

# Housing Income Strategy

**2010**  
ROTHERHAM LTD

TURNING HOUSES INTO HOMES



INVESTOR IN PEOPLE



[www.2010rotherham.org](http://www.2010rotherham.org)

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## Foreword

We are pleased to introduce this Housing Income Strategy for 2010 Rotherham Ltd.

It represents our corporate commitment to take a structured approach and place local people, our employees, our partners, and the community at large at the heart of all that we do.

Our strategies are evidence that we are serious about bringing positive change within the organisation, and proof that we know more needs to be done through actions listed in the Action Plans.

We know that to succeed we need to work with local people and with local organisations to demonstrate that we are working for our communities, and we look forward to working with customers in delivering the commitments made in this strategy.

Colin Earl  
Interim Chief Executive

## 1.0 Introduction

2010 Rotherham Ltd was set up in May 2005 to deliver a variety of neighbourhood management and property maintenance services to the tenants of Rotherham MBC on behalf of the Council. . The ALMO is split into various service areas to deliver these functions, with Housing Income Management falling within the Neighbourhood Management directorate. The Service manages a range of functions associated with Housing Income Management including:

- Rent collection;
- Arrears prevention;
- Current arrears recovery;
- Collecting Supporting People charges for Wardens and Rothercare;
- Miscellaneous services including court costs recovery, home contents insurance premium collection, and rechargeable repairs recovery.

The policy and procedures of 2010 Rotherham Ltd will ensure that the Council's rent income is maximised, whilst at the same time using preventative methods to keep any arrears to a minimum. It is acknowledged that any decline in rental income to the Housing Revenue Account (HRA) could impact on:

- Future rent levels;
- The range and quality of housing management services;
- The resources required to maintain the housing stock;
- Meeting performance expectations of central government and the Council.

In terms of context the Housing Income Service manages 21,150 rent accounts on behalf of the Council, which generates a rent roll of just over £54m. At the end of March 2007 we recovered 98.23% of this income, which left £854k arrears that were carried forward to the following year.

A relatively small decline in the proportion of rent collected could have a significant impact on service delivery. For example a 1% decline in the rent collection rate would be equivalent to almost £500,000 in uncollected revenue.

For the tenant, escalating rent arrears can generate anxiety and stress, and may ultimately lead to the loss of their home and homelessness. The policy acknowledges that rent arrears are often symptomatic of wider personal debt problems, and must be addressed in that context.

2010 Rotherham Ltd will be under continuous scrutiny from the Council to demonstrate it is not only maximising rental income, but using an approach which reflects the Council's continuing commitment to tackling poverty and deprivation. Income collection will have a significant impact on anti-poverty work as it not only identifies tenants in arrears, but highlights wider problems of poverty, debt, lack of awareness of welfare rights, and budgetary mismanagement.

The service is sensitive to the needs of individuals especially those from vulnerable groups such as BME communities, the disabled and anyone that has difficulty accessing the service due to age or infirmity. In these circumstances we will develop our services to meet these needs so as not to cause disadvantage or discrimination

2010 Rotherham Ltd will ensure that an objective balance is achieved between making it convenient for tenants to pay their rent, as far as possible preventing arrears from occurring, and taking prompt action to recover any debts that do accrue.

The policy and procedure 2010 Rotherham Ltd will adopt has been approved by stakeholders, including tenants and staff who were consulted as part of the service review.

The aims of 2010's Housing Income Service are two fold; firstly to provide service excellence for its customers; secondly to be one of the best performing ALMOs in the Country at both arrears recovery and arrears prevention.

This will be achieved by reviewing the way in which services are delivered using 'Best Value' principles, followed by a process of implementation and review, to ensure continuous improvement. The key drivers for change within this process are customer feedback, external benchmarking, Audit Commission inspection reports, peer reviews and the 'value for money' agenda.

Where to find out more:

The Housing Income Service  
Ground Floor Norfolk House  
Walker Place  
Rotherham  
S65 1HX  
Tel Rotherham 382121

## 2.0 Current Recovery Procedure

This rent recovery procedure clarifies how 2010 Rotherham Ltd will meet the requirements of Rotherham M.B.C. and ensure that its rental and other income is maximised, arrears are kept to a minimum, and poverty issues are effectively addressed. The policy covers secure and introductory tenancies and outlines how the ALMO will prevent rent arrears accruing and the action it will take if the rent is not paid.

The recovery procedure has a number of underlying principles that are set out in **Appendix 1**.

All debtors to Rotherham B.C. will be encouraged to make contact as soon as they encounter difficulties with payment or repayment, and to seek professional advice about managing personal finance. This will be achieved by publicising clear information in a variety of formats, about 2010 Rotherham Ltd's services, and how they can be easily accessed. Each tenant or debtor will be assigned a single contact person who will take responsibility for service delivery at a neighbourhood level.

The Housing Income Champion will play a pivotal role in delivering these services. They will facilitate a multi-agency approach to reducing debt and poverty by working with support agencies such as the Benefits Service, Money Advice, CAB and Social Services. This will effectively contribute towards 2010 Rotherham Ltd's duty to

maximising tenant's income and ensure they are able to meet their rental obligations to the Council.

To achieve this, service providers will assess the tenant's or debtor's ability to pay by drawing up a financial means statement that not only assesses the income, and expenditure of the tenant (including any savings), but also that of any non-dependants within the household. 2010 Rotherham Ltd will almost always, agree to payment and repayment proposals made to it by the independent money advice services, such as the CAB and Rotherham's Money Advice Service to further develop our joint working approach.

2010 Rotherham Ltd recognises that where a tenant or debtor is receiving Income Support or Job Seekers Allowance, this will usually restrict the ability to pay the debt to no more than the amount recognised by the Department for Work and Pensions as a direct stoppage for arrears – currently £3.00 per week. As a matter of policy, we will never evict any debtor as a result of Housing Benefit arrears; consideration will be given to other options for recovery, including claw-back from ongoing benefit rather than placing a tenancy in jeopardy.

