

## APPENDIX 1

### **Broxtowe Borough Council Payment Methods**

The Income Collection Policy was approved by the Housing Committee on 18 September 2019. One of the aims and objectives of the policy was to provide a range of options for tenants to pay their rent.

Tenants are currently able to pay their rent via direct debit, standing order or by bank card (online or over the telephone) The only cash payment option currently available is at the kiosk in Foster Avenue offices, in Beeston.

The table below shows the payment methods used by tenants to pay their house and garage rents during the past three years. It shows that payment by standing order and online are consistently the most popular ways to pay rent and have increased year on year.

	<b>Method of Payment</b>	<b>Value</b>	<b>No. of Trans</b>	<b>%</b>
<b>1 April 2018 – 31 March 2019</b>	Bank Standing Order/Universal Credit	£4,832,998.58	38,618	61
	BBC website	£1,124,862.90	8,815	13.5
	Kiosk Cash & Card	£617,712.37	5,877	9
	By phone with staff	£699,361.88	4,885	8
	Automated Telephone Payment	£575,264.38	4,887	8
	Cheque	£51,925.25	358	0.5
<b>1 April 2017 – 31 March 2018</b>	Bank Standing Order/Universal Credit	£4,611,897.57	37,569	59
	BBC website	£1,078,989.84	8,325	13
	Kiosk Cash & Card	£738,967.34	7,105	11.2
	Automated Telephone Payment	£611,196.60	5,262	8.3
	By phone with staff	£674,752.98	4,987	8
	Cheque	£60,124.64	388	0.5
<b>1 April 2016 – 31 March 2017</b>	Bank Standing Order/Universal Credit	£4,340,485.27	36,128	57
	BBC website	£1,098,735.72	8,382	13.3
	Kiosk Cash & Card	£817,668.09	8,048	12.7
	Automated Telephone Payment	£627,807.35	5,396	8.5
	By phone with staff	£643,879.02	4,766	7.5

However, we are aware that online and direct debit/standing order payment options do not suit all tenants. Indeed, those tenants who are more financially excluded, often rely on cash payments as this can help with budgeting. In addition some tenants do not have access to banking facilities that support payment by DD and standing order or are unable to pay online.

The Payment Kiosk at Foster Avenue offices is currently the only cash payment option and is well used, being the preferred payment method for approximately 9% of rental payments.

The Payment Kiosk does have its limitations being based in Beeston and only being open during Council opening hours.

### **Alternative Payment Methods**

Meetings have been held with two potential suppliers who would be able to offer bill payment services to Broxtowe Borough Council. A summary of their services is available below:

#### Supplier 1

- Nationwide company working with more than 500 housing associations and local authorities.
- They offer automated payment solutions to over a third of UK local authorities.

#### Supplier 2

- Nationwide company working with more than 300 clients from housing providers, local government, utility companies, retailers and mobile phone providers.

Both suppliers can offer the following;

- A network of shops, post offices, supermarkets providing tenants with the opportunity to make rental payments
- Extended opening times. For example in;
  - Eastwood; Martin McColl's would be able to take payments up to 10pm (including weekends)
  - Kimberly; Kimberly News is open until 7pm nightly
  - Stapleford; Sainsbury's Local could take payments until 11pm and
  - Beeston; Co-op is open until 11pm.
- Greater flexibility for customers

- Ability for customers to make multiple payments in one location such as TV Licence, utility bills, mobile phone top up payments etc.
- They offer an app which would enable our tenants to pay their rent from a smart phone.
- Direct Debit solution which would enable Direct Debits to be collected on any day of the month.

The table below shows the coverage of payment locations for four areas across the Borough:

<b>Cash                  Payment Locations within a 2 mile radius:</b>	<b>Supplier 1</b>	<b>Supplier 2</b>
Beeston	46	32
Stapleford	30	26
Eastwood	34	30
Kimberly	33	25

By opting for an external payment method supplier we would be able to offer a wider range of payment options than we currently have available.

### **Procurement**

Procurement for a new payment billing supplier will be undertaken using a procurement framework. The competition will include both quality and cost elements.

Subject to Committee approvals, a new billing supplier could be in place with effect from September 2020.