

ONCHAN DISTRICT COMMISSIONERS

Tenants Newsletter



WELCOME

Welcome to the first tenants' newsletter of 2013 for residents in Onchan. In the last newsletter, I indicated that the government were considering the introduction of time-bound tenancies, and as I write, the press release regarding their introduction in April is on my desk. This currently affects only new tenancies beginning after March this year. However, the intention is that these be applicable to all tenancies at a date in the future. There are more details below.

You may also be aware that the pointing system used to evaluate the rent for your property has been revised. This is also the result of a decision taken at national government level and will result in an increased rent calculation for most of our properties. This is in addition to the 1.8% across the board rent increase announced by

government. We are looking at a way of advising all tenants how their rent is made up on each individual property, and have given further details inside. The main impacts on tenants in Onchan are the increased points for cavity wall and loft insulation (1 point) and the replacement of your old gas boiler with a modern high performance unit (1 point). Also added are 5 points for exclusive use of off-road parking on a drive or rear apron, and a further 3 points for an enclosed garden of greater than 10 square metres. The points are added for the amenity provided, and if you have not got the amenity, you do not pay extra.

Sheltered Housing tenants have also had an uplift in points, based on the communal facilities at each complex.

You may also be aware that the government is investigating the amalgamation of all social housing management into one body. Onchan Commissioners have opposed this and consider social housing to be a function of local government, where services can be effectively delivered and monitored. If social housing is transferred to a national body, there is no indication that tenants will have any input through their Commissioners or other representatives. We will keep you informed as matters progress.

I'd like to end with some good news: the second phase of our refurbishment project has been completed, and a big "Thank You" to our tenants in Barrule Drive for their co-operation. Phase three has now commenced in Nursery Avenue, and is due to complete in May 2014.

Deputy Clerk

Onchan says "Keep Housing Local"

Fixed Term Tenancies



The Department of Social Care has announced a change to future public sector tenancies. From April 2013 all new tenancies awarded will be for a fixed period of two years which will provide more flexibility to public sector landlords in managing their stock effectively.

Tenancies will be renewed wherever there is an ongoing housing need. Where there has been a change in circumstances, for example a significant rise in income, then the tenancy terms can be changed and the rent increased accordingly. This is an enabling provision for public sector landlords to review tenancies regularly and is also the first step towards the subsequent introduction of means testing.

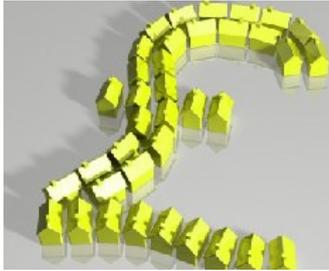
A fixed term tenancy will provide a natural contract break where the terms of the tenancy can be re-evaluated according to the tenants housing need and eligibility at that time. It gives all public sector housing providers the opportunity to update the details of the households and check on the continued eligibility of those tenants for public sector housing.

All tenancy reviews will be carried out with sensitivity by the public sector landlords. Tenancies will be renewed wherever there is an ongoing housing need. Where there has been a change in circumstances for example an increase or decrease in household income then the terms of the renewed tenancy will be adjusted to reflect this.

Introducing a fixed term to new tenancies from April this year means all new tenants coming in to the sector will be aware their tenancy is not for life, and continued occupancy will depend on their individual needs and circumstances when reviewed.

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Changes to Rent Charging

You may be aware from recent media interest that the way in which rents for Public Sector Houses are calculated is to be updated.

To help explain the changes in rent, we firstly want to give you a little bit of a background as to how your rent is calculated and the reason for the changes.

All Public Sector rents on the Island are calculated using the same pointing formula, based on floor area and basic amenity value of the property. That formula is now over 20 years old and is in need of revision. This will reflect the recent improvements to our housing stock and the investment in upgraded properties.

The revised formula will take the opportunity to combine the requirement to set the annual public sector rent increase with amendments to the rent pointing formula to provide a justifiable method of targetting charges based on the property's amenity value.

The changes are to come in to effect from 1st April 2013. These changes are explained in further detail on the next page.

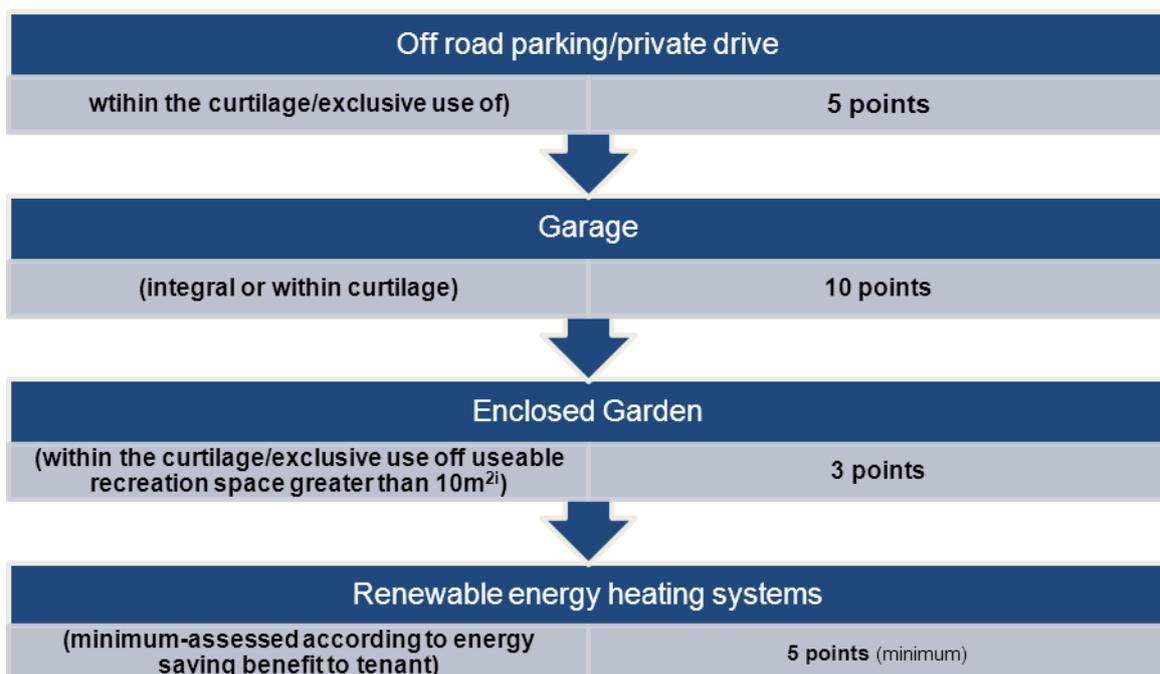
The current formula does not recognise obvious benefits to individual tenants such as gardens and off road parking. The formula also does not take into account the modern facilities and improved energy efficiency within your home provided by cavity wall and loft insulation, and new gas boilers.