### 3.0 Arrears Prevention

It is recognised that the effectiveness of the relationship between the Housing Income Champion, the tenant or debtor, and the Housing Benefit Service will be a key factor in resolving rent arrears. Early and continuing contact with identified officers is the positive way of building this relationship. 2010 Rotherham Ltd will adopt the following principles:

#### 1) Pre-Tenancy Assistance

When a prospective tenant accepts an offer of accommodation, 2010 Rotherham Ltd will:

- Note any special circumstances eg If English is not the first language, any disability issues, varying family arrangements etc;
- Carry out an income check for all members of the household and advise on Housing Benefits. Particular advice will be given to tenants with variable incomes e.g. Seasonal workers;
- Explain how the rent charge is formulated and what is eligible for Housing Benefit;
- Clarify the various payment options with the tenant, promoting whenever possible the Councils preferred payment method (Direct Debit);
- Complete a Housing Benefit form, and explain the verification framework;
- Advise who to contact if difficulty is experienced paying the rent, including the Income Champion, Money Advice, and the Citizens Advice Bureau;
- Stress the importance of keeping the Benefit Service and 2010 Rotherham Ltd informed of any changes in circumstance.

## **2) New tenant strategies.**

In addition to pre-tenancy assistance, 2010 Rotherham Ltd will:

- Carry out home visits to tenants and debtors, wherever possible by appointment
- Offer to put tenants and debtors with particular difficulties in touch with appropriate support agencies;
- Assist new tenants to complete Housing Benefit and other welfare benefit forms;
- Continuously review procedures and seek appropriate best practise by attending user groups and benchmarking clubs.

## **3) Communication**

2010 Rotherham Ltd recognises that the methods used to communicate with tenants and debtors will be crucial to rent arrears prevention. Appropriate communication strategies will therefore be developed to address diversity issues, including how best to correspond with hard to reach groups. These issues will impact on how the rent arrears and other debt recovery process will be managed in Rotherham.

To ensure effective communication 2010 Rotherham Ltd will:

- Ensure that all letters and correspondence sent to customers is written in simple language, using plain English. Key documents will also be available on request in other languages, in Braille and on tape;
- Review on an annual basis all stationary, using the Service Improvement Group;
- Encourage customers to access the service through the Income Champion in their neighbourhood, under the catchphrase '*we are here to help*';
- Conduct all arrears interviews in private - in the home or at a convenient office location;
- Offer an interpretation service where required;

## **4.0 Housing Benefit and Money Advice**

2010 Rotherham Ltd acknowledges that regular liaison between Housing Benefit and the Housing Income Service will bring added value to both Services. Liaison will take place on a monthly basis, where representatives from both services will meet to discuss the effectiveness of the Service Level Agreement. This agreement sets out the service levels and standards which are to be achieved by Benefits Service and 2010 Rotherham Ltd in the processing and administration of the Housing Benefit Scheme. It recognises that, whilst the statutory responsibility for the Housing Benefit Scheme is with the Local Authority, discussions should take place with 2010 Rotherham Ltd when service standards are set which will assist the overall process.

Regular dialogue will bring the following benefits:

- Developing better working relationships by having key identified officers that are accountable for various parts of the service;
- By setting clear performance targets, for example creating a 2 day response time to case enquiries that have legal action pending; and 7 days to follow up an

incomplete Housing Benefit claim. These are contained within the Service Level Agreement itemised in appendix 2;

- Encouraging agreement on information to be shared e.g. in relation to claims coming to an end, or soon to be reviewed;
- Banding and agreeing to timescales by which claims will be processed depending on the level of arrears to help clear any backlogs, then agreeing times when claims will be processed within the 14-day limit set by the DSS.

Housing Benefits will hold surgeries at Neighbourhood Offices, enabling customers to get advice on any benefit entitlement. Neighbourhood staff and Housing Income Champions will promote these facilities to ensure income maximisation for our clients.

The Benefits Service will provide Neighbourhood Offices with access to its IT systems, enabling 2010 Rotherham Ltd staff to check the status of a client's claim. This system will improve customer service and minimise delays in payment.

Working relationships between Benefits and Income staff will improve by developing a better understanding of each others' roles. This will be achieved through the development of:

- Strategic planning between managers;
- Joint training;
- Job shadowing;
- Joint meetings and workshops;
- Sharing of information;
- Publicising services.

## 5.0 Financial Inclusion

2010 Rotherham Ltd will encourage customers to discuss their personal finance issues with its staff in absolute confidence, but recognises that some clients may want independent advice. In these circumstances it will direct clients to the Council's Money Advice Service, the CAB or other appropriate agency.

The Service is currently working on a number of initiatives to capture information relating to the way it makes referrals to these agencies. This will enable 2010 to assess the impact of its financial inclusion work and to use the data to draw up a meaningful service level agreement between the services. The proposed protocol will contain targets, ways of monitoring the agreement and a means of liaison between the Services.

The Housing Income Service will work in association with independent counselling agencies such as the Money Advice and Citizens Advice Bureau to promote shared strategies for addressing debt issues. It will also work with the care service sector, in particular Social Services and the Health Service, to establish a network of contacts that can assist with individual cases. It will actively endorse these services in the firm belief that a multi-agency approach is the most productive means of resolving debt issues. Success in multi-agency working will be measured using extract reports against the event code recorded within the IT system.

2010 Rotherham Ltd will use anti-poverty methods to combat debt by generating income maximisation for the tenant. This will be achieved through advocacy, where Housing Income staff will offer personal financial advice with solutions to the debtor. This will include determining the tenant's income and expenditure, planning a budget and finally how savings can be made.

