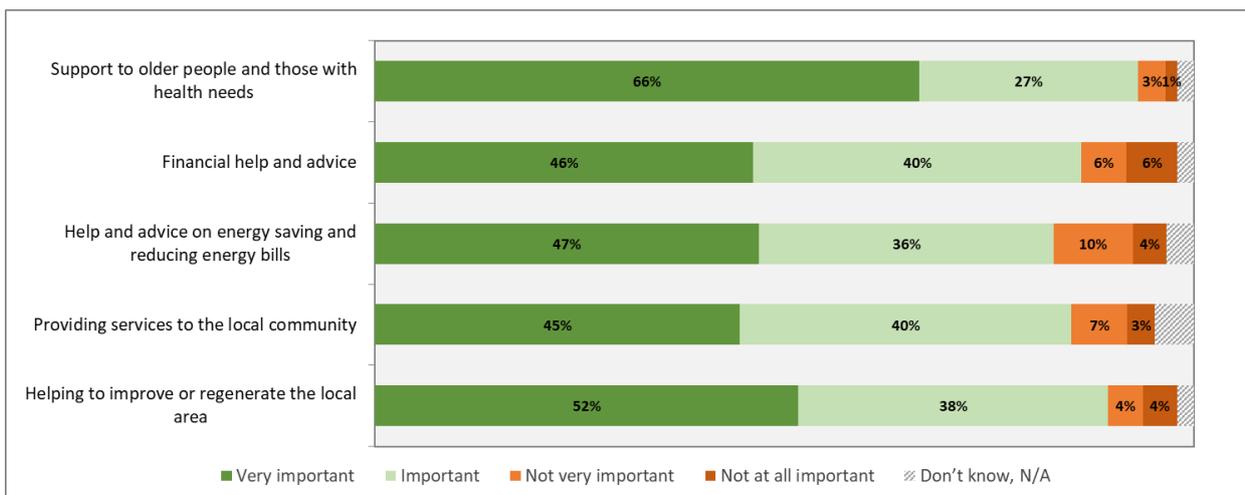


2.12 In addition to the more service-related factors discussed above, the survey also sought to gauge the extent to which landlords' wider activities have an impact on tenants' value for money judgements.

2.13 As Figure 5 over the page shows, these ***"wider activities" are generally seen by respondent as somewhat less important to individuals' sense of value for money*** - when compared to factors listed at Figure 2 for example. Nevertheless, most respondents felt that each of these activities have a bearing on their sense of value for money.

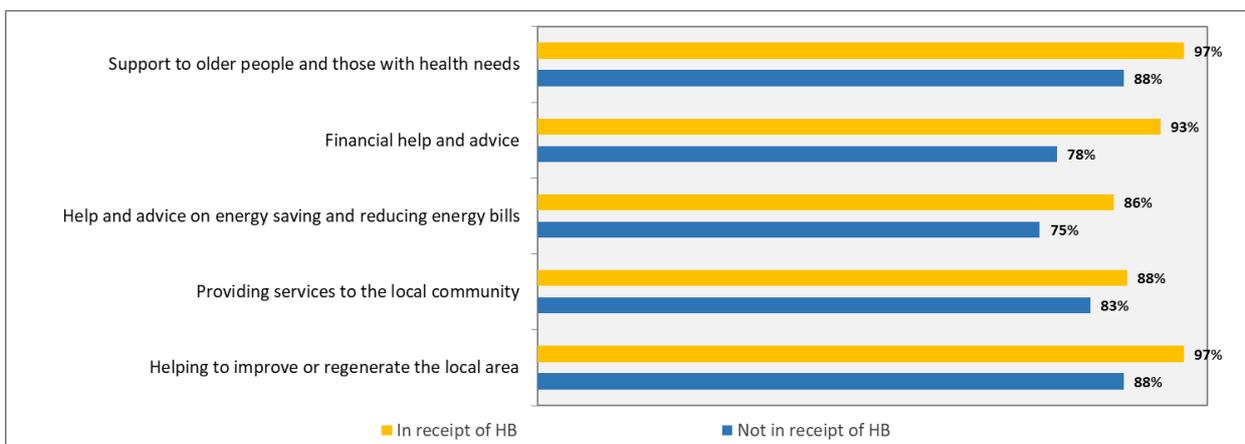
2.14 Support to older people and those with health needs was ranked as the most significant driver of value for money judgements; more than 9 in 10 respondents feel that this is important to value for money (93%), including 66% who felt that this is "very important". It is interesting to note that this finding was consistent across key socio-demographic groups, with no variation evident by age group or disability. Landlords working to improve the local area was also rated as significant for respondents' sense of value for money (90% rating this as important).

Figure 5: Importance of wider activities to sense of whether landlord services are “value for money”



2.15 As Figure 6 shows, those in receipt of Housing Benefit were more likely than others to rate these wider activities as being important to their sense of value for money. This difference was largest in relation to landlords providing financial help and advice. This trend may suggest that those not in receipt of Housing Benefit are more focused on service-related factors in making their value for money judgements, and place less emphasis on other activities or services delivered by their landlord.

Figure 6: Wider activities rated as important to sense of “value for money” – receipt of Housing Benefit



2.16 Participants were also invited through the survey and qualitative research strands to identify other issues that informed their sense of value for money. A substantial number of these participants expanded the main drivers discussed over the previous pages, reinforcing the importance of these issues for respondents' sense of value for money.

- Discussion around the quality of participants' homes included reference to specific issues and repair requirements, to the design of their home, specific reference to the impact of poorer heating and insulation on wider housing costs, and a perceived need for improvement and investment across their landlord's housing stock. The reference to design alongside condition or quality was also reflected in participants' discussion of the impact of quality of home on their wider quality of life – this highlighted the importance of the design and suitability of their home, in addition to ongoing maintenance. A small number of respondents also referred to those with particular needs, and the extent to which access to support and other services (for example garden maintenance, handypersons services) would be an important value for money consideration.
- The responsiveness of services was mentioned by a substantial number of participants. As noted above this was most commonly discussed in relation to repairs, and for several participants meeting stated timescales appeared to be the key consideration here. Indeed, some implied that they may prefer their landlord to set longer timescales that can be met, rather than miss shorter timescales. A perceived need to "chase" services before an adequate response is received was highlighted as a particular frustration here.

