

## Report of the Chief Executive

**INCOME COLLECTION, FINANCIAL INCLUSION AND TENANCY SUSTAINMENT UPDATE**1. Purpose of report

To provide Committee with an update on Income Collection, Financial Inclusion and Tenancy Sustainment.

2. Background

There have been numerous changes to the Income Collection Team during the last 18 months.

3. Detail

The Income Team moved from Revenues and Benefits to Housing early in 2019. A new Income and Housing Manager joined the department in May 2019 along with several other new team members. The Income Collection Team also started using RentSense in June 2019 and a second Financial Inclusion Officer joined the team in October 2019.

The information in the appendix provides further information regarding the changes, the impact of the changes and plans for the future.

**Recommendation**

**The Committee is asked to NOTE Income Collection, Financial Inclusion and Tenancy Sustainment update.**

Background papers

Nil

**APPENDIX**Income Collection, Financial Inclusion and Tenancy Sustainment update**Income Collection Team Updates:**

During the last 18 months there have been many changes in the Income Collection Team. One of the biggest changes was the move from Revenues and Benefits into the Housing Department.

The move has been a huge success and has allowed the team to build close working relationships with their colleagues in the tenancy and estates teams. It is essential that the Income Collection Team and Tenancy and Estates team work closely together to support residents.

In May 2019 the Income and Housing Manager role was also introduced which has given the team support at a section manager level and has helped build stronger links with the Independent Living Service which are also managed as part of the role.

The Income Collection Team has more than doubled in size in the last 18 months as multiple posts were recruited to in early 2019. In June 2019 the team also started using RentSense. RentSense is a web based arrears management system. It uses a set of complex algorithms that analyse our tenants' transactional history, which is then coupled with a predictive analytical application that then predicts which of our tenants will and won't pay their rent. It then produces a list of tenants, in priority order, that need contacting that week regarding their rent.

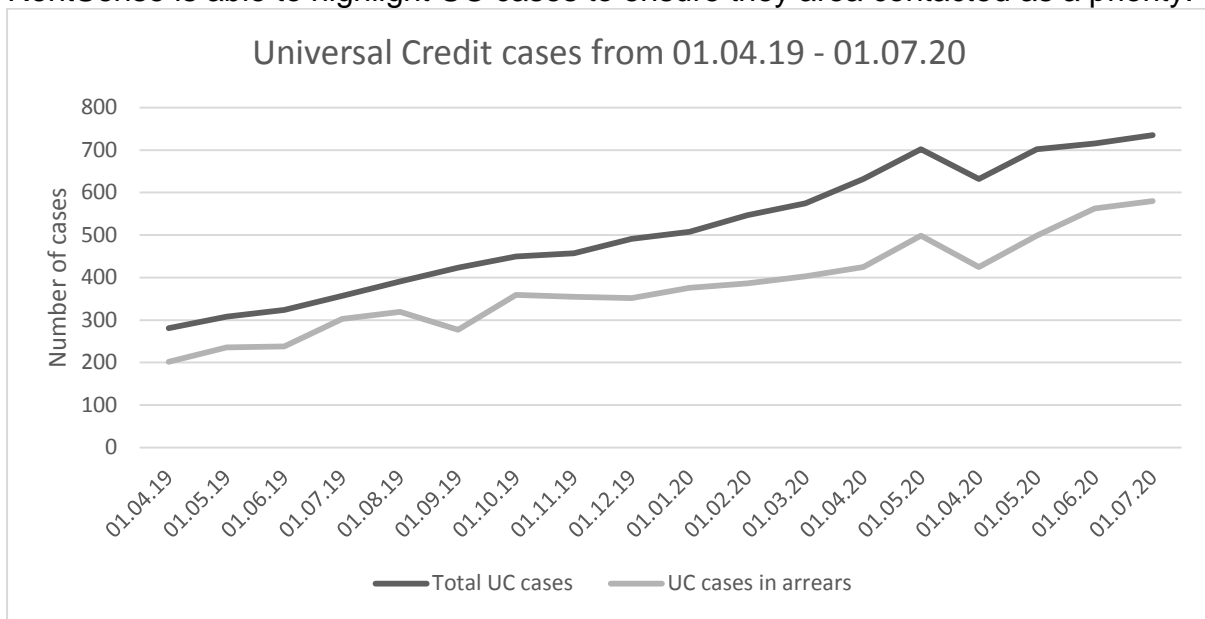
Before the introduction of RentSense each arrears officer was attempting to look at every account regardless of payment frequency, payment date or an arrears agreement. This meant they spent a lot of time looking at cases which weren't a priority as a payment was going to be made. It also meant that many cases which needed action did not get reviewed as the caseload was too high to manage. RentSense has reduced the case load by predicting which tenants are going to pay but in turn highlights the cases which are actually a priority. This has allowed the officers to contact the right tenants at the right time, helping to drive down arrears.