In a more general context 2010 will actively promote other services as part of its financial inclusion strategy. This includes promoting services and initiatives such as: -

- Basic bank accounts - as a means for customers to access mainstream financial services e.g. Direct Debit and affordable loans. The impact of this will be the tenant's ability to obtain cheaper credit, discounts for utility bill payments and a credit history for future lending.
- Credit Unions - as the best saving and borrowing scheme for tenants. The impact of this initiative will promote a saving and borrowing culture amongst tenants.
- Money management - through information contained within our budgetary advice leaflet, for example our top ten tips for staying out of debt. This will enable tenants to prioritise their income and expenditure and carry out household budgeting.
- The development of hardship funds - to assist tenants with special needs. The fund could clear tenants arrears where there are exception circumstances e.g. age, disability or infirmity. It is suggested that finance for the scheme could come from the commission generated from the Tenants Home Contents Insurance scheme.
- Home contents insurance – as a cost effective way of insuring possessions. The benefits of the scheme are firstly it allows tenants to pay premiums weekly with their rent and secondly the same rates apply across the Borough irrespective of the tenants' postcode.
- Fuel Poverty – by working with other agencies to assist tenants to save energy and reduce their fuel costs Links to affordable warmth strategy and Decent Homes?
- Resolving worklessness – working with partners to help tenants get back into gainful employment
- Reducing doorstep lending – by promoting mainstream financial services as opposed to unauthorised moneylenders, and then highlighting the cost differential in terms of APR's.

## 6.0 Continuous Improvement

To ensure the Service meets the needs of its customer's it has adopted an ongoing review process to ensure it offers value for money, delivers performance excellence and continually improves. The key drivers for change within this process are customer feedback, external benchmarking, Audit Commission inspection reports, peer reviews and the Housing Income KLOE. These are captured in the service action plan – **See Appendix 2**

Using this framework the review of 2007/08 focused on the following areas:

- Rent payment options, taking account of costs and customer preference.
- Improving information to new tenants.

- Reviewing internal and external money advice and debt counselling services in Rotherham and carry out a gap analysis.
- Looking at forging closer links with the public, private and voluntary sector, to help resolve debt issues across the Borough
- Reviewing existing recovery procedures, taking account of legislative changes to court procedures.
- The development of new working methods, for example mobile working, service centralisation and home working
- Analyse the potential development of new income streams for 2010 beyond 2010.

Consultation with stakeholders formed an important part of the review. A Service Improvement Group was established to identify the key priorities for the Service, which included tenants, staff, and representatives from Legal Services and the Money Advice Service. Each representative was given the opportunity to comment on what they perceived as the strengths and weakness of the Housing Income Service which helped shape the review and in the development of our service plan

Specific outcomes from the review so far include:

- Ensuring tenants can pay their rent 24 hours a day, 7 days a week, 365 days a year on-line, or by telephone, by bank transfer or in person at any Cash Office.

In addition 2010 Rotherham Ltd is currently assisting the Local Authority with the implementation of Swipe Card Technology, which includes the option to make rent payments at a number of retail outlets throughout the Borough. This will give tenants greater freedom of choice of when and where they can pay and promote a rent payment culture. The strategy will also enable the Council to close some of its cash offices and drive down the transaction costs for both rent and Council Tax payments. It is anticipated that the phased implementation of swipe cards will begin in July 2008.

In terms of the transaction costs for rent payments, 2010 has carried out analysis in this area and it clearly recognises that Direct Debit is the cheapest payment option, whilst cash office payments are the most expensive. This has resulted in the active promotion of Direct Debit as our preferred payment method. Initiatives have taken place to convert Office payers to Direct Debit by writing to them offering an incentive to switch payment method. In addition new sign up procedures are being developed that are supported by performance indicators to increase new tenants joining the Direct Debit Scheme. The impact of these initiatives has seen a 6% uptake in Direct Debit, which now accounts for nearly 25% of all rent transactions.

- The tenancy sign up is seen as an ideal opportunity to develop a payment culture amongst new tenants. The review has recommended that the sign-up procedure is scripted to consistently capture as much information about the new tenant as possible. This will include obtaining information about any special circumstances that could effect future rent payments and an assessment of the tenant's income. The Service is also working with other sections to develop and implement a rent in advance procedure, which was a recommendation from the previous Audit Commission inspection. This will entail new tenants either bringing in a rent payment a completed Housing Benefit form or Direct Debit mandate to the sign up interview.

- The Income Service has become a key player in helping shape the Boroughs Financial Inclusion Strategy, which has been achieved through partnership working with the both the voluntary and public sector. The income team has attended a series of multi-agency workshops to raise the profile of 2010 as a service provider that actively promotes financial inclusion within its communities. The process has helped shape the way we deal with debt and in the development of our preventative agenda.

Some of the identified improvements include:

- Developing a debt referral system, with Money Advice and Citizen's Advice Bureau.
- Training Income Champions in Debt Prevention and Money Advice techniques, through work shadowing Debt Counsellors at the Money Advice Centre.
- Creating a budget advice leaflet to give to tenants in financial difficulty.
- Publicising and promoting basic bank accounts as part of the Department for Work and Pension's 'Lets talk Money Campaign' in recognition that mainstream banking enables customers to access cheaper forms of credit, discounts for utility payments and enables better budgetary management.
- Promoting the Credit Union as the cheapest form of lending in acknowledgment that doorstep lending at inflated interest rates increases poverty and deprivation. We are also trying to facilitate the use of the Borough's cash offices to take Credit Union payments, as well as help increase the number of volunteers to the Union to enable it to expand to meet the increased demand for its services.
- Publicising the voluntary advice agencies, basic bank accounts, the Credit Union and Direct Debit on the reverse of all our correspondence to customers.