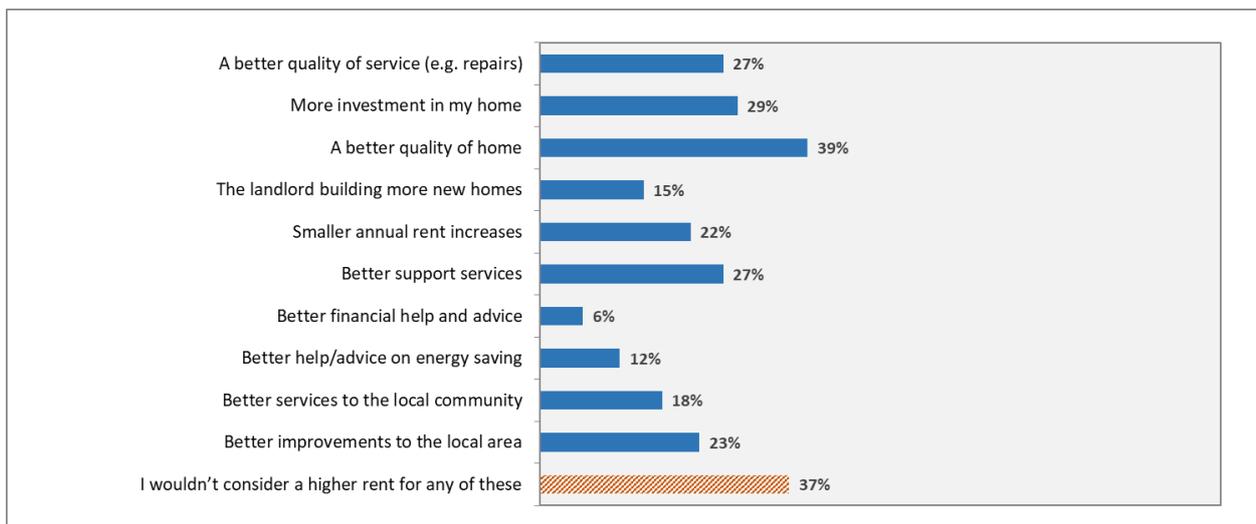
2.17 In terms of other issues mentioned by participants as having a bearing on their sense of value for money, the key points of note are:

- The **importance of specific services to specific tenant groups** – for example services for older people and those with health needs, but also the extent to which other household types such as families with young children may base their value for money judgements on their own specific needs being met.
- The **importance of tenant engagement** was also discussed in terms of the extent of consultation with tenants, and whether this is genuine engagement that informs service provision. This is also reflected in views on rent consultations discussed later in this report.
- Several participants also referred to their **landlord's wider spending activity**, and some spending which tenants felt did not demonstrate a commitment to value for money. This included reference to specific examples such as investment in upgraded landlord offices, and what were seen as high cost venue and hospitality costs for AGM and tenant conferences. These spending items were contrasted with budgetary restrictions on services to tenants and investment in homes.
- **Service charges** were also highlighted by some participants, including tenants in sheltered housing. Some explicitly distinguished between what was described as a reasonable rent level, and what were seen as excessive service charges. In addition to the level of charge (and how this compared to other landlords), a number of participants noted that a lack of transparency and information provided to justify the level of service charge influenced value for money judgements.

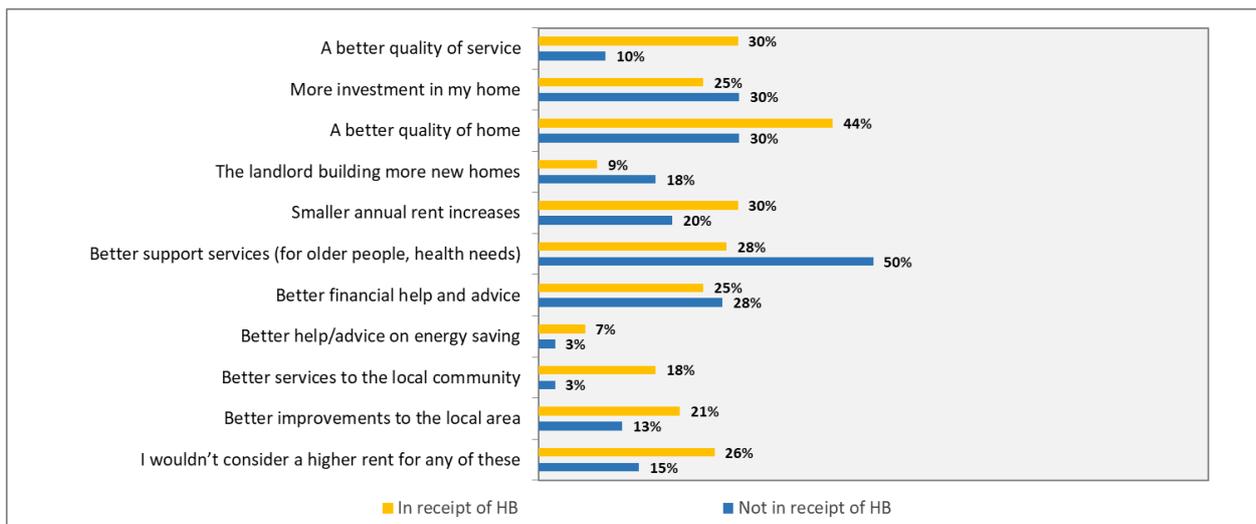
Justifying a higher rent

- 2.18 In addition to asking Panel members to identify the specific value for money drivers, the survey also sought to assess the extent to which Panel members may be willing to consider a higher rent if one or more of these “drivers” were improved.
- 2.19 As Figure 7 shows, **the majority of respondents mentioned one or more factors that might justify a higher rent level**; 63% suggested that they may consider a higher rent for improvement in specific aspects of landlords’ services, while 37% disagreed.
- 2.20 In terms of specific factors that may justify a higher rent, respondents were most likely to mention a better quality of home (39%). Better quality of service, more investment in their home and better improvements in the local area were also highlighted by respondents as potentially justifying a higher rent. In contrast, relatively few respondents felt that better financial help or advice, better energy saving advice, or building more new homes would make them willing to consider a higher rent.

