



AGENDA ITEM:

SUMMARY

Report for:	Housing and Community Overview & Scrutiny Committee
Date of meeting:	16th July 2014
PART:	1
If Part II, reason:	

Title of report:	Rent Collection and Performance
Contact:	Margaret Griffiths Portfolio Holder for Housing Author/Responsible Officer: Katie Kiely, Housing Income Team Leader
Purpose of report:	<ol style="list-style-type: none"> 1. To highlight the performance of the Housing Income Team 2. To detail current and future initiatives for enhancing the service and for responding to the challenges of Welfare Reform
Recommendations	Information only .
Corporate objectives:	
Implications:	<u>Financial</u> The efficient and effective collection of rent and arrears is essential to protect the income stream for the housing service.
'Value For Money Implications'	<u>Value for Money</u> Benchmarking data for previous years has shown that the service is operated at a low cost when compared to other social landlords.
Risk Implications	Risk Assessment completed/reviewed* on(insert date)
Equalities Implications	Equality Impact Assessment reviewed/carried out*
Health And Safety Implications	None – information only

Consultees:	Information only
Background papers:	None
Historical background (<i>please give a brief background to this report to enable it to be considered in the right context</i>).	This report is for information only and provides an overview of the performance of the Housing Income Team. The service has been reviewed and reconfigured over the past two years to meet the challenges of Welfare Reform.
Glossary of acronyms and any other abbreviations used in this report:	CIH: Chartered Institute of Housing CAB: Citizens' Advice Bureau BSI: British Standards Institute

The Housing Service has a dedicated Income Team. The functions of the team are focused on collecting charges owed to the Housing Service by tenants for services received. These include:-

- Housing rent
- Garage rent
- Court Costs
- Support charges
- Recharges
- Former tenant arrears

This report will focus on the collection of housing rent. Changes are being made to the structure of the team to improve collection of other charges. One officer will be focussing on the collection of costs, recharges and former tenant arrears and it is believed that significant inroads can be made into this debt.

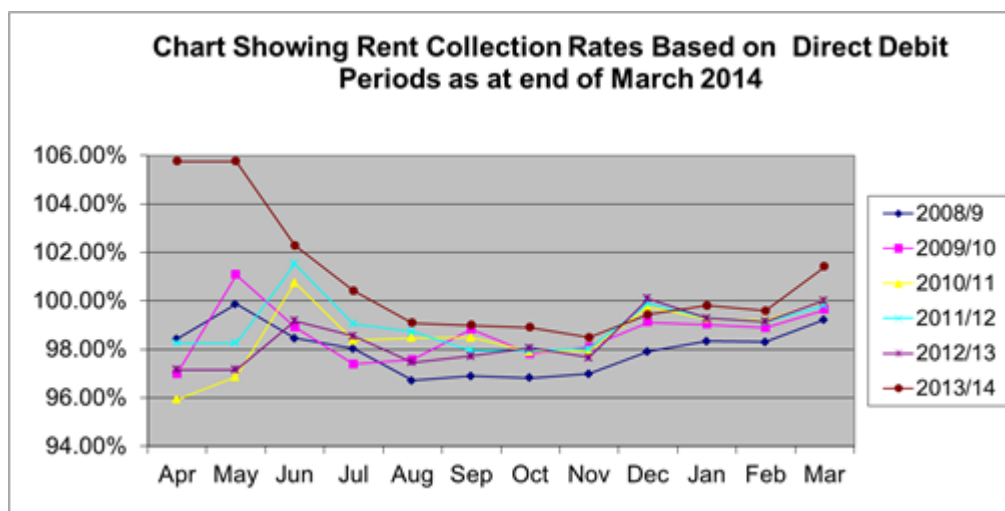
Performance

There are a number of factors impacting upon the ability of the Housing Income Team to maximise rent collection performance. These include recent welfare reforms – including the social sector size criteria and the Benefit Cap - and the weakness of the UK economy.

Despite this the rent collection performance of the team continues to improve. The graph below compares the rent collection performance in 2013/14 with previous years.

This indicator shows the amount of rent collected as a percentage of the debit. This is monitored both weekly and monthly to ensure that projections are in line with targets and allowing corrective action to be taken if necessary. Results for 2013/14 were very good and above target at 101.41% collected. Although this figure was undoubtedly helped by the additional free week at the end of the year it reflects the very hard work done by the team in encouraging payment and supporting tenants

with benefit claims and income maximisation. This is an improvement over the previous year's result.