The Housing Income Service is changing its approach to debt management as a result of the developing financial inclusion agenda in Rotherham. It is now working closely with its partners in recognition of the high social and financial costs associated with evicting tenants.

- In terms of changing existing procedures the review highlighted early engagement with the customer was the key to resolving debt issues. To achieve this, the recovery profile was amended to initiate personal contact with the debtor after the first letter. This is to establish a clear dialogue with the tenant to determine if there are special needs requiring the assistance of our partner agencies. This process has a number of clear advantages:
  - The tenant receives an improved and more personalised service, tailored to meet their individual needs.
  - Earlier engagement with the debtor is helping reduce rent arrears as tenants increasingly use Champions as advocates to resolve their wider debt issues.
  - Early and sustained engagement with the debtor meets the legislative requirements of the court action protocols, where the judiciary need to see clear documented evidence that we have engaged with the customer prior to instigating proceedings.

- Consider the introduction of an incentive scheme to improve the Housing Income Service. The philosophy behind the tenant incentive scheme is that a small proportion of tenants who do not keep to the terms and conditions of the tenancy agreement use up most of our resources (the 80/20 theory). It could therefore be argued that the needs of the majority of good tenants go unmet. To redress the balance 2010 Rotherham Ltd suggests introducing a tenant incentive scheme which would help develop the view that being a good tenant is something that should be aspired to, and rewarded. Examples of the rewards on offer would be prize draws for customers on Direct Debit and tenants with a clear rent accounts. A report has been presented to the Board outlining the positive impacts a reward scheme would bring to 2010 and the tenants of the Council.
- Perhaps the biggest change the review has brought is how we deliver the service. In the past Housing Income Service has prioritised enforcement action above the preventative agenda. The Service was divided as the Champions worked under the direction of the Neighbourhood Manager, whilst a small central team worked on strategic and performance related issues. This led to inconsistent service provision across the Borough.

To resolve this, the Service was consolidated in October 2007 to a central location, where the Income Champions and Income Controllers were brought under the direction of one manager.

The review brought about the realignment of patches and workloads for staff, which were now based on a formula relating to arrears levels, deprivation and legal action taken, as opposed to simply the number of tenancies. This form of profiling has enabled us to target resources to the areas of greatest need where staff now have time to deal with more complex issues associated poverty and deprivation, as they have the smallest tenancy portfolio.

The income management team is tasked with ensuring staff meet the following objectives within their work plans by assessment against set criteria. This includes:

- Performance meets the individual, team and overall targets.
- The quality of service is always high
- The preventative agenda is delivered consistently across the Borough

The outcomes of these objectives are monitored through the 'one to one' process, where staff are appraised on their performance against set targets.

In terms of how consolidation has affected service provision for customers, the following outcomes have come from the review so far:

- Piloting an out of hour's debt advice line, which is manned from 5 to 7pm weekdays
- Adopting a call centre approach to inbound and outbound calls to improve the quality and consistency of customer contacts.
- Being able to offer appointments at a time and place most convenient to the customer.
- Creating clear and measurable service standard

- Reviewing correspondence to customers, making all our letters clear and understandable.
- Reviewing our approach when dealing with diverse communities. We aim to communicate our services to individuals in their preferred language and offer them a translation service.
- Training and developing the Housing Income Champions to give welfare and debt advice at the service delivery point
- Investigating the use of mobile technology to improve flexibility. Staff should be able to work from any location and to be able to give customers accurate and timely information associated with their rent account.

The new processes and initiatives have not only seen an upturn in the amount of rent collected but also a reduction in our enforcement action. This combination is an early indication that changes to procedures as a result of this review, appear to be working. This statement is supported when analysing the Housing Income KPIs, which all show continuous improvement compared to the previous 12 month period. The year-end projections for 2007/8 indicate:

- The number of evictions will reduce from 110 to 80, meaning there will be 30 more sustainable tenancies than there were the previous year
  - The current arrears debt will reduce from £854k to an estimated £800k, a saving of £50k.
  - An increase in the number of tenants being given debt advice increased from 20 to over 150 during the measuring period. This clearly indicates that pro active debt prevention work taking place.
- The Housing income Service is currently investigating new income streams:
    - Former Tenant Arrears – A report has been presented to the Council highlighting the weaknesses in former tenancy arrears recovery by its' current contractor RBT. The report shows that performance in managing the debt has deteriorated over the past 3 years, with escalating arrears and a reducing collection rate. It concludes that if former tenant arrears recovery were be transferred to 2010 it could not only deliver improved performance, but better service provision for debtors by applying the same principles that make the performance in its current arrears recovery one of the best the Country.
    - Registered Social Landlords – 2010 have started early negotiations with RSLs in the Borough to provide an income management service to their tenants for a fee. This would be advantageous to both organisations in that it would bring addition income to the ALMO, whilst reducing costs for the RSL.

## **7.0 Corporate Debt Policy**

2010 Rotherham Ltd will support RMBC's corporate approach to maximising collection of all charges and debts. Within the Corporate Debt Policy, the Council recognises that some people are unable to meet their financial commitments, and seeks in cases of hardship to assist debtors to manage their debts. It is part of an arrangement between Council directorates to promote effective working

arrangements in dealing sympathetically with customers who cannot pay, whilst treating those who won't pay with reasoned determination.

#### Principles of the Corporate Debt recovery action:

- Bills/accounts will be produced, and recovery action undertaken in accordance with the Council's legal obligations;
- Staff will act at all times, in a customer friendly and non-judgmental manner;
- Clear written policy guidelines will be followed by staff involved in recovery action;
- Staff involved in recovery action will receive induction and refresh training in debt and benefit awareness;
- Every effort will be made by staff to maximise income, benefits and other entitlements for customers. They will also ensure money and debt advice is accessible ;
- In cases of hardship, 2010 Rotherham Ltd will assist tenants and debtors in identifying and maintaining a realistic payment plan;
- All available methods of customer contact will be adopted, including text, e-mail, and access to a council web site page that gives advice on debt related issues.