Figure 7: Factors that may justify a higher rent level



- 2.21 Perhaps unsurprisingly, there was some variation in views on factors that may justify a higher rent dependent on whether respondents were in receipt of Housing Benefit (Figure 8 over the page). Those in receipt of Housing Benefit were somewhat less willing than others to consider a higher rent, although around three quarters of those in receipt of Housing Benefit who may be willing to do so (74% compared to 85% of those not in receipt of Housing Benefit).
- 2.22 In terms of specific factors that may justify a higher rent level, the most commonly mentioned were a better quality home or more investment in their home, better quality services and better support services. Survey results again show some variation in views dependent on whether respondents were in receipt of Housing Benefit. Those not in receipt of Housing Benefit were more likely to mention a willingness to pay more for better support services, while those in receipt of Housing Benefit were more likely to consider paying more for a better quality home and better quality services.

Figure 8: Factors that may justify a higher rent level – receipt of Housing Benefit

- 2.23 Qualitative feedback made clear that some tenants have a detailed awareness of differences in rents and related service levels across landlords. This included reference to specific services, or aspects of services, highlighted above such as the quality of homes, repairs services, and support or warden services. As survey results above indicate, these factors can have a significant bearing on tenants' value for money judgements.
- 2.24 However, discussion with tenants suggests that willingness to consider higher rents to improve these aspects of landlord services was more limited. While most survey respondents indicated a potential willingness to consider higher rents, more in-depth discussions suggest that this is likely to be dependent on the size of the additional charge, whether this would be in addition to annual rent increases, and the degree of benefit that tenants are likely to see as a result of the increase. On this latter point, feedback suggests that any willingness to consider rent increases is likely to be related to improvements in landlord activities where tenants are likely to see a 'tangible' benefit – such as more capital investment in homes, or improved support services. While tenants did refer to higher rent across other landlords as being justified by higher overall service standards, few appeared to be willing to consider an increase in rents unless this delivered clear benefits for tenants.

3 AFFORDABILITY

3.1 This section considers Panel members' experience of rent affordability problems, and views on the likely future affordability of their rent.

Experience of difficulty paying rent

3.2 The survey also asked Panel members the extent to which they are having difficulty affording their rent at the moment (Figure 9). **Most respondents indicated that they have never had difficulties affording their rent (68%)**. However there remained around a third of respondents who indicated that they had experienced rent affordability problems (32%), including around 1 in 8 respondents (13%) who had experienced difficulties in the last year.

3.3 As Figure 10 over the page shows, those in receipt of Housing Benefit were more likely to have had difficulty affording their rent (35%, compared to 26% of those not in receipt of Housing Benefit). This is due to a larger proportion of those currently receiving Housing Benefit who mentioned having experienced difficulties more than a year ago; there is no variation in the extent to which respondents across these two groups have experienced rent difficulties in the last year.

Figure 9: Whether had difficulty affording rent

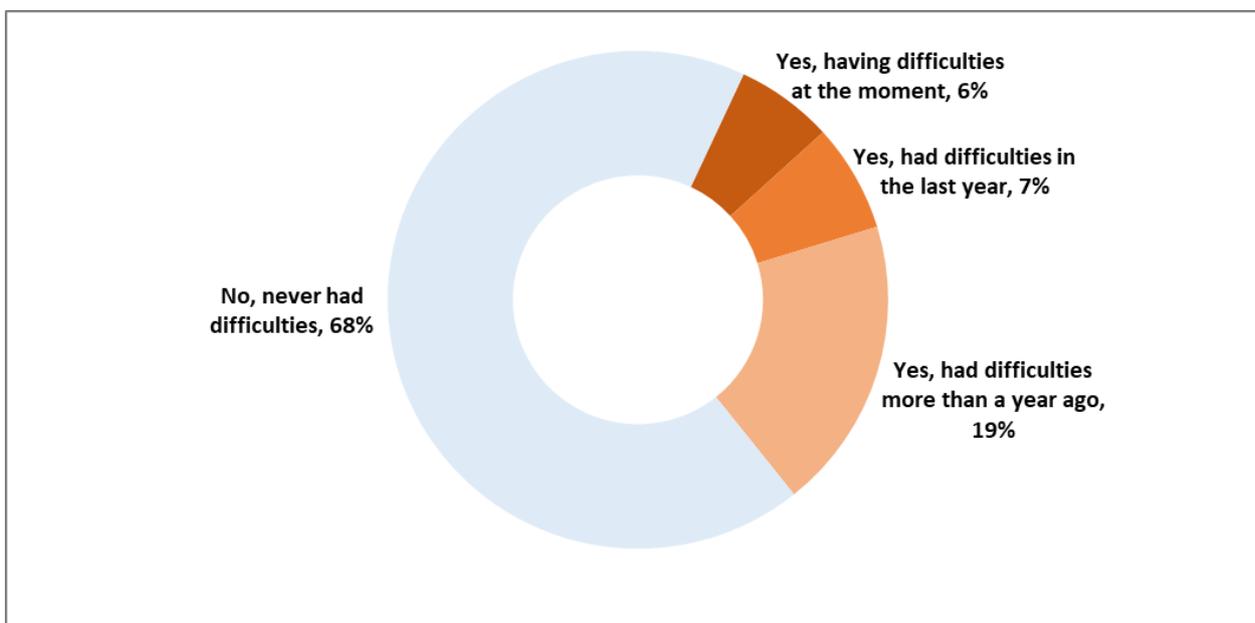
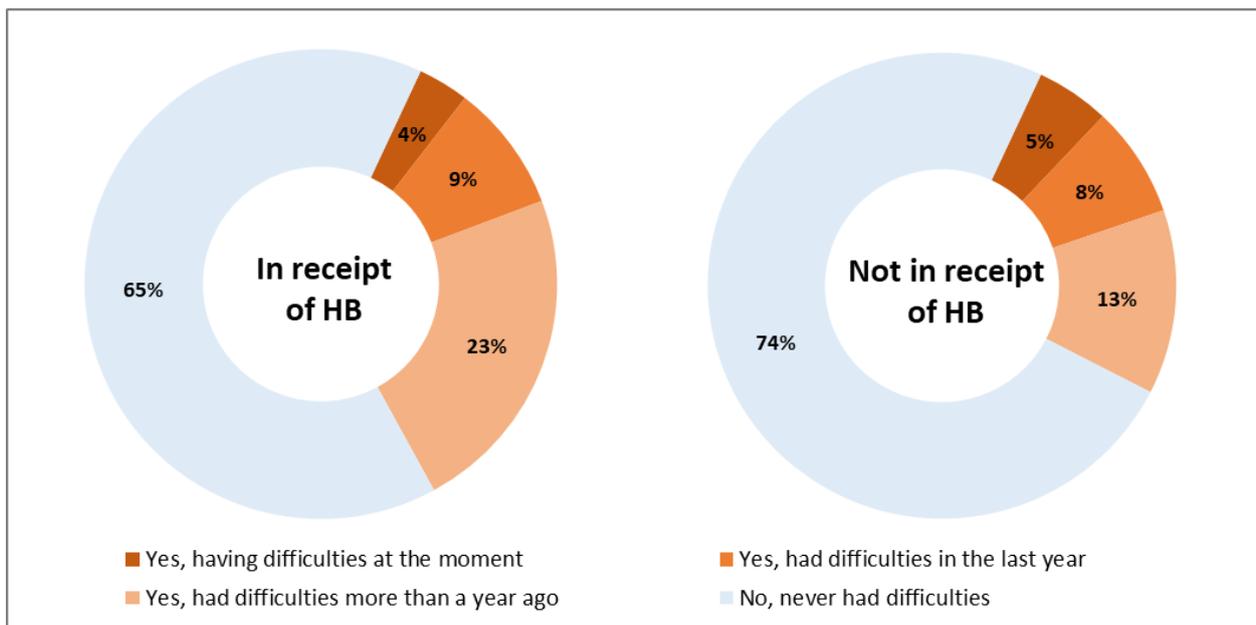


