

# **Prospect Scrutiny Group**

**Report on Scrutiny of Prospect Rent and Service Charge Consultation Approach** 

November 2017



# 1. Prospect Scrutiny Group

We came together as a group of tenants committed to carrying out a scrutiny role with Prospect in late 2016. We completed a training course and decided to call ourselves the Prospect Scrutiny Group or PSG. We currently have four members and have terms of reference which has been approved by Prospect Committee. Our aims are:

## "To collaborate with Prospect for the success of Prospect Community Housing to help ensure it provides services of the highest standard which meet the Scottish Social Housing Charter.

## To develop greater tenant influence in decision making on services."

We see ourselves as a "critical friend" to Prospect.

For our second scrutiny topic, we met in September 2017 and looked at the recommendations from the 2016 Prospect Tenant Satisfaction Survey and the Tenant Satisfaction Survey Action plan. We also looked at Prospect's performance data from Key Performance Indicator reports and compared Prospect's performance with other landlords using this year's Annual Report on the Charter information from the Scottish Housing Regulator. We chose rent consultation information and approach as we felt it would be:

- Useful and interesting to Prospect tenants and Prospect Community Housing for us to identify ways to improve satisfaction
- An area with lower satisfaction ratings in the satisfaction survey
- We thought this area would be interesting and we wanted to gain clarity on how Prospect decides what percentage the rent increase proposal is going to be each year.
- Our scrutiny timetable fitted well with looking at the rent increase proposal at this time of year.

# 2 Scrutinising Prospect's Rent Consultation

We began by looking at the Rent setting policy and remit for the Budget Working Group. We also looked at the approach other landlords take. We learnt about good practice in this area by reading and discussing the Scottish Housing Regulator thematic inquiry, how social landlords consult tenants about rent increases.

We decided to find out more about the rent setting process by meeting with Prospect's Finance Manager, Arthur Cockburn. We prepared a list of questions for him and he met with us to answer them and discuss the approach Prospect take. Arthur answered our questions honestly and positively and as a result we have more information and detail on how the budget is worked out. We would like to thank Arthur Cockburn for spending time with us and answering our questions so fully.

We wanted to find out more about what tenants thought about the rent consultation, so we devised a survey which Prospect texted out to tenants. There were 20 responses and that was helpful to realise which methods tenants prefer to be communicated by. We held a prize draw of £20 Love to Shop Vouchers to encourage people to take part in the survey.

It was agreed that we would attend the Prospect Budget Working Group to find out more about the rent setting process. We attended the first meeting and found it to be useful, interesting and very informative. It was good to know how budgets are worked out. We agreed to submit this report and our recommendations to the second meeting of the Budget Working Group.

# 3 Findings and Recommendations

Based on the work we undertook, we would like to share our findings and make the following recommendations:

## **Rent Setting**

#### Findings:

- Prospect look not just at a year to year impact of a rent increase, but it's extended to a 25-year projection, using year 1 as a base line.
- When considering the rent increase, Prospect look at their tenants' affordability.
- We recognised that the rent increase will impact on people differently if they are receiving Housing Benefit. However we understand that Universal Credit will affect more tenants next year and this means that this might be cause difficulties for some people paying their rent.
- The rent increase is based on inflation rates.
- We established what our rents are used for.
- We concluded that it's better to use outside contractors for routine repairs such as joiners and plumbers as it is more cost effective.

#### **Recommendations:**

- Keep the rents at an affordable level for tenants, keeping the increase as low as possible.
- Prospect continues to follow the procedure they have at the moment as it is working effectively and has a positive outcome.
- Prospect continue to consult with tenants.

#### **Rent Consultation**

#### Findings:

- Prospect tenants liked to respond to a survey via the text or website as they are effective, quick communication channels.
- Most people were interested in finding out about future for upgrading their homes.

#### **Recommendations:**

- Have a choice of ways people can share their views including drop in sessions at Clovenstone community centre and the office or have an option to phone staff.
- Send out a survey which people can complete via postcard, text or the website.
- Offer a prize to encourage people to respond.
- Sending out a version in Polish might encourage our Polish tenants to respond. Encourage tenants to request information in other formats if they want it.

## 4 Next Steps

We look forward to hearing from Prospect's Budget Working Group what they think of our report. We would like to work with Prospect staff to agree an action plan to deliver the approved recommendations of this report. Thank you to everyone who has inputted into this scrutiny exercise.

Eunice Main, Cheryl Mabon, Isaac Adejumo, Sylwia Bogusz

**Prospect Scrutiny Group** 

01 November 2017