#### Recovery procedures

##### 2010 Rotherham Ltd:

- Will be effective to ensure that where people have the means, they pay their debts and are not able to avoid their obligations;
- Must effectively distinguish between customers who cannot pay and those who will not pay their debts;
- Will identify debts promptly and pursue recovery;
- Must allow for a full appraisal of a customer's circumstances, wherever possible working in partnership with advice agencies;
- Must acknowledge the claims of competing creditors, and the consequent need to address prioritisation of debts including housing rent, as advised by the Councils Money Advice Service;
- An information pack on dealing with debt and sources of independent advice will be made available to customers;
- Where appropriate, applications will be considered to suspend recovery action pending appeals or further investigation;
- Recovery Agents will be employed according to a detailed code of practice and regular monitoring. This code will be subject to regular review.

#### Human Rights

Our policies and procedures will strive to be fair and equitable, acknowledging human rights and natural justice, in all aspects of debt recovery.

#### Equalities and Diversity

2010 Rotherham Ltd believes in openness, fairness and equality in the way it provides services to Rotherham's diverse communities, and that every individual is entitled to be treated with respect. When recovering a debt to the Council, there will be no discrimination against any individual for cultural, ethnicity or national origins,

gender, disability, age, sexual orientation, political or religious beliefs, socio-economic status, appearance or lifestyle.

2010 Rotherham Ltd understands that some customers require additional advice and assistance in order to access services and exercise their rights. All information provided would be available in appropriate languages, Braille or audiotape. When required, interpreters will be arranged as well as practical help provided for people with impaired hearing or vision. .

### Complaints

All complaints will follow 2010's formal complaint procedure. An information leaflet, which explains the process, is available at all 2010 Rotherham Ltd offices.

## **8.0 Performance Management**

Monitoring of performance will be a key factor in ensuring 2010 Rotherham Ltd meets the Council's requirements to maximise its rental income. All staff involved in the process will be aware of their individual and team targets, as well as the overall performance targets of 2010 Rotherham Ltd itself. The 2010 Rotherham Ltd Board will monitor the performance of this service.

Housing Income staff will receive weekly information on arrears performance, and comparative data on how they compare to other areas and teams. The reports will highlight performance against target.

2010 Rotherham Ltd will also compare its performance with other Social Landlords and ALMOs, through benchmarking groups and membership of professional bodies such as the Housing Quality Network.

The Housing Income Services management team will carry out quality checks to ensure that staff are adhering to policy and procedure. Internal audit reports, reality checking against service standards, monthly 'one to ones' with staff, the level of complaints and customer surveys are all means to ensure the delivery of quality assurance. Issues arising from the quality audits will help formulate training plans for the Housing Income Service.

The Council will set 2010 Rotherham Ltd realistic performance targets so that it can meet an objective balance between income collection and debt prevention. The targets will be challenging and will aim to make 2010 one of the best overall performing ALMOs in the Country at income management.

The following performance indicators relate to the Housing Income Service and will be indicative to the ALMO board and the Council how the service is performing at both a local and national level.

The table below lists our key performance indicators as well as examples of local indicators highlighting our actual outturn and future targets up to 2010:

Housing Income Management							
Indicator	Summary	Area	2005/6	2006/7	2007/8	2008/9	2009/10
			Actual	Actual	Target	Target	Target
BV 66a (a)	Rent collected.	ALMO	97.79%	98.23%	98.25%	98.27%	98.29%
BV 66a (b)	% of tenants with more than 36 days rent arrears	ALMO	3.14%	3.15%	3.10%	3.03%	3.01%
BV 66a (c)	% of tenants in arrears who have had NSP served	ALMO	12.19%	14.09%	11.95%	11.48%	11.45%
BV 66a (d)	% of tenants evicted as a result of rent arrears	ALMO	0.43%	0.44%	0.40%	0.30%	0.29%
NM 66b	Rent arrears of current tenants.	ALMO	1.73%	1.70%	1.67%	1.66%	1.65%
AES1	% leasehold management service charge income collected	ALMO	New Indicator		Targets to be agreed		
Service Standards	We offer an internet and automated telephone payment service every day of the year	ALMO	New Indicator		100%	100%	100%
Service Standard	We will provide all tenants with a rent statement every 13 weeks	ALMO	New Indicator		100%	100%	100%
Former Tenants	% of cash collected		New Indicator		6.00%	10%	15%
Customer satisfaction	% Satisfaction rate of tenants in serious rent arrears	ALMO	New Indicator		55%	60%	65%
VFM	% of new tenants on Direct Debit	ALMO	New Indicator		25%	30%	35%

## 9.0 Training and Development

Housing Income Service has developed an annual Service Plan to reflect the role and responsibilities of 2010 Rotherham Ltd, and the aims and objectives of the Council and ALMO. The plan will demonstrate the link to the corporate objectives of the Council. The plan will also link to other Council service plans (e.g. Housing Benefits), to ensure customers receive a cost-effective, fit for purpose service. The plan will also identify the resource requirements necessary to meet its objectives. This will include analysis of financial, physical and human resources, including provision for staff training and development.

2010 Rotherham Ltd is committed to training and developing its Housing Income Staff, to ensure they play a key role delivering the operational and policy objectives of the ALMO and the Council. High quality services provided by high quality staff are the means to achieving this.

2010 Rotherham Ltd therefore seeks to recruit, retain and develop staff in a manner that continually improves staff performance and contributes to the mission to 'build sustainable communities'. It therefore requires effective training and development for

its board members, managers and staff. They must acquire knowledge, skills, qualifications and attitudes sufficient to enable excellent performance.

