

HOUSING IMPROVEMENT TEAM ANNUAL REPORT 2022/23

NAME OF HIT: Income Management Housing Improvement Team

SUMMARY OF ACTIVITY DURING THE YEAR:

Rent Collection

Write off of Debt

We have continued to take a realistic approach to writing off former tenant debt in the last year with write offs of all debt up to March 2022 being written off. This means that officers are focussing on current debt only.

Completion of Audit Requirements

Rent arrears audit actions have been undertaken and audit have approved the work undertaken to reconcile the write offs.

Review of Staffing Cover Arrangements

There have been staff shortages within the arrears team due to both staff absence and maternity leave and this has meant that the team have been 20% down at times during the year. A review of staff has been undertaken due to the staff absence, however, there was an impact on management of the service with a senior officer stepping in to cover this as well as undertake his own role.

Adjustments to Court Action Instructions

Court actions have increased again since the lifting of the restrictions, however, court action can only be taken for arrears over £2250. This means that in terms of serving of Notices of Possession, these are being served later in the process and tenants may consider this as an opportunity to pay later as they try to balance paying other bills in times of financial hardship. We are seeing high arrears at the court action stage and thus lead to higher arrears balances when decree is eventually granted.

Void Management

There is no doubt that performance within this area of work has deteriorated over the last 4 years and improvement work is the focus of a Service Priority Project which commenced in May 2023.

Benchmarking against Comparable Authorities

Rent Collection

Angus Council has collected more rent than was due in three of the last four years, with the last year being the only exception. Overall collection rates remain in line with averages.

Rent Collected as a Percentage of Total Rent Due in Reporting Year.

Local Authority	19/20	20/21	21/22	22/23
Angus Council	100.15	106.76	102.36	99.51
East Lothian Council	102.22	102.11	103.03	101.42
South Ayrshire Council	99.15	99.80	99.68	99.51
Stirling Council	98.71	99.19	100.08	99.91
Shetland Islands Council	99.17	96.75	100.59	100.96
The Moray Council	99.05	99.14	99.01	98.61
Clackmannanshire Council	97.66	99.85	98.75	98.02
East Renfrewshire Council	96.84	97.36	99.59	100.40
Midlothian Council	97.91	99.16	99.07	98.04
East Dunbartonshire Council	98.60	97.79	98.14	99.03
Perth & Kinross Council	98.38	96.91	99.08	98.61
Orkney Islands Council	94.78	96.59	99.50	99.33
Average	98.55	99.28	99.91	99.45

While rent arrears have risen steadily across authorities in the since 2019/20, Angus has seen a rise of 30% compared to an average increase of 12%. The overall percentage of gross rent arrears is also one of the highest compared to similar authorities.

Gross rent arrears (all tenants) as of 31 March each year as a percentage of rent due for the reporting year (Indicator 31)

Local Authority	2019/2020	20/21	21/22	22/23
Angus Council	8.88	8.49	9.68	11.55
Clackmannanshire Council	10.11	9.56	10.66	11.51
East Dunbartonshire Council	9.68	12.08	12.77	11.38
East Lothian Council	6.29	5.87	4.86	5.79
East Renfrewshire Council	6.47	9.51	9.95	7.36
Midlothian Council	7.91	8.29	8.08	8.66
Orkney Islands Council	11.22	14.64	14.35	12.65
Perth & Kinross Council	8.73	10.75	10.69	11.09
Shetland Islands Council	10.19	11.46	11.38	11.27
South Ayrshire Council	3.42	3.79	3.92	4.32
Stirling Council	12	11.27	9.83	9.14
The Moray Council	2.58	3.2	3.75	4.5
Average per Year Comparable Authorities	8.12	9.08	9.16	9.10

Void Management

Performance has deteriorated significantly since 2019. Work is ongoing to better understand the reasons behind this however factors include the impact of successive service reviews, the introduction of a new repairs contract and continuing low demand for sheltered housing and 2-bedroom maisonettes. When comparing against other authorities, average days to relet can be an erratic indicator and this can be dependent upon work being done on properties whilst empty.