In May 2020 RentSense offered us a free trial of their ad-hoc text messaging product. The team have used the product to send 574 texts so far and a decision was made at the end of June to purchase the full Rent Text product.

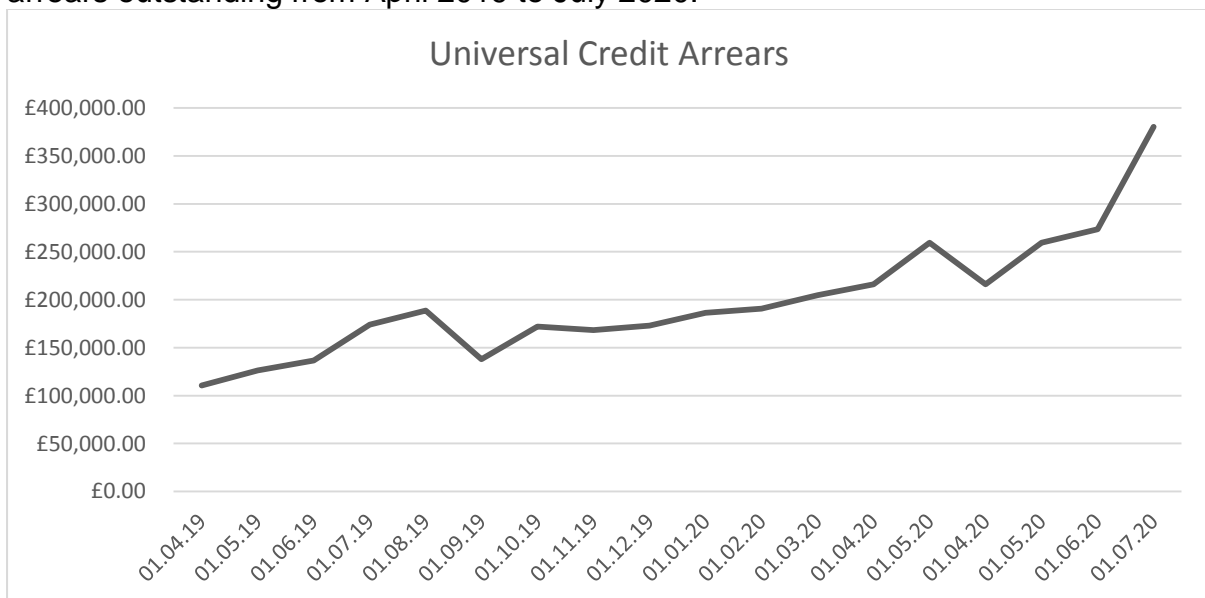
The text module will enable us to send automated text based on RentSense rules. We can also design the system to send texts towards the end of each week to tenants who we have not managed to contact and ask them to contact us regarding their rent account. We can also send texts to remind people about payments due and automate texts for our Universal Credit Claimants. We will also still have access to the ad-hoc service we are currently using as part of the trial. The texts are GDPR compliant and we will be able to design the service to meet our needs.

The number of Universal Credit cases has also increased steadily over the last 18 months. The graph below shows that the number of tenants receiving UC has

increased but also shows that the number of accounts in arrears has increased. RentSense is able to highlight UC cases to ensure they area contacted as a priority.

