

INCOME MANAGEMENT & WELFARE REFORM STAFFING RESOURCES

Report of the Head of Finance & Income

1. SUMMARY

- 1.1 At the last Operational Board, a request for further information on what additional level of resource was being used to maintain high performance in rent arrears in comparison to pre-universal credit resources. The Operational Board was keen to understand the costs associated with collecting rent and arrears.

This report compares the resources invested into the Income Management (Arrears Team) and the Welfare Reform (WR Arrears Team) since 2013/14 to 2019/20.

- 1.2 Headline additional resources are:
- Arrears Team – 4 x Scale 2/3 Income Recovery Assistants – approx. cost £96,000
 - WR Arrears Team - 6 x Scale 4/5 Income Advisors plus 1 x SO1 Team Leader – approx. cost £200,000.
- 1.3 Overall the annual Arrears Team staffing costs (inclusive of on costs) are £790,000.

The teams each year collect in the region of £56m in rents and service charges.

Current tenant arrears levels around £1.3m as at March 2019.

The level of rent collected (excluding arrears brought forward) as a percentage of rent due was 99.7% as at March 2019.

2. RECOMMENDATION(S)

- 2.1 To note the contents of the report.

3. MATTER(S) FOR CONSIDERATION

- 3.1 Firstly, the Arrears Team - who concentrate on current tenant's income collection across, the additional level of resource since 2013/14 is 4 x Scale 2/3 Income Recovery Assistants.

The Income Recovery Assistants role is to support and assist the Income Officers and they also prioritise on low level arrears, administrative support and initial tenant phone call handling.

Since their introduction this has enabled the core Income Officers to concentrate their time on work more complex support to current tenants and assist those tenants with higher levels of arrears.

- 3.2 Staffing resources overall for the Arrears Team – this is managed by 1 x Income Team Manager (PO3) with 26 fte posts – including 3 x Team Leaders (SO1), 18 x Income Officers (S4/5), 4 x Money Advice Officers (S4/5) plus 1 x Arrears Clerk (S1/2).

- 3.3 Secondly, the WR Arrears Team – this was initially created in 2013/14 with two year temporary posts for 1 x Team Leader (SO1), plus 3 x Income Advisor (S4/5).

Due to the delays of full Universal Credit implementation the roles were made permanent because of the ongoing support required to tenants.

The Income Advisor roles are primarily to support tenants with their application for Universal Credit, set up Alternative Payment Arrangements for their rent payments (487 in place - which is currently bringing in £1.9m per year) plus direct deductions (424 in place – which are currently bringing in £0.18m per year) etc. Additionally and most importantly, support for the administration of the ongoing maintenance of the Universal Credit claim. Emphasis is placed on supporting tenants to become self-sufficient in maintaining their own Universal Credit administration and that their rent is paid and processes on how this will be collected.

- 3.4 Staffing resources for the WR Arrears Team – this is managed by the 1 x Income Manager – Welfare Reform (PO3) which was created from an existing post in Derby Homes. Plus the team has gradually grown since 2013/14 and now is established with 1 x Team Leader (SO1) plus 6 x Income Advisor (S4/5).

IMPLICATIONS

4. FINANCIAL AND BUSINESS PLAN IMPLICATIONS

- 4.1 Specifically on the request for further information on what additional level of resource was being used to maintain high performance in rent arrears in comparison to pre-universal credit resources – the staffing costs (inclusive of on costs) are :

- Arrears Team – 4 x Scale 2/3 Income Recovery Assistants – approx. annual cost £96,000
- WR Arrears Team - 6 x Scale 4/5 Income Advisors plus 1 x SO1 Team Leader – approx. annual cost £200,000.

The WR Arrears Team is managed by the Income Manager – Welfare Reform (PO3) and this post was created from existing resources and has a budgeted cost of approx. £50,000 a year.

- 4.2 Overall the annual Arrears Team staffing costs (inclusive of on costs) are £790,000.

The annual WR Arrears Team staffing costs (inclusive of on costs) are £250,000.

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

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

For more information please contact:

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Background information:

List of appendices

This report has been approved by the following

Managing Director	Maria Murphy	24.7.19
Finance Director	David Enticott	24.7.19
Company Solicitor	Taran Lalria	24.7.19