Figure 10: Whether had difficulty affording rent – receipt of Housing Benefit



- 3.4 Most of those who had experienced difficulty affording their rent had contacted someone about this; around three quarters of those with experience of rent difficulties indicated that they had spoken to their landlord or someone else about this. The majority of these tenants had spoken with their landlord about their rent affordability, but a small number of tenants mentioned having spoken to others including family or friends, Citizens' Advice and elected members.
- 3.5 The small number of tenants who had not spoken with anyone about their rent difficulties included some describing their difficulties as short term and not requiring a proactive response. However, a small number of participants also referred to a reluctance to share confidential information with their landlord, and who had not been aware of any help or advice being available.

Future affordability

- 3.6 As noted above, around a third of all participants had experienced difficulties affording their rent, although a minority of these participants had experienced difficulty in the last year. While those with recent experience of affordability difficulties remain a minority, a substantial proportion of survey respondents and other participants expressed concerns around potential future affordability.
- 3.7 As Figure 11 over the page shows, **most respondents expressed concerns around potential future rent affordability problems (66%)**. Respondents mentioned a mix of reasons for these concerns, with a similar proportion of respondents mentioning each of future rent increases (38% concerned about this), future benefit changes (38%), and changes to their income (31%).

3.8 As Figure 12 below shows, there was some variation in the source of respondents' affordability concerns, linked to receipt of Housing Benefit. In particular, those in receipt of Housing Benefit were more likely than others to express concerns about the impact of benefit changes. In contrast, those not in receipt of Housing Benefit were more likely than others to be concerned about the impact of rent increases. Both groups expressed concerns about changes to their income causing them problems over the next few years.

Figure 11: Views on future affordability of rent

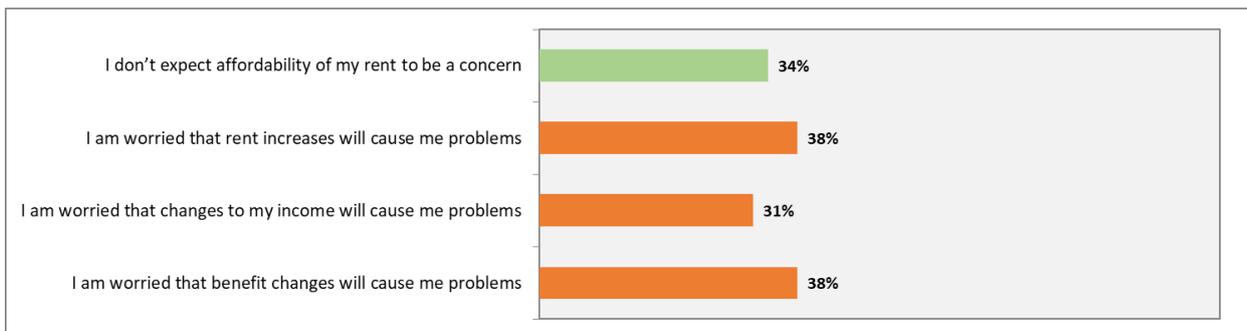
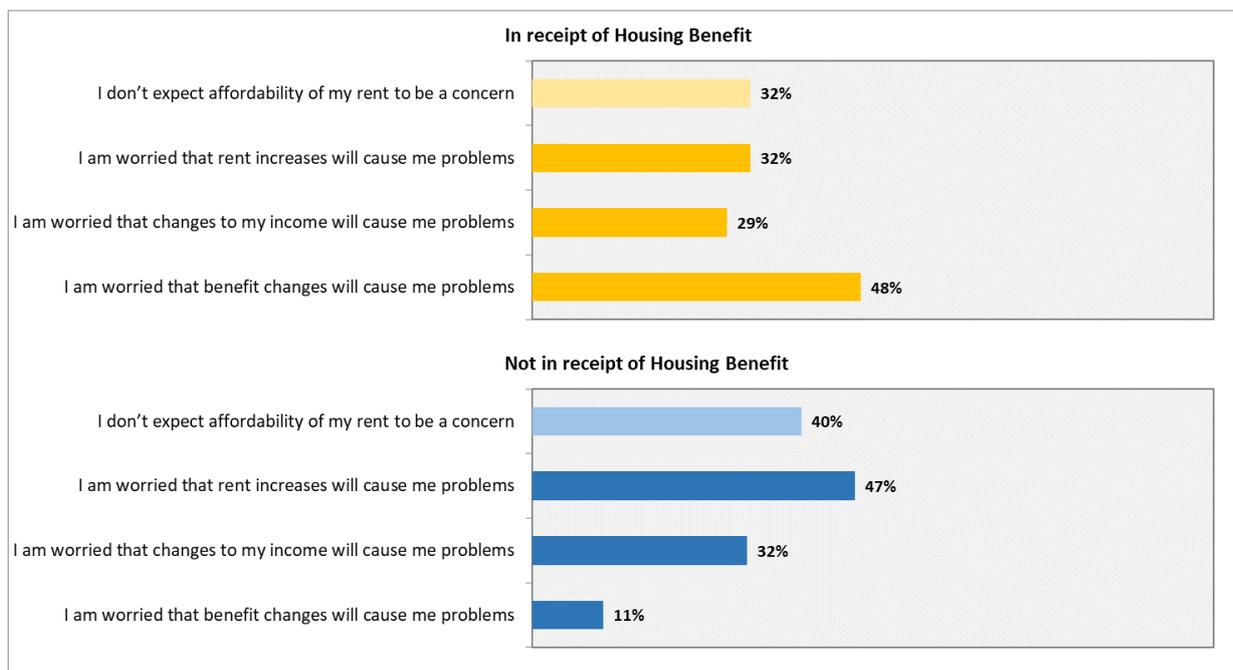


