

HOUSING MT UPDATE REPORT

NAME OF HIT: Income Management

DATE OF HMT: July 2019

SUMMARY OF LAST QUARTER'S ACTIVITY:

Rent Management

Rent Collection Improvement Project

John and I attended meeting with Stewart Ball, Graham Ritchie, Jacek Nowak and Ann Muir. The project has moved forward in many areas with visit to South Ayrshire and Caledonia Housing Association.

The new tenancy process has been reviewed and seeking payment by direct debit from the beginning of the tenancy. The escalation process has also been looked at and updated.

Paperless direct debit still outstanding. Discussions with Legal still be undertaken. Work done with Maureen Stronach and Kevin Watson to get payments directly into rent accounts from DWP payments being made via UC etc. This is still waiting correct specification.

Two further meetings with Revs and Bens regarding I.T matters

Reports to HMT on rent arrears and Universal Credit including house insurance.

Temporary accommodation standards done via HO HIT and will need to be moved on to a new escalation policy with Northgate following final agreement.

Write off processing has been completed for the year with additional grant monies used to write off additional arrears from temporary accommodation. This sees us now only having what are potentially collectable debts sitting as live. Thanks to Gill MacNab for the work that she has done on this. Further work to be done on write offs and process to incorporate Sheriff Officers to ensure that we have made every effort that can be prior to write off.

Scottish Rents Forum and Scottish Rents Forum UC working group attendance

Attendance at Scottish Rents Forum, where ongoing issues of UC were discussed and common themes coming forward from all local authorities. Some local authorities are showing some signs of improvement in their gross rent percentage. Also some discussion regarding write off processes and some writing off debt within 6 months of tenants leaving.

Garage Site Set Up including Escalation Policy

Now implemented and further review of what legal steps can be taken to recover site and remove garages.

Freedom of Information Requests

Provision of information for Freedom of Information Requests on write offs and impacts of welfare reform. This remains a regular theme at this time and these take time to undertake, as each enquirer is looking for something slightly different. Universal credit takes up the majority of time in this area, however, some other reports at EOFY for Sarah Myers.

Benchmarking

Attendance at Welfare Reform Group (WRG), Universal Credit Implementation Group and Financial Inclusion Group (FIG).

Continuing attendance at the above meetings and provide any necessary updates. Work completed in preparation for Money Advice Week for placing on the Housing Blog.

Void Management Sub Group

New void process is in place now streamlining the process and simplifying what is or is not "fit to let". This will be monitored and reviewed to ensure that this is allowing us to identify those properties which are fit to let, but difficult to let.

General Performance Update

Gross rent arrears are increasing, however, there continues to be a pattern of arrears increasing across the country with very few exceptions or new ideas coming through other than to continue to monitor overall positions and see if any new trends coming through. This is what we expected would happen and we are now seeing those previously good performers now having UC hit them and hit them hard as they had high HB levels.

PRIORITIES FOR NEXT QUARTER:

Review of position with paperless direct debits tied to new Northgate version.

Review of escalation policy work with Revenues including temporary accommodation process to be updated.

Review of write off process to incorporate Revenues staff being able to write off within the system.

Referral process to Sheriff Officer for former tenant arrears to be created and to be "Lean"

SHBVN value for money model to be updated following budget input.

Review void management process especially in relation to further analysis of reasons for not fit to let and fit to let.

Refreshing rent arrears processes and working on action plan.

Committee report to be done.

ANY DISCUSSION POINTS:

Void Performance



20190624 Annual
High Voids.pdf

We can see from the attachment above, that there are a few areas that are seeing high turnover of accommodation and are seeing substantial amounts of void rent loss monies accrued. It is apparent that 2 bed accommodation is a feature on the

top of the list of voids. The same streets have been mentioned for some time by managers as having issues, i.e. Restenneth Drive, Lordburn Place, Warddykes Road and Avenue, however, it can be seen that 1 bedroom flats within certain areas of Brechin are turning over regularly to, i.e. River Street, Nursery Park, Back Braes and Montrose Street.

Recent Performance Trends -

Void Rent Loss					
March 2018	March 2019	April 2019	May 2019		
0.70%	0.59%	0.77%	0.9%		

We are seeing an increase in the void rent loss over the past months. Whilst there are the streets mentioned above that have generated high annual rent loss, the previous 3 months have seen us with issues around allocating sheltered housing allocations and both lack of demand or refusals seem to be at the fore again.

Relet times			
March 2018	March 2019	April 2019	June 2019
40	35	31	??

Based on the performance information and the average over the period, we continue to head in the right direction. This suggests that those properties that we are able to get let are being done so quickly.

Gross Rent Arrears as a % of total rent due in year			
March 2017	March 2018	March 2019	June 2019
7.74%	7.66%	9.22%	??

There is an increasing trend in current rent arrears figures. Action plan in place and working through with Revenues colleagues. Increased write off and focussing on collectable debt is key. Universal credit remains the issue dominating rent arrears at

this time and from the Scottish Rents Forum, this is the same issue that other councils are having problems with. It would be unexpected to see the increase in rent arrears continuing for some time based on the continuing and increasing caseloads and the problems with landlords getting payments on time etc continue.

HIT CHAIR: Gordon Nicol