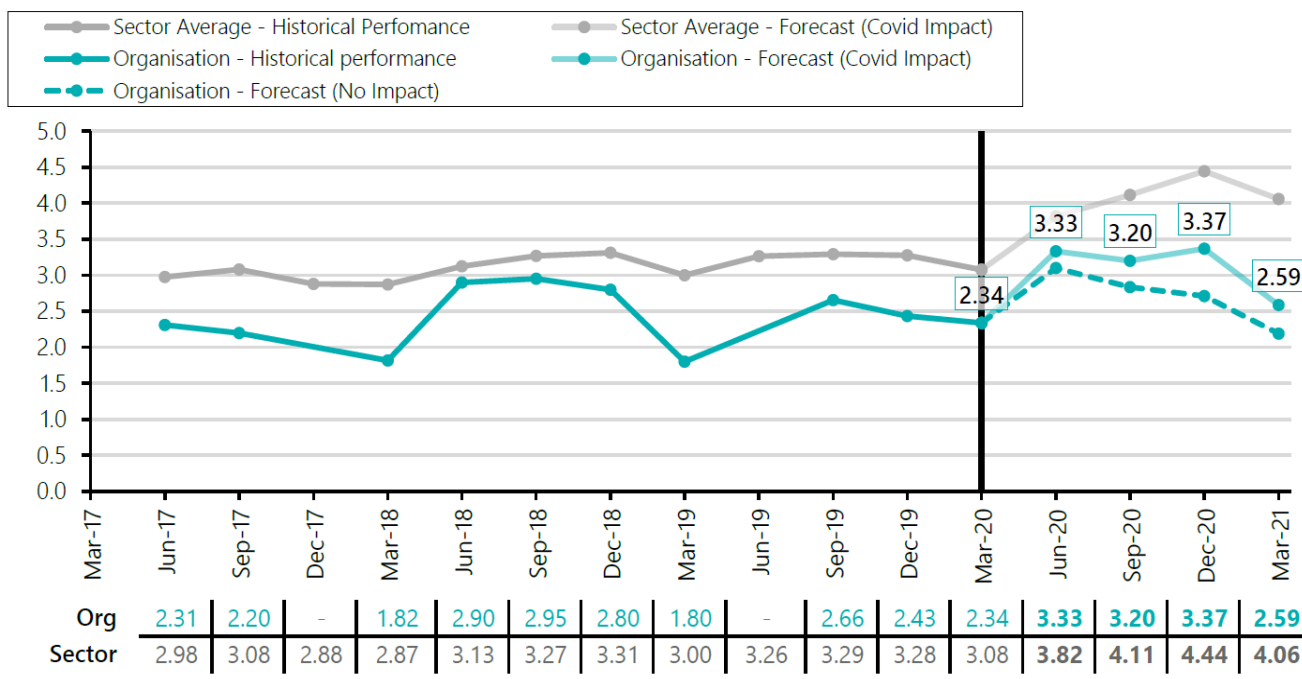


The value of Universal Credit arrears outstanding has also increased dramatically during the last few months due to Covid-19 as more tenants have experienced a change in circumstances or been unable to work. The graph below shows the UC arrears outstanding from April 2019 to July 2020:



The graph below has been provided by Housemark and predicts the % arrears outstanding for Broxtowe compared to other providers in the sector during 2020/2021 due to the impact of the covid-19 pandemic.

**Rent arrears of current tenants as % of rent due**



The changes have also had an impact on tenancy sustainment. In 2018/2019 15 evictions took place but in 2019/2020 only 5 took place which shows more tenancies are being sustained which has a positive impact on void costs and arrears.

**Financial Inclusion Updates:**

In October 2019 a second Financial Inclusion Officer joined the Income Collection Team. The service was created so that our tenants and applicants have access to a free advice service which has the aim of improving income and living standards. The service provides free, confidential and impartial advice. The service especially vital for our tenants during a time when many other advice agencies have lost or had a reduction in funding which either means a loss of service or increases the waiting time for advice.