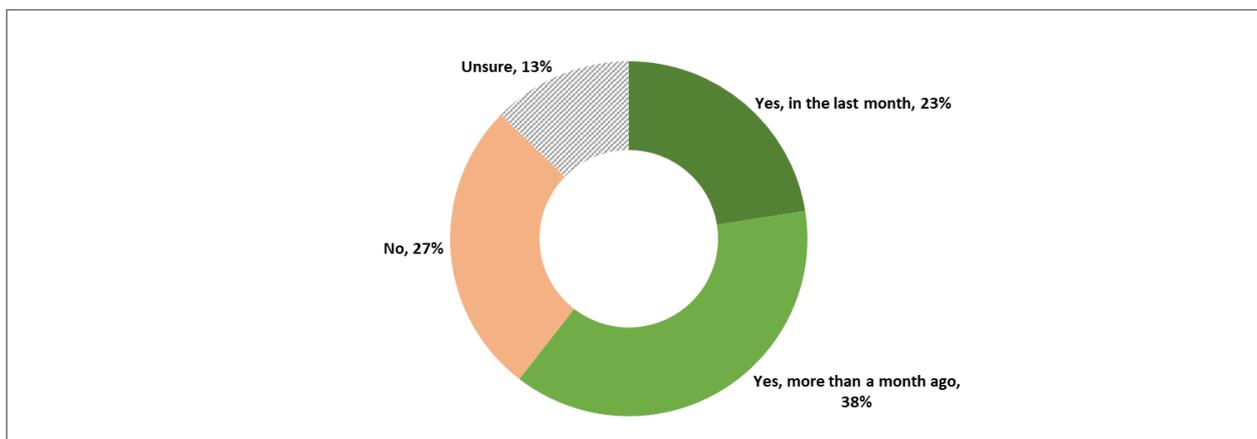
Figure 12: Views on future affordability of rent – receipt of Housing Benefit



4 RENT CONSULTATION

- 4.1 The survey and qualitative work included a series of questions to gauge Panel members' awareness of information on annual rent increases, and to gather information on how rent increases are communicated by landlords. This section took advantage of the timing of the research, taking place primarily between October and March when the majority of social landlords issue annual rent notices.
- 4.2 As Figure 13 below shows, **the majority of respondents had received information from their landlord on annual rent increases**; 61% indicated this, although only around a quarter of all respondents (23%) had received this information within a month of completing the 2016/17 Panel survey. This is similar to the results of the "Vox Pop" survey conducted in 2015/16, and which found that 57% of respondents had recently received information on annual rent increases.
- 4.3 There was some variation across landlords in the extent to which respondents were aware of having received information on annual rent increases. Survey data shows that RSL tenants were more likely to have received information (around three quarters, compared to half of Council tenants), and in particular to have received this information in the last month (around a third had received information in the last month, compared to a little more than 1 in 10 Council tenants).

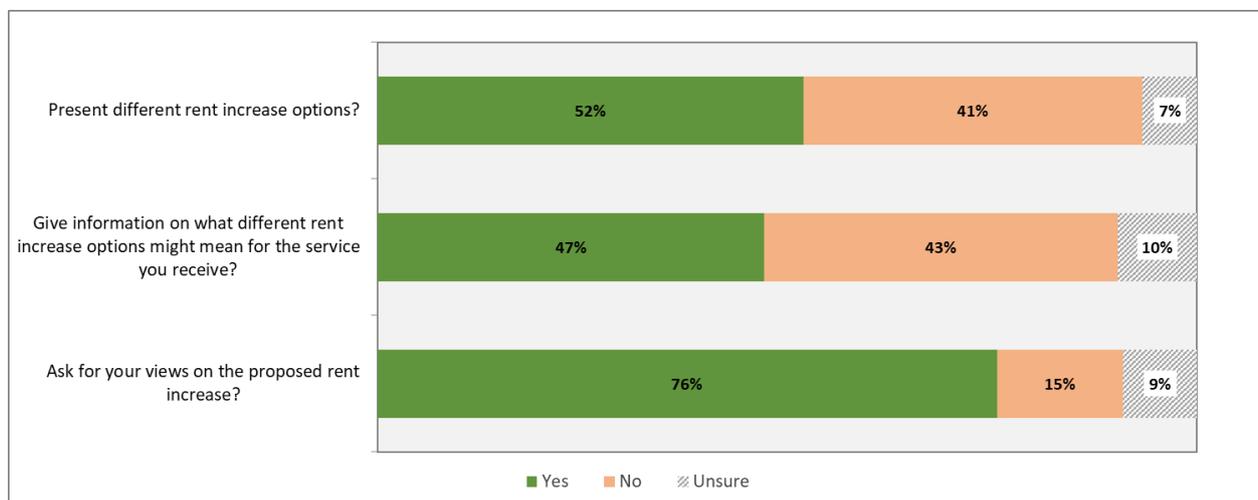
Figure 13: Whether received information on annual rent increases



4.4 The survey also asked those who had received information on rent increases about the detail provided by their landlord. The key points of note are:

- **The majority of tenants indicated that the communication invited views on the proposed rent increase** (76% of those who had received information). RSL tenants were somewhat more likely to have been invited to give their views – around 4 in 5 compared to two thirds of Council tenants.
- **Around half of tenants indicated that the information included multiple rent increase options** (52%), and the great majority of these provided information on the likely service provision implications of different rent increase options (47%). Survey data suggests that Council tenants were somewhat more likely to report having received multiple rent increase options – around two thirds compared to around 2 in 5 RSL tenants.