The action plan has been developed around four key objectives:

- People are aware of their job role and how it fits into the service plan;
- People are encouraged, involved, feel recognised and receive feedback;
- People can see a learning and development culture, in an environment that encourages equal opportunities and commitment;
- People can see and demonstrate their role in improving the performance of 2010 Rotherham Ltd.

To achieve these, the Housing Income Service will develop annual training plans that feed into the strategic development plan for 2010 Rotherham Ltd. These plans will evolve from:

- Regular staff performance and development reviews
- Induction training
- The evaluation of learning and development activity
- Housing Income Champion meetings
- Staff/customer suggestions
- Benchmarking
- Service Improvement Groups

Training plans will evolve from the outcomes of the performance development review (PDR) process, where each individual will receive an annual review with interim reviews at six monthly intervals. The review will be based on mutually agreed individual targets and how the individual is performing against these. The process will ensure that staff achieve key competencies and behaviours to enable the Housing Income Service to achieve high and consistent standards for its customers.

## 10.0 Scope of Operations for 2010 Rotherham Ltd

Period 2006 to 2007

	<b>2005//6</b>	<b>2006/7</b>
<b>Total Rent Debit</b>	52219045	54270675
<b>Current Tenants</b>		
Number	21649	21152
Arrears	935982	854719
Current tenants over 2 weeks in arrears	3215	2898
% of tenants on Housing Benefit	54.5%	57.5%
<b>Enforcement Action</b>		
Notices Seeking Possession	1773	1684
Possession Orders	507	603
Evictions	108	110
<b>Former tenant</b>		

Arrears	1143063	1441988
Cash Collected	176105	100935
Collection rate	15.41	7%
Debt written off	148,404	122,995
<b>Best Value Performance Indicators</b>		
BVPI 66a, the proportion of rent collected	97.79%	98.23%
BVPI 66b, the proportion of tenants owing more than 7 weeks rent arrears	4.46%	3.15%

The scope for operations table enables trend analysis to be drawn from one year to another in a range of service areas associated with the Housing Income Service.

In conclusion there is clear evidence that performance in current arrears collection improved during 2006 - 07, which reflected in an improvement in both BVPI 66a & 66b. The same cannot be said for former tenant arrears recovery or in the number of possession orders and evictions, which both deteriorated during the measuring period.

The information gave the Service clear direction in the areas that needed improvement to enable it to have greater balance in terms of its enforcement and preventative agendas. This resulted in a service review being commissioned in 2007 to address these issues.

## 11.0 Service Standards

Customer involvement has been a key component in shaping the current Housing Income Service Standard. The process started in November 2007 when tenants were invited to a series of service standard workshops. The workshops were interactive and gave tenants the opportunity to tell us what they wanted to see in the revised standards after being given information about the service, its current performance and the service costs. The outcome of the workshop gave a clear indication of what tenants wanted to see in the revised standards.

The purpose of the Service Standard is to give tenants the opportunity to measure the quality of the service they are getting against the prescribed minimum standard that they are entitled to. The service is regularly monitored against its standards to ensure consistent service delivery and quality assurance for its customers. This information is reported to the Corporate Performance Committee, the Council and in newsletters to customers.

A summary and statement of the current policy and procedures on Housing Income is available in a wide variety of formats and is available on the web site. The format of the service standard appears as **Appendix 3**.

## Principle of the rent recovery procedure

### **2010 Rotherham Ltd's underlying rent recovery principles**

- 2010 Rotherham Ltd will recover rent arrears and other debts, in a fair and equitable manner, by giving debtors information about the arrears they owe, options for payment, and clear guidance on the consequences of non-payment.
- 2010 Rotherham Ltd will ensure that wherever possible, claiming of Housing Benefit and other benefits is maximised, by actively publicising the Benefit Services at a neighbourhood level, on websites, and in appropriate publications. This will include facilitating a Housing Benefit visiting service, providing information and assisting customer's to complete claims, and resource provision for the verification framework.
- 2010RotherhamLtd will work closely with the independent money advice sector in Rotherham and refer clients for advocacy where there are multiple debt issues. It will actively promote the free and impartial financial advice that is available in the Rotherham area in all its literature to tenants.
- 2010 Rotherham Ltd will give tenants and debtors detailed and accurate information about their account in plain language. This will be achieved by consulting with tenant groups to ensure that our correspondence is clear and understandable.
- The procedure acknowledges the communication needs of groups and individuals such as BME communities and the visually impaired. It understands that not all tenants will read or speak written English, so it will communicate with these individuals in a medium that they understand and offer a translation service if necessary. It will also print rent statements and rent increase letters in large font where a tenant is recognised as being visually impaired.
- 2010 Rotherham Ltd will take action when more than two weeks net rent is outstanding, to minimise arrears and prevent build up. This will utilise all methods of communication - in writing, by telephone, e-mail, text messaging, or by visiting the tenant or debtor at their home.
- When recovering arrears, 2010 Rotherham Ltd will clarify to the debtor, the consequences of failure to make and adhere to, agreements to reduce and clear their arrears or other debts. This clarification will include comprehensive advice about our arrears procedures, the sanctions that are available to the Council to recover the debt, and the implications these actions may have for that person.
- If the tenant or debtor does not pay the full rent or debt due, or keep to an arrangement to reduce the arrears or debt, 2010 Rotherham Ltd may take action through the County Court to recover possession of the property. Before it does this, it will advise the tenant or debtor to seek independent advice about the costs associated with a court referral and the effects a judgement may have on future credit ratings. 2010 Rotherham Ltd will keep information of how to contact such independent advice available.
- 2010 Rotherham Ltd will work with all other appropriate agencies to support vulnerable tenants or debtors at each stage of the recovery process. A vulnerable tenant or debtor will be defined as one who has restricted access to the Income Service due to age, infirmity, disability, literacy or ethnicity. Families with young children will also be regarded as potentially vulnerable and a case review system

will be put in place to examine any situation that is likely to result in eviction and consequent homelessness.

