

To: City Executive Board

Date: 21 January 2016

Report of: Housing Panel

Title of Report: Rent performance

Summary and Recommendations

Purpose of report: To present recommendation of the Housing Panel on the Council's rent performance

Scrutiny Lead Member: Councillor Linda Smith

Executive lead member: Councillor Susan Brown, Board Member for Customer and Corporate Services

Recommendation of the Housing Panel to the City Executive Board:

That the City Executive Board states whether it agrees or disagrees with the two recommendations set out in the body of this report.

Introduction

1. The Housing Panel commissioned a report from officers on the Council's rent performance and considered this at its public meeting on 10 December 2015. The Panel would like to thank Damon Venning, Rents Team Manager, for providing the report and answering questions.

Summary and recommendations

2. The Panel noted that the overall rent collection rate was above target as of 31 October 2015. However, a target relating to total arrears of tenants owing more than 7 weeks rent was not being met. These arrears had increased the previous autumn and remained over target since. The Panel received assurances that officers were in contact with these tenants and that these arrears were no longer increasing. A new piece of software called RentSense had been procured that would track payment patterns and enable the Council to target its resources more effectively, based on more up to date information.

The Council was the first local authority to implement this software. It went live in mid-November and the results would start to be seen in the next 2-3 months.

3. The Panel noted that the Council was procuring a new debt collection agency contract and questioned why this function was being outsourced and what controls the Council would have over how debt was collected. The Panel heard that two agencies would be responsible for collecting all Council debts where Council officers had been unsuccessful. The two agencies would be incentivised to compete with each other and their staff would be well trained and wear cameras.
4. The Panel questioned what the Council was doing to promote payment by Direct Debit. Current take up was 40% but excluding tenants in receipt of full housing benefit, this figure would rise to 50-60%. The Panel heard that the Council does promote payment by Direct Debit but cannot insist on it. The Panel suggested that the Council should explore options for incentivising Direct Debit and that one option should be to enter these tenants into a prize draw. The Panel also suggested that the Council should set targets around increasing Direct Debit take up, noting that any targets should exclude those tenants in receipt of full housing benefit.

Recommendation 1 – That the Council should look at ways of incentivising Council tenants to pay rent by Direct Debit, including the option of holding a prize draw.

Recommendation 2 – That the proportion of eligible Council tenants paying rent by Direct Debit should be a performance indicator in future years.

Further consideration

5. The Housing Panel asked to see the procurement documentation relating to external debt collection agencies and will continue to monitor rent performance periodically. The Panel will monitor the progress of its recommendations.

Name and contact details of author:-

Andrew Brown on behalf of the Scrutiny Committee
Scrutiny Officer
Law and Governance
Tel: 01865 252230 e-mail: abrown2@oxford.gov.uk

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