Changes to the formula will mean that rents will be worked out using a system that takes into account the amenities and services associated with each property. The changes are to be implemented across all public sector housing throughout the Island.

The changes will result in some tenants who live in recently built properties, who benefit from the better thermal efficiency and facilities of those properties, paying more for their homes, as will tenants who have the benefit of a garden and/or off road parking. Those in older properties with fewer benefits and amenities will not pay as much.

Reviewing the way that rents are calculated means that it is possible to apply an annual rent increase of inflation of 1.8%, in addition to the changes in pointing formula.

The main additions to the point system are:-



Examples (for illustration purposes only)

- Inflation of 1.8% will be applied to your rent after additions for extra amenity value where applicable.
- e.g. A house or flat with exclusive use of a private garden will cost an extra £3.57 per week plus 1.8%
- If the property has a garden (£3.57) & a private driveway (£5.95) the rent will be an extra £9.52 per week plus 1.8%
- A recently built property will cost £7.14 per week more than an older property so a new house with a garden will cost £10.71 a week more and with a garden and driveway £16.66 per week extra plus 1.8%
- In addition to new build housing an extra charge of between £1.13 and £3.57 per week will apply to recently refurbished houses where energy efficiency has been improved, together with a 1.8% inflation rise.

As from **Monday 1st April 2013**, the new total weekly payment in respect of the property you occupy will also include any adjustment for rates, heating, lodger and garage charges, if appropriate.

Payment of Rent



A letter will be issued to you early March to advise you of the amount of rent that you will have to pay.

If you do not already pay by Direct Debit, you may wish to look in to this as there are many advantages to using this method of payment.

If you already pay your rent by Direct Debit, your Direct Debit amount will be adjusted accordingly on Monday 1st April. **Monthly payments are calculated over 50/51 weeks which incorporates the two rent free weeks in the rental period.**

Tenants Claiming Benefits:- It is anticipated that for Tenants who are on lower incomes or claiming benefits, any rent increase will be met by your Housing Allowance Component. You will need to check with the Department of Social Care that the full value of your rent is being paid to the Commissioners, as you will have to make up any shortfall from your benefit payments.

If you have any concerns or are worried about being able to pay your rent, you may wish to consider downsizing to a smaller property. Please call the Housing Officer on (01624) 675564 to request a transfer form, properties will be subject to availability.



Debt Counselling

Financial difficulty is a reality for many of us. The rising cost of credit may leave you finding things a little tight at the end of each month. If you are experiencing problems with debt, the Office of Fair Trading has a Debt Counselling Service with fully trained staff who will discuss your problems with you and guide you in sorting them out in confidence. This is a free and confidential service.

Please call in to make an appointment with their counsellors at their Offices in Lord Street, Douglas, call them on their dedicated confidential phone line 686510 or email debt@gov.im if you need further help.



House too Big ...

Your home was allocated to you because you needed it, probably to raise your family. But we all know things change, children grow and start families of their own.

There are plenty of reasons why moving into a smaller home makes sense. Not only will there be fewer rooms to clean and possibly smaller annual household bills, but any profit generated can be used as a welcome cash injection to improve your quality of life.

You can register with our Transfer Scheme so long as you are a tenant and have a clear rent account.

Once registered, we can see if you are matched with any of our residents who are over-occupying their homes. Once you have registered, your housing need will be assessed according to your criteria for housing. This is in line with our transfer and allocation policy.

We have a number of families looking for larger accommodation, so please remember how you felt when you were in their position.

House too Small ...

As your family is expanding, you may feel that your property is becoming too small. It may be possible to register with our Transfer Scheme to another property. We do have a waiting list for tenants who want a transfer and we can give you information about the rules.



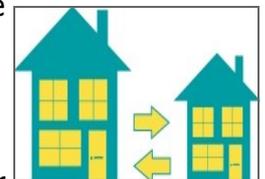
Please bear in mind that you may have to wait a long time for somewhere suitable, especially if you need a large property.



Transfer Scheme

You can register with our Transfer Scheme so long as you are a tenant and your rent is up to date.

If you are interested in registering for the Transfer Scheme, please contact the Housing Officer for a Transfer Application Form.



Mutual Exchange

Alternatively, you may be able to swap homes by mutual exchange with another tenant. Swapping homes with someone is your choice. You must both have written permission from Onchan District Commissioners and the exchange must be arranged properly. The Commissioners will support exchanges where possible, but if you do not have your landlord's permission, you and the person you swap with could both lose your homes.

If you would like any further advice about transfer options, please call the Housing Officer on (01624) 675564 to request a transfer form, properties will be subject to availability.

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