

AGENDA ITEM NO.

ISLE OF ANGLESEY COUNTY COUNCIL	
Report to	Executive Committee
Date	4th November 2013
Subject	Income Management Strategy
Portfolio Holder(s)	Councillor Kenneth P Hughes
Lead Officer(s)	Shan Lloyd Williams, Head of Housing Services
Contact Officer	Shan Lloyd Williams, Head of Housing Services
Nature and reason for reporting To present a new Housing Services Income Management Strategy for adoption by the Executive Committee.	

A – Introduction / Background / Issues	
1.0	Summary
1.1	Rent arrears are increasing with Tenants finding it increasingly more difficult to pay their rent, partly resulting from the effects of Welfare Reform, partly resulting from the current economic climate, higher utility costs and partly because some Tenants simply are refusing to pay their rent. A minority number of Tenants may well not be aware, the consequences of refusing to pay rent, is that the Council will take action to evict.
1.2	The Housing Services team are responsible for delivering the services that relate to income management. These include financial inclusion, rent charges and arrears, former tenant debt and rechargeable works (eg, repairs, voids).
1.3	A recent independent review of the income management service identified significant weaknesses both at a procedural and operational level within the Income Management and Estate Management Teams. Arrears were increasing. There was limited focus on pro active; preventative work. Working practices were found to be 'traditional' with little flexibility or ownership of role responsibility. The workload of six Officers of the Estate Management Team has been prioritised for the next six months to solely work on arrears and arrears management, whilst the other two Estate Management Officers are working on estate management issues including anti-social behaviour and new sign-up of tenancies etc.

- 1.4 Housing Services [subject to obtaining political support in the very near future] will be aiming to becoming self-financing by April 2014 or at the latest April 2015 [depending on discussions between the Treasury and Welsh Government and the eleven stock retaining Local Authorities], which will mean that there will be greater pressure on the service to ensure income management is effective in minimising arrears and maximising tenant income.
- 1.5 The current review of Welsh Housing regulation may affect regulation of services and their delivery, which means that effective management of all our housing income sources will be crucial.
- 1.6 In particular the added risk posed through the impact of Welfare Reform on income collection is significant. We recognise that if this is not dealt with, services to customers may be compromised and difficult decisions may have to be made by the Council in order to sustain services to customers. This is linked to a review of our 30 year HRA Business plan during the next two months.
- 1.7 As a result, a strategy action plan has been devised which will support the Housing Services in addressing the key issues in the short and long term, but only if the actions within the action plan are implemented.
- 1.8 Key to the strategy involves supporting Tenants who are in the early stages of getting into arrears, and every effort is being put into place to ensure that there is sufficient support available.
- 1.9 The income management strategy links directly to the Council's transformation plan and the six themes of the plan.
- 1.10 The Vision of the Strategy reads as follows:
"We will be a professional and well-run service, innovative and outward-looking in our approach, committed to developing people and partnerships in order to deliver high quality efficient and effective services that are valued by our customers"

B - Considerations

2.0 Objectives of the Strategy

2.1 The specific objectives of the Income Management Strategy are:

- *To minimise the level of new arrears and debts* – covering rent and non-rent charges, terminations, repairs, voids
- *To maximise the collection of existing arrears and debts* – covering rent arrears, former tenant debt, re chargeable works
- *To ensure that financial exclusion is minimised and to minimise tenant debt* – covering maximising tenant income, financial inclusion, developing financial awareness, skills and knowledge, supporting employment opportunities, supporting digital inclusion, support and advice on banking, credit, savings, insurance, affordable utilities, increasing awareness of Loan sharks and pay-day loan companies
- *To set appropriate standards to measure performance, service delivery and tenant satisfaction* – covering individual and team performance measures; quality assurance; supervision and appraisal; service standards and tenant satisfaction.

C – Implications and Impacts		
1	Finance / Section 151	Awaiting comments
2	Legal / Monitoring Officer	No comments
3	Human Resources	No comments
4	Property Services (see notes – seperate document)	No comments
5	Information and Communications Technology (ICT)	
6	Equality (see notes – seperate document)	
7	Anti-poverty and Social (see notes – seperate document)	Co-incides with the Council's Welfare Reform Project action plan
8	Communication (see notes – seperate document)	
9	Consultation (see notes – seperate document)	
10	Economic	No comments
11	Environmental (see notes – seperate document)	
12	Crime and Disorder (see notes – seperate document)	
13	Outcome Agreements	

CH - Summary

Rent arrears are increasing with Tenants finding it increasingly more difficult to pay their rent, partly resulting from the effects of Welfare Reform, partly resulting from the current economic climate, higher utility costs and partly because some Tenants simply are refusing to pay their rent.

To reduce the risks to the Housing Revenue Account business plan, and help ensure that our Tenants are able to sustain their tenancies, the Income Management Strategy has been developed, which aims to:

- minimise the level of new arrears and debts
- maximise the collection of existing arrears and debts
- ensure that financial exclusion is minimised and to minimise tenant debt
- set appropriate standards to measure performance, service delivery and tenant satisfaction

D - Recommendation

R1 Members of the Executive Committee are requested to approve the Strategy.