Figure 14: Detail on rent consultation information received



4.5 The survey and qualitative work explored the Panel members' experience of rent consultation in more detail. This included discussion around the specific types of information provided by landlords, and members' views on rent consultations. Key points of note are:

- A range of concerns and frustrations were raised by participants who do not feel that they have experienced genuine consultation on rent increase options. This was most obviously for those who had not received rent consultations, or where tenants suggest that the communication stated the planned increase without inviting comment. However, a number of participants expressed a view that their landlords have already chosen their preferred approach prior to the consultation, and saw the consultation as a "box ticking exercise". Several participants also raised concerns around the options presented to tenants, described by one participant as a choice between "a high rent increase or an even higher rent increase". The consultation approach was also referenced where participants felt that they were not provided with practical options to respond – for example being asked to phone staff with their views, not being provided with a reply-paid

envelope, limited consultation timescales over holiday periods. Some gave examples of consultations which had been based on the views of very few tenants.

- A minority of participants felt that communication on rent increases was not clear. This included in relation to the quality and clarity of information provided with some suggesting that landlords need to make this information more relevant and meaningful for tenants, and in a lack of clarity on how to respond and the next steps for the consultation.
- Some participants felt that their landlord does not act on or provide a response to rent consultations, and this contributed to concerns around the value of these exercises. This included examples of tenants not being informed of the result of the consultation until their revised rent payment is taken, and several participants expressing a view that “The rents always go up so there is no point in giving any views”.
- Views were more positive where tenants feel that their landlord has provided more comprehensive information on rent increase options, including how these relate to service provision and standards. This included several participants referring positively to their landlord presenting “genuine” options to choose.
- Some of those not in receipt of Housing Benefit raised specific concerns around the impact of rent increases for those who have to pay the full rent. This included reference to salary and pension growth not keeping pace with rent increases, and a view that landlords do not always recognise the proportion of tenants for whom a rent increase can have a material impact.

5 DEMONSTRATING VALUE FOR MONEY

5.1 The final theme explored through the survey and qualitative work focused on approaches to reporting or demonstrating value for money. This included views on the importance or relevance of this information for tenants, and on potential measures to demonstrate value for money.

Importance of reporting on value for money

5.2 Respondents expressed a clear view that **value for money should be included as part of landlord performance reporting**. As Figure 15 shows, more than 9 in 10 respondents (93%) felt that information on value for money would be useful to tenants, including 4 in 5 of all respondents (80%) who feel that value for money should “definitely” be included as part of landlord performance reporting. Only 2% of respondents indicated that they are not interested in value for money information.

5.3 These findings were broadly similar across Council and RSL tenants, and those in receipt of Housing Benefit – although survey data suggests those not in receipt of Housing Benefit may be somewhat more interested in value for money information.

Figure 15: Views on importance of Value for Money as part of performance reporting

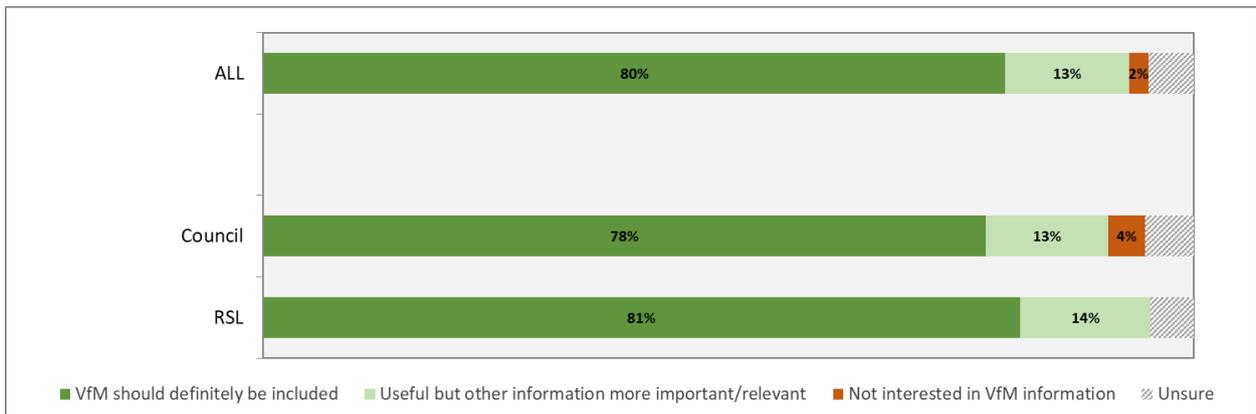
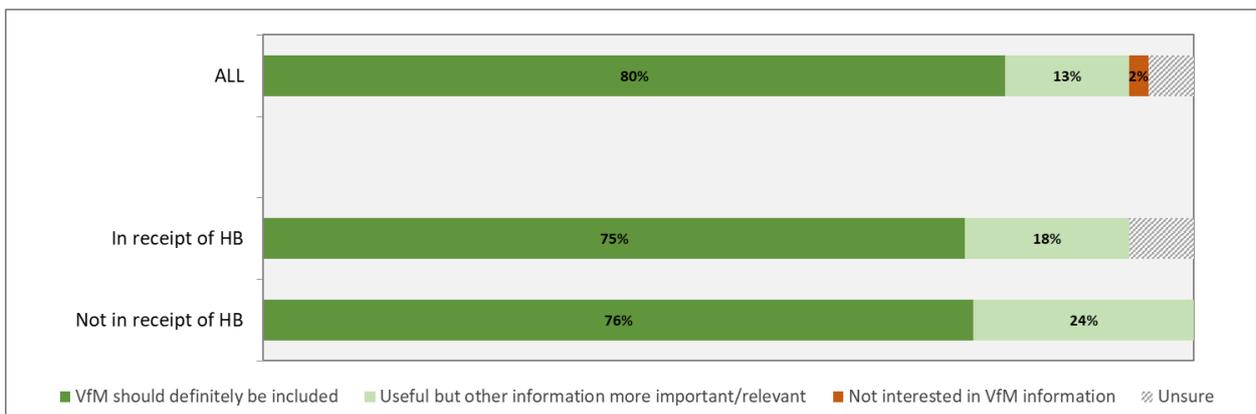


Figure 16: Views on importance of Value for Money as part of performance reporting – receipt of Housing Benefit



5.4 A little more than half of all respondents (58%) feel well informed about how their landlord is performing on value for money, although relatively few indicated that they feel “very well informed” (20% of all respondents). Moreover, around 2 in 5 respondents (38%) do not feel well informed about their landlord’s value for money. There was some difference in views linked to landlord type and receipt of Housing Benefit; RSL tenants and those not in receipt of Housing Benefit were less likely than others to feel well informed about their landlord’s performance on value for money.