- 2010 Rotherham Ltd recognises the importance of the Councils planning framework and how these link in to the Income Strategy. An example of this is the Neighbourhood Renewal Strategy where the Income Service is trying to address worklessness, by promoting the recruitment of volunteers the Credit Union. This could then lead to gainful employment after the tenant has been trained and gained work experience

## THE HOUSING INCOME SERVICE ACTION PLAN 2007

## Housing Income Action Plan

Targeted outcome	Action	Timescale
Provide service users with comprehensive and accurate information on services, including costs and benefits, when presenting options for improvement. For example, the costs of different rent collection methods and the promotion of the most cost-effective methods	Evaluate the effectiveness of promotion of direct debit to new tenants and set performance targets	Oct 08
	Evaluate the use of swipe card technology	Mar 08
Has set challenging service standards in conjunction with service users and stakeholders, which are tailored to meet local need	Work in partnership with agencies to publish service standards for debt advice services	Jun 08
Promotes benefit take up campaigns, Incl. housing benefit, to help prevent increases in rent arrears and other debt. Works with component communities to ensure fair representation and service take-up	Maximise use of benefit take up campaigns, e.g. specific campaigns for other groups such as young people or minority groups	Aug 08
Adapts its approach to arrears management based upon an analysis of reasons for non payment.	Ensure robust systems are in place for monitoring arrears so as to ensure that action is timely- review systematically	Dec 07
Has service users who report a high level of satisfaction with their ability to contact and use the service, and pay their rent or other charges for services	Use Satisfaction surveys robustly to inform future service improvements	Dec 07
Separately records & accounts for rent arrears, court costs, rechargeable repairs and other debts	Fully utilise New technology to assist the organisation to collect rent and recover arrears (i.e. payments by swipe card technology)	Dec 08
	Income Service review to include collection of other debts	Oct 08
Prevents debt increasing by taking early action as soon as accounts fall into arrears & ensures that customer friendly letters & home visits to vulnerable residents are available and carried out when appropriate Provides a mix of incentives & sanctions to encourage service users to stay out of debt or reduce their arrears, e.g., discounts for advance payments	Take advantage of all tools to maximise income through rents. E.g., incentives to encourage service users to stay out of debt or to reduce their arrears are not used	May 08
Help service users stay in their homes by providing advice & assistance on debt management & pursuing debt collection strategies that sensitively balance the pursuit of debt against the needs of vulnerable tenants	Publicise the corporate debt recovery policy	Jun 08

## HOUSING INCOME SERVICE STANDARD

### Service Standard

#### What is the service?

The Housing Income Service provides a number of services including the following:

#### Ways to pay your rent

2010 Rotherham Ltd provides a choice of payment methods. However, it has preferred payment options. These are ranked as follows, with the first option being the most cost effective means of collection for both the tenant and the Income Service:

- Direct Debit;
- Standing Order;
- On-line at [www.rotherham.gov.uk](http://www.rotherham.gov.uk);
- Automated telephone payment on 01709 336810;
- Debit/Credit Card – either on-line, by telephone or by office;
- By post – Cheques/Postal Orders payable to Rotherham Borough Council;
- Office payments – at Civic Building, Rotherham or any area office Monday to Friday;
- Post Office using Transcash, although there maybe a small charge.

To find out more about the above options contact any Neighbourhood Housing Office listed at the end of this document

#### Housing Benefit

- Housing Benefit helps towards paying your rent. It doesn't matter if you are in work, unemployed or retired, or whether you receive other benefits. You can still make a claim and may get some help.
- Claim forms and advice on all benefits are available at Housing Benefits, Civic Building, Walker Place or through Benefit Surgeries held at your Local Neighbourhood Office.

#### How we will tackle rent arrears

- Rent is due on the Monday of each week. If you get behind with your rent payments you will be in arrears. If this happens you should contact your Local Neighbourhood Office immediately. If you pay your rent monthly you should do so in advance and not in arrears.
- 2010 Rotherham Ltd will take action on behalf of the Council against tenants who get into arrears and do not take steps to sort out the problem. If you do

not pay your rent promptly when it is due you may be taken to court and, if the problem persists, eventually lose your home.

#### How we will help to prevent arrears

- We will give detailed advice to all new tenants on anything relating to their rent account;
- We will discuss issues non-judgmentally and in confidence;
- We will advise you on entitlement to welfare and housing benefits or refer you for specialist advice;
- We will help you to complete housing benefit claim forms;
- We will provide details of other agencies that can help you, eg Advice Centres.

#### Former Tenants arrears (If agreed)

If you are no longer a current Council tenant, but still owe arrears, we will pursue this debt. We may use any of the methods below:

- Letters sent to your new or last known address
- Telephone calls to your home, or your mobile telephone, including texting;
- If we have details, we may contact a family member or your employer
- Debt Collecting Agencies, who will visit you at your new address
- Use tracing agents if we do not know your new address

If you fail to respond or do not adhere to a repayment agreement, we will pursue this debt using, but not limited to, any of the methods below:

- Deductions from state benefits
  - Attain a court order to:
    - Make deductions from your earnings
    - Obtain a share in any property you own
    - Seek payment from others who owe you money
    - Ask a bailiff to visit
  - Your debt will be pursued until it is cleared so please contact our Former Tenants collection team on Rotherham 382121, who will make a repayment agreement with you, in order to avoid further action being taken.
- **What kind of service can you expect from us?**

This service standard provides information on our response to customers accessing the Housing Income Service

If you do fall behind with your rent, we will:

- Send a letter to you if you owe two weeks rent, we will try to contact you and send another letter if you owe three weeks rent
- Try to reach a satisfactory agreement with you to repay any arrears, taking into account your income and expenditure

- Refer you for independent advice if you agree

Before taking any legal actions, we will ensure advice is always available, and we have given sufficient warnings. (This involves sending letters telling you the situation, and also visiting you at your home)

We will treat **vulnerable** tenants sensitively, and try to resolve any issues affecting payments before legal actions are taken.