Percentage of rent due lost through properties being empty during the last year

Local Authority	19/20	20/21	21/22	22/23
Angus Council	2.32	4.43	3.74	4.33
Shetland Islands Council	1.92	2.22	2.26	2.25
East Renfrewshire Council	1.78	1.8	1.41	0.95
East Dunbartonshire Council	1.03	2.15	1.41	1.02
Orkney Islands Council	0.64	1.34	1.42	1.32
South Ayrshire Council	0.98	1.17	1.11	1.51
Stirling Council	0.73	0.82	1.26	1.48
Perth & Kinross Council	0.82	1.11	1.33	1.04
The Moray Council	0.95	1.17	1.25	1.01
East Lothian Council	0.53	0.64	1.04	1.09
Clackmannanshire Council	0.45	0.94	0.66	1.02
Midlothian Council	0.83	0.71	0.97	0.75
Average	1.08	1.54	1.49	1.48

Average Time to Re-Let Properties in The Last Year

Local Authority	19/20	20/21	21/22	22/23
Angus Council	47.15	51.46	53.49	76.21
Clackmannanshire Council	35.21	39.93	32.55	47.04
East Dunbartonshire Council	57.24	164.15	73.81	59.46
East Lothian Council	30.83	51.88	66.19	65.19
East Renfrewshire Council	58.29	72.71	99.84	62.94
Midlothian Council	51.82	37.95	32.67	35.92
Orkney Islands Council	35.79	62.46	52.1	57.94
Perth & Kinross Council	28.33	32.88	44.6	42.81
Shetland Islands Council	55.96	124.44	101.85	87.69
South Ayrshire Council	31.36	51.43	41.88	57.95
Stirling Council	51.97	66.82	69.48	76.88
The Moray Council	46.07	75.83	62.43	51.98
Average	44.17	69.33	60.91	60.17

PRIORITIES FOR NEXT YEAR

Rent Collection

Reviewing write off process

We will make further use of our bad debt provision and include in the write offs, former tenant debt that is only 6 months old rather than just a year old.

Implementation of Sheriff Officer Collection of Former Debt

We will be passing cases to the Sheriff Officer for more recent former tenant debt in the hope that they can collect additional monies given the debt is more recent. It should be mentioned that collection rates for former debt even with the use of Sheriff Officers remain low so although we expect additional monies to be collected, this will not be high impact, but will continue to send the message that we are pursuing former debt despite writing off earlier.

Prevention and Targeting Arrears Cases within Banding Levels

Preventing high arrears is key to reducing arrears, however, without enforcement action being available until later in the process, increasing action at the earliest stages is to be a focus. There will also be a focus on arrears before a Notice of Possession is issued.

Reviewing resource management and workflow

Due to the staff reductions with absence and maternity leave, acting up arrangements are in place now and a review of how to make best use of these new arrangements is underway. Senior Clerical Officers will be spending more time on early arrears contacts to prevent escalation early in the tenancy.

A Memorandum of Understanding will be created between the Housing and Revenues Service which will outline the performance management and governance arrangements for the delivery of rent arrears activity and the expectations on both services.

Void Management

A Service Priority Project is underway to deliver improvements in relation to voids performance and future actions will be developed following on from this. Some of the linked activities being progressed are detailed below.

Review of Contractor Arrangements/ Workload

A review of repairs contractor workload at change of tenancy along with consideration of existing contract arrangements to ensure better turnaround times at change of tenancy.

Review of Relet Standard

A review of what work we should undertake at change of tenancy and what work we should undertake following the change of tenancy is being undertaken.

Change Project to Improve Performance Management Information Provision

A review of performance management information relating to void management and ensuring that any software will allow analysis of performance to all levels required.

Review of Allocation Policy

A review of the allocation policy, which would seek to provide a simpler, more streamlined approach for better use of applicants and staff and should lead to reduced time in selection of applicants.

PROGRESS AGAINST CHARTER OUTCOMES:

Getting good value from rents and service charges.

Overall, progress in terms of both charter outcomes and performance has been curtailed by several factors as described above. This has affected both the collection of monies and rent loss due through properties being empty.

HIT CHAIR: Gordon Nicol, Manager, Community Housing