Figure 17: Extent to which feel informed on how landlord is performing on value for money

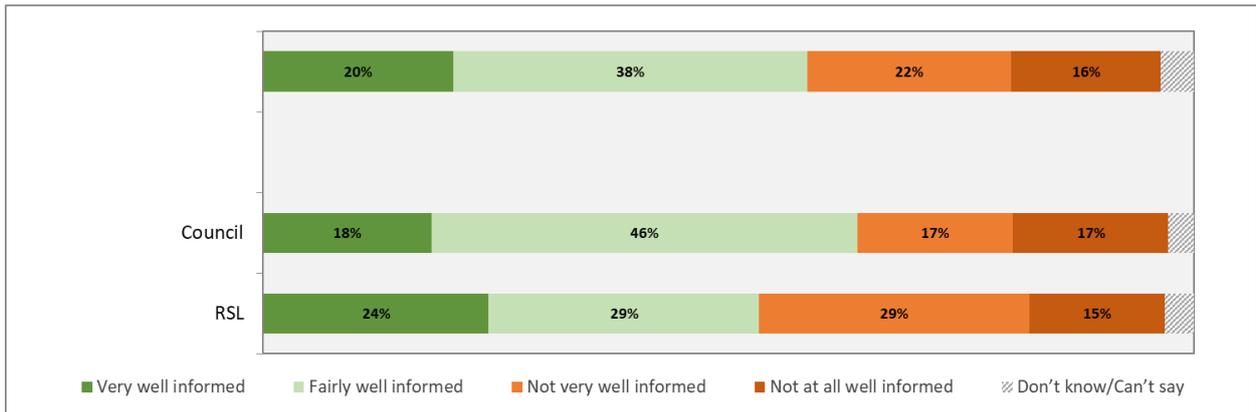
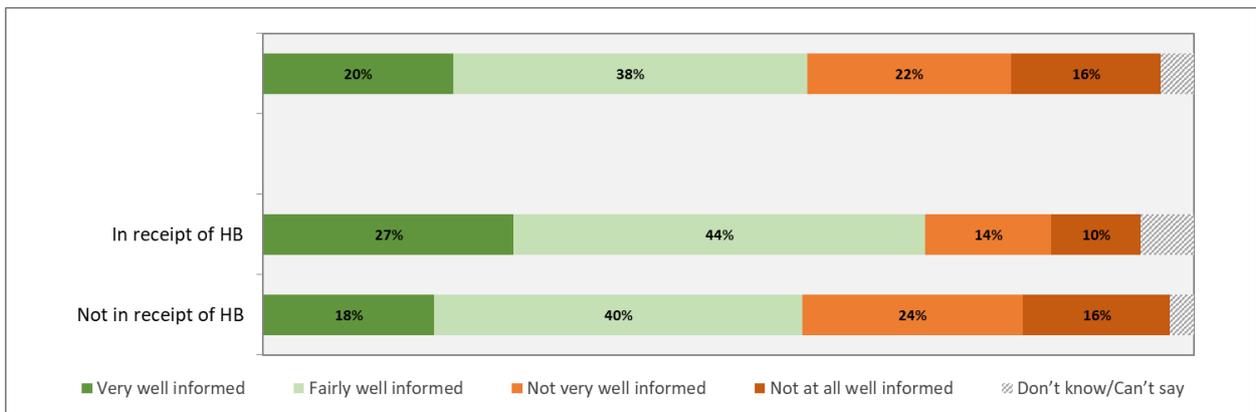


Figure 18: Extent to which feel informed on how landlord is performing on value for money – receipt of Housing Benefit



Potential approaches to reporting value for money

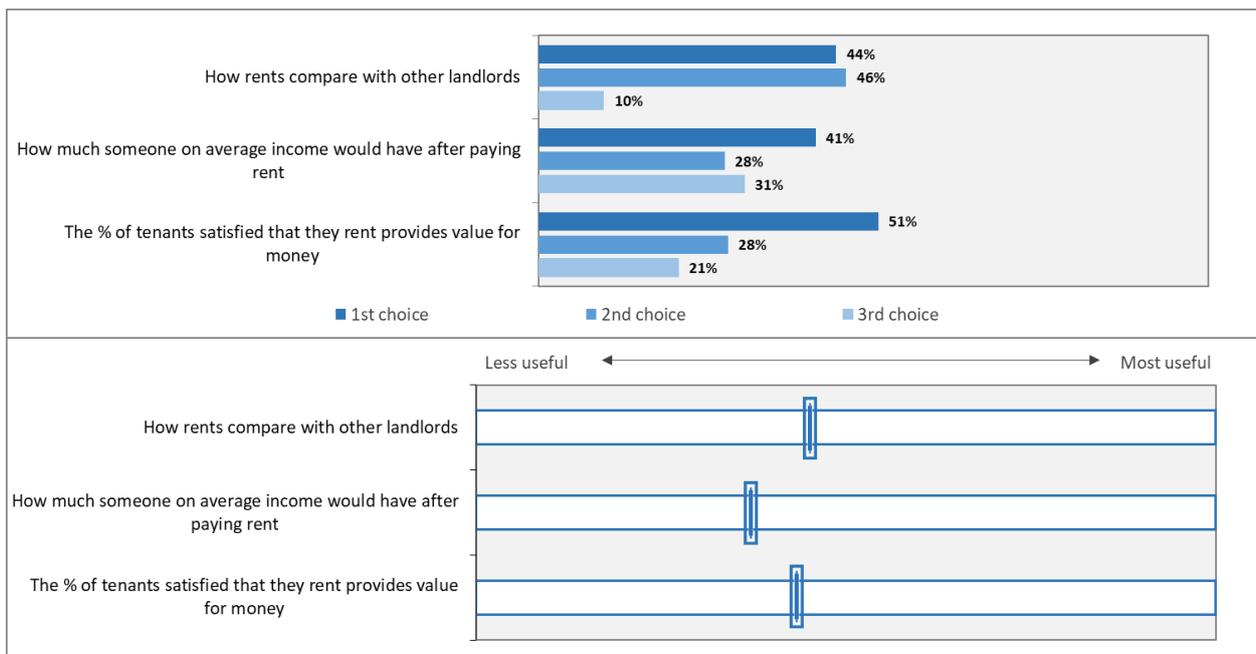
5.5 Finally in relation to reporting value for money, Panel members were asked to consider potential measures of value for money and give their views on which they would find most useful. The survey presented three potential measures focused around rent comparability, income remaining after tenants have paid housing costs, and tenant satisfaction with rents.