**Remember that any debt could affect you in the following way:**

- Prevent you from being rehoused in Rotherham Council property;
  - Will be passed to a mortgage company/Housing association whenever a reference is requested;
  - Affect your credit rating;
  - Affect your right to buy your Council House;
- **Our Commitments to You?**

We will:

- Listen to and respond to all enquiries fairly and consistently;
- Send a rent statement to all current tenants every 13 weeks ;
- Refund credits on rent accounts within 15 working days, upon receipt of a request for refund;
- Carry out home visits if you ask us to;
- Provide information in different languages, Braille, large print and on audio tape if you require it.

We will also monitor our standards by:

- Regularly quality checking our work;
- Staff dealing with rent arrears will be trained to a high standard and will listen to your comments, in order that our service can be reviewed and improved where necessary.

So that you know if we are keeping to these standards we will

- Publish performance targets and results in council publications;
- Display this information in our public offices.

The range of information available will include:

- Details of rent arrears performance set against Best Value performance indicator targets. For example in 2006/7 Rotherham was placed in the upper quartile of Local Authorities when compared to other Councils in its performance relating to rent collection and arrears recovery;
- The number of tenants that have been served with a Notice of Seeking Possession (NOSP), taken to Court or evicted for rent arrears. For example in 2006/7 we served 1684 NOSP, obtained 686 court orders and evicted 110 tenants for rent arrears.

- **Putting things right**

- If you are not happy with the service that you have received, please contact the staff at one of the Neighbourhood Housing Offices. If you continue to be dissatisfied we would encourage you to make a complaint. You can pick up a complaint form from any 2010 Rotherham Ltd or Council Office or through our web site. Alternatively, you can contact the Neighbourhoods Service Quality Champion at:

**The Performance Manager  
Business Support  
Eastwood Depot  
Chesterton Road  
Rotherham  
S65 1SZ  
Telephone: 01709 822216**

- We always try to provide the best services that we can. We want to get better and provide a better service to you. We do this by using customer feedback to improve the quality of our services to you.

## Glossary

ALMO	Arms Length Management Organisation
APR	Annual Percentage Rate
BME	Black Minority Ethnic
BVPI	Best Value Performance Indicator
CAB	Citizens Advice Bureau
DSS	Department of Social Security
HRA	Housing Revenue Account
KPI	Key Performance Indicator
RBT	Rotherham Brought Together
RMBC	Rotherham Metropolitan Borough Council
RSL	Registered Social Landlord
SLA	Service Level Agreement



The income strategy sets out the way in which 2010 will maximise our income and minimise arrears. If you would like to talk to someone about it in another language or receive a copy in large print please contact your Neighbourhood Office or the Income team on 01709 823471

這份收入政策公佈有關 2010 有限公司怎樣計算大家的收入上限和欠租下限的辦法。凡有意採用其他語言方式查詢詳情或索取這份資料的大字印刷版本者，請聯絡當地的區域房屋服務辦事處或致電收入服務組 01709 823471 通知。

Strategie příjmu definuje způsob, kterým rok 2010 zmaximalizuje váš příjem a zminimalizuje nedoplatky. Pokud byste chtěli s někým o tomto promluvit v jiném jazyce nebo obdržet kopii s velkými písmeny, kontaktujte prosím naši kancelář Neighbourhood Office nebo tým zabývající se příjmy na tel. 01709 823471

La stratégie du revenu présente la façon dont 2010 maximisera notre revenu et minimisera les arrières. Si vous désirez en parler à quelqu'un dans une autre langue ou recevoir une copie en gros caractères, veuillez contacter votre Neighbourhood Office ou l'équipe des revenus au 01709 823471.

تعرض إستراتيجية الإيرادات الطريقة التي من خلالها سيزيد Rotherham 2010 من إيراداتنا ويخفض من المتأخرات. إذا ترغب بالتحدث مع شخص ما حول الإستراتيجية بلغة أخرى أو تستلم نسخة مطبوعة بالحروف الكبيرة، يرجى الاتصال بمكتب الأحياء الخاص بك أو اتصل بفريق الإيرادات Income Team على 01709 823471

انکم سٹریٹیجی (آمدنی سے متعلقہ حکمت عملی) میں اس طریقے کے متعلق بتایا گیا ہے جس سے 2010 کے ذریعے ہمارے آمدنی میں اضافہ ہوگا اور بقایاجات میں کمی واقع ہوگی۔ اگر اس کے متعلق آپ کسی دوسری زبان میں ہمارے ساتھ بات کرنا چاہتے ہیں یا بڑی لکھائی میں اس کی کاپی حاصل کرنا چاہتے ہیں تو براہ مہربانی 01709 823471 پر اپنے نیبر ہڈ آفس یا انکم ٹیم سے رابطہ کریں۔

استراتژی درآمد - The income strategy - مسیری را که شرکت 2010 برای به حد اکثر رساندن درآمد و به حد اقل رساندن وجوه عقب افتاده اتخاذ کرده بیان میکند. اگر شما تمایل دارید در این مورد با زبان مختلف دیگری صحبت کنید یا یک کپی از آن را با کلمات چاپ بزرگ دریافت نمایید لطفاً با اداره محلی خود یا با تیم درآمد - Income team - با شماره 01709 823471 با ما تماس حاصل فرمایید.

English, Chinese, Czech, French, Arabic, Urdu & Farsi

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If you would like to speak to someone about this document or receive it in large print or Braille please contact Simon Bell on 01709 8222200