

## HOUSING COMMITTEE

8 JUNE 2021

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<b>Report Title</b>	<b>COUNCIL HOUSING: INCOME COLLECTION AND RECOVERY POLICY 2021</b>			
<b>Purpose of Report</b>	To seek the Committee's approval for the policy which has been reviewed to ensure it is fit for purpose.			
<b>Decision(s)</b>	<b>The Committee RESOLVES to approve the reviewed policy.</b>			
<b>Consultation and Feedback</b>	<ul style="list-style-type: none"> <li>• Head of Housing Services</li> <li>• Income Management team</li> <li>• Tenant Representatives</li> </ul>			
<b>Report Author</b>	Sara J Weaver, Income & Systems Manager Email: <a href="mailto:sara.weaver@stroud.gov.uk">sara.weaver@stroud.gov.uk</a>			
<b>Options</b>	N/A			
<b>Background Papers</b>	N/A			
<b>Appendices</b>	Appendix A – Income Collection and Recovery Policy 2021 Appendix B – Equality Analysis Form			
<b>Implications (further details at the end of the report)</b>	Financial	Legal	Equality	Environmental
	No	No	No	No

**1. BACKGROUND**

- 1.1 Effective rent collection is a core part of the Council's housing service. Responsibility for 5,000 rent accounts is shared between 7 Income Management Officers, 6 of which are responsible for a specific patch and 1 responsible for former tenancy arrears, leaseholder service charges and sundry debt.
- 1.2 While the Income Management team focus specifically on recovering rent arrears and sundry debt, a number of actions are in place from pre-tenancy checks, sign-up of a property and tenancy management to instil a culture across the service, and through tenants, to reduce rent debt.
- 1.3 This recent policy review helped to identify if any improvements could be made, ensuring our collection methods continue to be focused and offer best practice to increase opportunities to reduce debt levels. At the same time, it ensures our tenants remain supported at all times in order to sustain their tenancies by instilling a greater focus in this area and the importance of early intervention in reducing debt.

**2. MAIN POINTS**

- 2.1 Receipts from rents, service charges and sundry debts are the main source of income to the Housing Revenue Account (HRA) and it is therefore vital that Officers properly manage these accounts. Tenant Services invests significant resources in effectively managing its

rent and service charge accounts, and in assisting tenants when their accounts go into arrears.

- 2.2 The regular payment of rent and service charges are important conditions of our tenancies and leases, and any arrears could result in possession proceedings or other enforcement action being taken, which could ultimately result in the loss of a tenant's home.
- 2.3 Tenant Services aims to make it as easy as possible for our tenants to maintain their rent and service charge accounts and to provide support and advice to those who find themselves struggling to pay due to financial hardship.
- 2.4 All officers regularly receive specialist training in the recovery of rent arrears and other debts and are experienced in this time intensive and legally complex area.
- 2.5 The policy outlines our approach to arrears management, showing that we will take a preventative approach. This approach has proved effective and Members may wish to note that Tenant Services has a high rate of success in reducing arrears by continuing to engage tenants so they trust us to help and support them, rather than defaulting to enforcement action.
- 2.6 The impact of the COVID-19 pandemic has resulted in an increase in arrears, which Officers manage by continuing to focus on the importance of face-to-face or phone contact with affected tenants to build relationships, ensuring they have access to appropriate help, including welfare benefits advice and help with making claims.

### **3. CONCLUSION**

- 3.1 The policy continues to govern our approach to collecting rent, service charges and sundry debts due to Tenant Services from our tenants. Internal processes are continuously and regularly reviewed, considering any external factors which could reduce the ability to collect the annual rent roll and other charges.
- 3.2 The policy is based on established procedures for income collection and recovery, aiming to balance supportive and preventative work with a responsive approach to debt collection.

### **4. IMPLICATIONS**

#### **4.1 Financial Implications**

There are no financial implications arising directly from this report.

Income collection is important to the overall financial position of the Housing Revenue Account. Rents and charges fund the services provided by the HRA, including major works on properties and sustainable energy works.

Any policies included within this report will be delivered within existing budget provision and the ongoing impact of income collection will be monitored.

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#### **4.2 Legal Implications**

There are no significant implications within this category.

One Legal

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#### **4.3 Equality Implications**

An Equality Impact Assessment (EqIA) has been carried out

There are no specific changes to service delivery proposed within this decision.

#### **4.4 Environmental Implications**

There are no significant implications within this category.