

Income Management Strategy 2019 - 2021

Report of the Head of Finance and Income

1. SUMMARY

- 1.1 The Income Management Strategy 2017-2019 is due for review. It has been reviewed and updated to meet the challenges and requirements for the next two years.
- 1.2 There are no major changes, just clarifications that the policy applies also to Leaseholder and external Landlord arrears collection, plus updates relating to Universal Credit.

2. RECOMMENDATION(S)

- 2.1 To approve the revised Income Management Strategy as drafted in Appendix 1.

3. REASON FOR RECOMMENDATION

- 3.1 To ensure Income Collection is maximised and our commitment to customer care towards paying and non-paying tenants.

4. MATTERS FOR CONSIDERATION

- 4.1 To review the policy to give assurance that the policy covers key issues such as:
 - Tenants and leaseholders who engage will be treated with empathy, support and fairness. If engagement is not forthcoming then standard processes are followed.
 - Challenges arising from Welfare Reform and in particular Universal Credit are being mitigated.
 - Commitment to maximising income collection whilst balancing this with a Customer First approach.
 - Working with other teams in Derby Homes and partners to provide a wider range of support to tenants around financial management to assist them in paying their rent.

5. OTHER OPTIONS CONSIDERED

- 5.1 None

IMPLICATIONS

6. FINANCIAL AND BUSINESS PLAN IMPLICATIONS

- 6.1 Annually around £55m of rents and service charges are collected on behalf of the Council, from over 13,500 tenants and leaseholders, currently at over 99% collection rates.
- 6.2 The Council's HRA Business Plan has increasing provisions for bad debts anticipated as Universal Credit rolls out.
- 6.3 Targets will be set in line or above HRA Business Plan budgets. If a 1% collection rate above that budgeted is achieved that releases over £0.5m back into HRA budgets for future use on tenant's services / new homes.

7 COUNCIL IMPLICATIONS

- 7.1 See financial section for implications on HRA business plan finances.

8. POLICY REVIEW IMPLICATIONS

- 8.1 This is a key policy of Derby Homes and is included in the Key Policy Review Schedule. In accordance with Derby Homes Board Minute 10/51 this policy will be reviewed no later than two years from the date of this meeting.

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

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

For more information please contact:

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Background information: None

List of appendices None

This report has been approved by the following

Managing Director	Maria Murphy	19.11.19
Head of Service	Michael Kirk	30.10.19