5.6 As Figure 19 over the page shows, respondents did not express a clear preference for a single indicator, but rather saw value in all three measures. Support was somewhat more widespread in relation to rent comparability and tenant satisfaction with rents – up to

around half of respondents rated each of these as one of their preferred measures of value for money.

- 5.7 Survey data does show some variation in views across socio-demographic groups, and particularly in relation to landlord type and Housing Benefit. RSL tenants and those in receipt of Housing Benefit showed greater interest in rent comparability as a measure of value for money, while Council tenants and those not in receipt of Housing Benefit expressed a stronger interest in residual income after paying rent as an indicator of value.
- 5.8 The variation in respondents’ interest in specific value for money measures is also consistent with wider survey findings in suggesting that a single value for money measure may not be relevant or useful to all tenants. This was also evident in more in-depth discussions with Panel members. In addition to the breadth of potential drivers and indicators of value for money discussed by participants, several referred specifically to value for money judgements requiring a balancing of rent levels against the quality and responsiveness of services.

Figure 19: Ranking of potential measures of value for money



- 5.9 Discussions with Panel members also identified a range of other considerations that could inform approaches to measuring or demonstrating value for money. This included reference to specific measures, and broader points around how these measures are communicated. Key points of note are:
 - As noted above, several respondents discussed the need for reporting of value for money to include rent levels, but also to consider the quality and responsiveness of services. This included reference to the potential value of linking value for money with quality measures such as satisfaction with quality of home, repairs service. A small number of respondents suggested that this kind of approach could provide a basis for comparison across landlords – this reflected discussions around how

tenants view variation in rent levels across landlords with differences in service standards. These points also related to suggestions from a small number of respondents for direct comparison of landlords' performance on value for money, for example in the form of league tables.

- Participants also highlighted the need to ensure measures, and the approach to presenting these measures, are relevant to and easy to understand for tenants. This included suggestions that measures should be framed in terms that are meaningful for tenants' everyday experience – this was evident for example in support for use of residual income as an indicator of value, and a suggestion that landlords detail the “full cost” of repairs undertaken to show the return on tenants' rent paid. This was also linked to a view that the approach should seek to provide measures of value for money that are relevant to tenants' local neighbourhood, property type, etc. This was also raised in relation to comparability of rents, and providing tenants with the information needed to enable them to do this on a “like for like” basis.
- Greater transparency was also a common theme for participants, including some who saw a need for greater efforts to improve tenants' understanding of how rental income relates to landlords' expenditure. This included for example reference to transparency on the components of rent and service charges, and cases where tenants view aspects of their landlord's wider expenditure in the context of restrictions on investment in tenants' homes. Some participants suggested a need for more meaningful engagement between landlords and their tenants on value for money.
- Some participants raised concerns around the robustness of some current measures of value, such as tenant satisfaction indicators which some questioned on the basis of sample size and survey approach. Discussions also highlighted a perceived need for more “honest” reporting of value for money performance, and some expressed a preference for at least part of this reporting to be independent of landlords.

APPENDIX: PANEL MEMBERSHIP

The National Panel was established in 2013 as a way for the Scottish Housing Regulator (SHR) to engage with tenants and other users of social landlord services. The National Panel fits into SHR's wider approach to communication and engagement with users of social landlord services, and is used to gauge priorities and experiences – and in this way help to shape SHR's focus in its role as regulator of social landlords.

As a mechanism for gathering the views of tenants and other service users, a significant element of the Panel's value is as an accessible group of engaged individuals willing to participate in consultation exercises. As such the focus for the Panel is on ensuring a good cross-section of tenants and other service users, rather than achieving an exact match to the wider service user population. In this context, some groups such as those in rural areas have been over-sampled to ensure sufficient volume of members to support more focused engagement.

Ensuring a balanced Panel membership is also a key element of our ongoing promotion and recruitment work. This seeks to expand the reach of the Panel in terms of the size of the membership and representation of specific population subgroups.

There has been relatively little change in Panel membership over the course of the last year. A small number of new members have joined the Panel over this period, and some have chosen to resign from the Panel. This has resulted in a net loss of 13 members during the year with the overall Panel membership standing at 468 at the time of writing.

The current Panel profile suggests a number of areas where further expanding the Panel membership would improve representation. As noted above, the aim of any further expansion in membership will be on ensuring a sufficient number of members within specific groups, rather than an exact match with the wider population. In this context, the current Panel profile suggests recruitment should seek to boost numbers of black and minority ethnic members, and factored owners.

A profile of the current Panel membership is provided over the page.

Total current membership	468
Age	
Under 35	18%
35-44	16%
45-59	26%
60-74	28%
75+	7%
Unknown	5%
Gender	
Female	51%
Male	49%
Housing Tenure	
Council tenant	53%
RSL tenant	32%
Owner	6%
Gypsy/ Traveller site resident	4%
Unknown	5%
Have used homeless services	
Yes	3%
No	97%
Ethnicity	
White Scottish, British or Irish	87%
White other (inc Scottish Traveller, Gypsy/ Traveller)	8%
Black Minority Ethnic	1%
Unknown	4%
Disability	
1 or more disabilities	36%
No disability	45%
Unknown	19%
RTO membership	
Member of RTO	23%
Not a member of RTO	77%