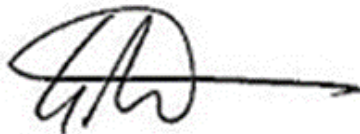


LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE: Tenancy Arrears update	
REPORT OF: Director of Housing	
FOR SUBMISSION TO: Housing Scrutiny Committee	DATE: 23 rd January 2024
<p>SUMMARY OF REPORT:</p> <p>This report provides an update to the Committee on the Arrears position for council rents.</p> <p>Local Government Act 1972 – Access to information No documents that require listing were used in the preparation of this report</p> <p>Contact Officer: Sean Scott, Head of Leaseholder Services and Housing Income sean.scott@camden.gov.uk</p>	
<p>RECOMMENDATIONS:</p> <p>That the Committee note and comment on the report.</p>	

Signed:



Director of Housing

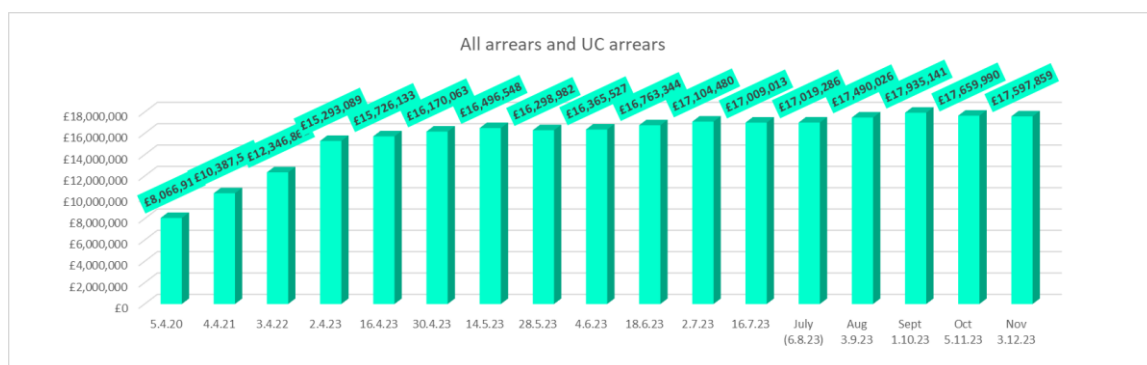
Date: 11th January 2024

1. INTRODUCTION

- 1.1 Rent arrears continue to rise on a national level, with a recent study conducted by ARCH (the Association of Retained Council Housing) and the NFA (National Federation of ALMOs) identifying that 85% of respondent landlords saw an increase in rent arrears between 2022 and 2023.
- 1.2 The impact of the current Cost of Living Crisis is being felt by households across the country and continues to affect people's ability to pay their day-to-day bills and living costs.
- 1.3 The culture around rent collection shifted during the pandemic, with a ban on Eviction notices outlined in the Coronavirus Act in place from October 2020 to June 2021 and the impact of covid on the implementation of our generic model tenancy management also affected our approach to recovery.
- 1.4 Despite these challenges, tackling rent arrears remains a key priority for the Council following a steady increase in the amount owed from 2020. The Council is clear that whilst it wants to be an empathetic and caring landlord, the level of arrears is not sustainable, and rent recovery needs to be prioritised and implemented.
- 1.5 A pilot to trial a specialist rent collection team has been in place since September 2022.

2. Performance

- 2.1 Although arrears continued to increase during the first half of the year reductions were seen in the amount owed during October and November 2023 and collection performance is at 97.1% Year to Date (YTD) against the annual target of 98%.



- 2.2 Annual cycles show that there is typically a reduction in recovery levels in December, so arrears levels are anticipated to rise during this period, but then reduce by the end of the financial year.
- 2.3 **Key issues affecting arrears recovery**
- 2.4 Court applications were on hold due to issues with Particulars of Claim that came to light during a hearing in August 2023, with 58 applications delayed. A revised process has been implemented to address this and the backlog of applications has now been cleared.

3. Actions

3.1 Along with the extension of a specialist rent team, a rent arrears improvement plan was created by the service and includes a thorough approach to reviewing how the Council can implement a proactive but supportive approach to rent collection.

3.2 These actions are grouped under the following themes:

- Ensuring tenants have access to the support they need
- Improving the systems that support rent collection
- Reviewing the services' internal rent collection policies and processes
- Establishing a rent-first, performance driven culture across teams
- Reviewing roles and responsibilities within the rent collection process

3.3 The actions in this plan will help the Council to ensure cases that 'can't pay' are supported to maximise their incomes quickly but will also enable teams to have access to enforcement measures that means tenants who 'won't pay' are encouraged to do so more quickly.

4. Key Activities and Outcomes

4.1 Payment System

4.2 From October 23 officers in the rent team have been able to take payments over the phone from customers – previously these would have been transferred to another team or automated system for payment with a greater risk of these not being made

4.3 Process

4.4 Analysis of arrears recovery activity is being undertaken. We have reduced timescales getting cases to enforcement stages where appropriate and have a focus on ensuring all cases are at the correct stage of recovery. We are planning a targeted drive to increase the level of home visits.

4.5 Systems

4.6 The escalation policy built into Northgate has been amended to ensure it aligns to the reviewed processes.

4.7 We have been speaking to suppliers of IT systems that help to prioritise and target resources to make the maximum impact using specialist software and are on track to get a proof of concept of a system in place ready for 2024/25.

5. COMMENTS OF THE BOROUGH SOLICITOR

5.1 The Borough Solicitor has been consulted and has no comments to make on the report.

6. COMMENTS OF THE EXECUTIVE DIRECTOR OF CORPORATE SERVICES

6.1 The Executive Director of Corporate Services has been consulted and has no comment to add.

7. ENVIRONMENTAL IMPLICATIONS

7.1 There are no Environmental Implications relating to this report.