The Officers are able to offer a home visiting option which is very rare for an advice service and is vital for our most vulnerable customers and for those who would likely not engage if accessing the service meant visiting the Council offices.

During the last 12 months the Broxtowe Financial Inclusion Service received 180 referrals. They had an average of 40 open cases a month with an average of 20 new referrals a month. They tend to close on average 17 cases a month which indicates that the amount of open cases is steadily rising. They helped tenants claim £35,000 worth of back dated benefit and helped tenants deal with £230,000 worth of debt.

Included below is an anonymous case study below which helped one tenant reduce their utility arrears from £2480 to £0.00 and reduced their weekly payments from £66 to £20 per week.

#### Case study- Gas, Electric and Water debts cleared in full

Tenant sought assistance for gas and electric debt of £1500, which was being deducted from welfare benefits at £55 week. In addition to water debt of £980, which was being deducted from welfare benefits at £11.00 per week. Financial inclusion officer contacted DWP to stop direct fuel payments for gas and electric and water deductions on ground of the tenant living in poverty. British Gas contacted to request a hold on accounts whilst financial statement produce in line with standard financial statement and application to British Gas Trust Fund. The British Gas Trust fund application was successful and cleared the full £1500 of arrears. The tenant was assisted to set up a new payment method which would not result in poverty, after British Gas completed energy consumption advice. The tenant is now on a payment card payment plan of £15 per week.

The FIO also contacted Seven Trent to stop direct payments from benefits due to poverty, and put a hold on the account whilst an application was made to the Seven Trent trust. The Seven Trent Trust fund cleared the full £980 of arrears and the application to the Big Difference scheme was also successful. This resulted in the tenant reducing their payments from £40 per month to £5.00 per month for their water charge.

#### **Tenancy Sustainment Update:**

The Tenancy Sustainment Officer within the Tenancy and Estates Management team has been in post since 2018. The role was created to primarily work with tenants within the general housing stock who have vulnerabilities and are struggling to maintain their tenancy because of these.

The Officer works with tenants with a variety of different vulnerabilities, apart from financial, who are managed by the Financial Inclusion service.

The Officer also concentrates on tenants who may fall outside other statutory agencies, such as social care or mental health services, and aims to bridge the gap that is created by not being open to or reaching the threshold for engagement with the statutory service and having no support at all within their tenancy, despite the vulnerabilities that they have.

As the Housing Officer, who has the role of managing tenancies day to day, has an enforcement aspect to their role and as these vulnerable tenants are often breaching their tenancy agreement, it can be difficult for the Housing Officer to provide support as well as taking or threatening to take enforcement action. This is where the Tenancy Sustainment Officer often has the best results. In the last financial year, the Tenancy Sustainment Officer worked with 53 different vulnerable people to assist them with their tenancies.

Case Study – vulnerable tenant moved to more appropriate housing and now receives appropriate support

Tenant was identified by Housing Repairs as being difficult to engage with and the Council was struggling to get access to service appliances within their home. Upon the officer visiting, they were found to have learning disabilities and was socially isolated. They were not accessing or engaging with support of any kind.

The tenant had limited mobility, which led to them falling regularly. They were also not able to look after themselves very well, with day to day matters like eating, using the toilet and using the shower. For instance, they were eating just packets of crisps for meals.

The Tenancy Sustainment Officer liaised with Adult Social Care to do a full assessment of the tenant and we also encouraged the tenant to engage with their GP and to assist with referrals that were required to access the support the tenant required.

The Officer arranged for hot meals to be delivered to them every day through a local support service.

The Officer also assisted the tenant in moving to a property that is within an Independent Living Scheme, so the tenant has more regular and tailored support from the Council more readily available and also has services such as the pull chord system, that assist with their mobility and falling, which was an issue whilst they were socially isolated.

The tenant was breaching their tenancy because of the property condition and not allowing access for Housing Repairs, it is therefore a difficult case for a Housing Officer because there are both support and enforcement issues. The role of the Tenancy Sustainment Officer in this case was therefore vital in this tenant receiving the help and support they needed.