

RENT ARREARS UPDATE

Report of the Director of Housing and Customer Service

1. SUMMARY

This report presents detail on current rent arrears performance.

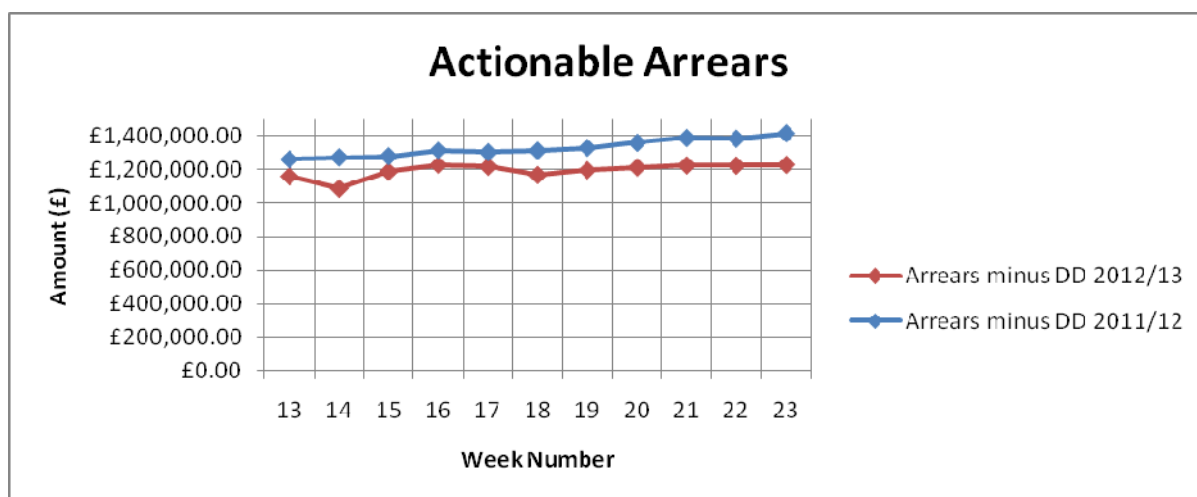
2. RECOMMENDATION

To note the content of this report.

3. MATTER FOR CONSIDERATION

3.1 This report presents performance on current rent arrears and compares our performance against that of 2011/12.

3.2.1 Actionable arrears are the total arrears outstanding, less that showing on accounts where the payment method is direct debit or standing order. The table below shows 'actionable' arrears as at week ending 7 September 2012 (week 23).



3.2.2 As at week 23, the total actionable arrears were £1,223,865, against £1,414,984 at the same point during 2011/12. .

3.2.3 The Board will note that the trend of arrears is continuing to hold below that of the previous year and that this is the desired position.

3.2.4 The graph at Appendix 1 shows the full year arrears trend for 2011/12 and progress to date during 2012/13. This shows that historically arrears increase during the second and third quarters, with a reduction through to year end.

- 3.3 The total % rent collected against the debit as at week 14 was 97.45%. This represents an improved performance against 2011/12 when the figure was 95.95%.
- 3.4 We are continuing to monitor the trend of arrears owed by tenants in receipt of full and part housing benefit. In both cases we are seeing that Derby Benefits are maintaining a steady position in terms of processing claims. We believe that continuing to fund an additional processing position to concentrate on local authority claims is appropriate in managing performance and the impact on our rent arrears. This arrangement will continue for the remainder of the financial year.
- 3.5 Whilst the current position is pleasing we are not complacent and recognise the impact of forthcoming welfare reform issues on rent arrears. Proposals are in hand to further strengthen the 'project team' focussing on contacting tenants who are 'under-occupying' and also increasing resources within the Income Management Team.

Interviews are due to take place before the end of September 2012.

4. FINANCIAL & BUSINESS PLAN

- 4.1 The future funding of the Housing Revenue Account is dependent on maintaining effective income collection and minimising the levels of rent arrears.

The areas listed below have no implications directly arising from this report:

Consultation
Legal & Confidential
Council
Personnel
Environmental
Equalities Impact Assessment
Health & Safety
Risk
Policy Review

If Board members or others would like to discuss this report ahead of the meeting please contact the author.

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Background Information: None

Supporting Information: None

APPENDIX 1