The Housing Service actively benchmarks its performance against peer organisations. Data provided by the Rent Income Excellence Network indicates that Upper Quartile performance for collection is 100.09% – this places us within that group.

Service Enhancements

1. The service has recently taken part in a joint project with CIH and a number of other Social Landlords – ‘Working Together to Create Sustainable Tenancies’. This provided, among other things, a forum for sharing ideas and best practice. The workshops proved very useful and participants are entitled to a number of consultancy days to deal with specific issues of their choosing.
2. The Financial Inclusion Project – currently focusing on developing training for tenants in arrears and enhancing the DBC website to provide pre-tenancy advice on financial management. We are working jointly with the Homelessness Team in order to provide a co-ordinated service for all tenants, however they approach the Council for housing. We are also running a series of Drop In Surgeries at various locations across the Borough. These have met with mixed success but it is thought to be worth persevering with them in the hope that they will grow as more people become aware of them.
3. Weekly analysis of introductory tenancy debt, garage debt, and high level debt is being undertaken to ensure processes are being followed. Monthly BSI audits of the recovery processes are being undertaken. A recent external audit of the service has found no major areas of concern.
4. All income staff have received full training on the recent and upcoming changes to welfare benefits and further information and training is on-going as required. A briefing was also provided for CSU staff.
5. Information to tenants on Welfare changes has been provided in Housing News and Views which has also been used as a vehicle for promoting various rent payment and income maximisation campaigns such as improving energy efficiency.

6. Financial advice and information on the reverse of statements is regularly reviewed and updated.
7. The various rent campaigns have been a great success so far. Officers regularly carry out “out of hours ‘ring rounds’” as part of these campaigns. These have been demonstrated to reduce arrears and improve collection rates. Planning of the next rent campaign is already underway and preliminary work is being done to ensure that next year’s Christmas campaign runs smoothly and efficiently. The Summer campaign with have the emblem of a bee and the slogan ‘Don’t bee too Buzzzy to pay Your Rent’
8. We are continuing to work on a number of projects with the Credit Union – to provide access to basic bank accounts and to offer a ‘jam-jar’ (managed) account to tenants who are likely to need assistance with budgeting, as well as offering low cost loans for specific purposes and encouraging saving. The latter project was the subject of a peer challenge review exercise as part of the Sustaining Tenancies Project and was generally perceived to be a valuable and useful project although the challenges have resulted in some reframing of the ideas. The Chief Executive of the Hertsavers Credit Union also attended this event with us.
9. We are working on a digital inclusion project designed to increase access to the internet amongst our tenants. As well as being important for the introduction of Universal Credit, which was originally designed to be digital by default (since revised to ‘digital as appropriate’), studies have shown that savings of between £300 and £600 per annum can be made by using the internet. The Income Team leader has also attended a number of Digital Inclusion events. We have now installed WiFi in all of our supported housing schemes, allowing residents to connect their computers, smartphones or other devices to the internet wirelessly for free in the communal lounges. We have printed information cards for residents with the details to log into the secure system. There is a helpline provided by TalkTalk if there are any connection problems.
10. We are investigating Incentive Schemes designed to encourage regular payment and/or payment by the most cost effective methods.
11. We are working with the CAB to provide priority access to advice for our tenants. We are also continuing to work closely with other organisations e.g. Druglink, Turning Point/Housing Link, to access support and advice services for our tenants.
12. We are engaging with the Court User Group to ensure that we receive an improved service from the Courts and in order to receive advice/information about approach Courts are likely to take to possession action arising from welfare changes, bedroom tax etc.
13. We are applying for accreditation for the Income Service.
14. The Income Team Leader is a member of the Panel set up to review decisions on Discretionary Housing Payment
15. The Income team leader is also a member of the Corporate Customer Focus Group which has been set up to improve ease of access to services – this is expected to have a number of spin-offs which will benefit both customer and Council.
16. We have launched the housing customer service portal in mid-June. This gives tenants access to their rent account enabling them to make online payments, view their rent statement and order replacement payment cards. The Portal also allows them to report and check the progress of repairs and to update their contact details.
17. The introduction of text messaging will allow automated texts to be sent to tenants in arrears as well as allowing tenants to text simple queries and

receive automated responses. Evidence shows that this is a cost effective and efficient way of contacting tenants with good response rates.

18. Further improvements to the Housing Management IT system will improve targeting of interventions and ensure early action helping to prevent the build-up of arrears.