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Job Title: Head of Housing Services
Date: 18th October, 2013

Appendices:

Income Management Strategy [draft]

Background papers

1. Welfare Reform Project Action Plan
2. Service charge policy [separate report being presented to Executive Committee 04/11/13]

DRAFT Income management strategy 2013/14 Anglesey County Council Housing Services

1 Foreword

This Income Management strategy is important to Anglesey County Council as it sets down our approach to meeting the challenges of an authority going through a transformation in its approach to the way services are delivered, its culture and recognises a changing financial environment for our tenants.

2 Introduction

Anglesey County Council delivers a range of housing services directly to the tenants and leaseholders of the County Council.

The Housing Services team are responsible for delivering the services that relate to income management. These include financial inclusion, rent charges and arrears, former tenant debt and rechargeable works (eg, repairs, voids). This strategy identifies the medium term approach to the delivery of these services.

There are complementary service strategies for homelessness; housing strategy; corporate debt policy, financial inclusion. Together our strategies provide the focus for achieving our corporate Priorities.

2.1 *Details of recent health check of the service*

A recent independent review of the income management service identified significant weaknesses both at a procedural and operational level. Performance monitoring and

management of the service was found to be weak. Arrears were increasing. There was limited focus on pro active; preventative work. Working practices were found to be 'traditional' with little flexibility or ownership of role responsibility.

The service culture was generally negative and inward facing. Recent changes to the IT system and staffing structure were having a negative impact and adding to the negative approach that the service presented.

Detailed information about where the income management service is currently and where it wants to be can be found in appendix A.

2.2 *The importance of tackling weaknesses within the Income Management Service*

In addition to the service weaknesses identified in section 2.1, a number of internal and external risks and issues could impact on the income management service. The wider challenges for the Authority, this service and its tenants, include:

- The Welfare Reform Bill poses significant risk to income management services. High percentages (71%) of our customers rely on Housing Benefit to support them with their housing costs, with the majority of tenants currently having their benefit paid directly to us. The introduction of the 'bedroom tax'; benefits cap; Universal Credit and Personal Independence Payments (PIP) are likely to adversely affect the income collected within the service. This makes it more difficult to collect rent payments due as well as leading to increased

administrative costs for collection and enforcement action

- High levels of unemployment and the ongoing effects of the general economic climate may result in customers finding it more difficult to pay the money they owe us; manage their finances and avoid arrears and debt
- Higher utility charges and a lack of understanding on how to obtain best value services may reduce customers' disposable income
- The Council is aiming to becoming a self financing authority by 2014 which will mean that there will be greater pressure on the service to ensure income management is effective in minimising arrears and maximising tenant income
- The review of Welsh Housing regulation may affect regulation of services and their delivery

While we are working pro actively with our tenants to support them through these changes and challenges, effective management of all our housing income sources will be crucial. Reduced income collection will impact on the service which can be provided to our tenants.

The income management service is currently failing to maximise its potential income across all housing income streams – homes; garages; FTA; recharges and leaseholder income. Failure to address the issues identified within the strategy in a timely manner will have an increasingly negative impact on the ability of the service and the Council to deliver high quality customer service and improve this going forward.

In particular the added risk posed through the impact of Welfare Reform on income

collection is significant. We recognise that if this is not dealt with services to customers may be compromised and difficult decisions may have to be made by the Council in order to sustain services to customers.

As a result, a strategy action plan has been devised which will support the organisation in addressing the key issues in the short and long term, but only if the actions within the action plan are implemented.

2.3 Mitigating the impact of Welfare Reform

In order to support our tenants in dealing with the challenges of Welfare Reform and reduce the potential impact to the Income Management Service, we are undertaking a number of actions, including:

- Running initiatives to alleviate financial and digital exclusion including piloting money management and basic IT courses
- Ensuring that staff, tenants and elected members are well informed with information through newsletter; leaflets and at all points of customer contact
- Identifying and contacting tenants directly affected by the 'bedroom tax' and offering support; identifying and contacting tenants directly affected by the benefits cap
- Amending our allocations policy to ensure we are not offering tenants properties which will automatically financially disadvantage them through 'bedroom tax'
- Developing a tenancy support service to which tenants can be referred for support

- Increasing the take up of Direct Debit payers
- Ensuring wide access to independent support for tenants through development of close working relationships with agencies
- Completing our tenant profiling to support the effective use of resources
- Promoting and supporting digital inclusion.

2.4 Scope of strategy

The strategy covers all areas of income into the Housing service HRA. These areas include the following income streams:

- Homes
- Garages
- Service charges – tenants
- Leaseholder contributions – service charges
- Rechargeable repairs
- Former Tenant Arrears (FTA)
- Rent add-ons (Supporting People charges; Sewage charge income, insurance premium collection).

2.6 Vision for the strategy

“We will be a professional and well-run service, innovative and outward-looking in our approach, committed to developing people and partnerships in order to deliver high quality efficient and effective services that are valued by our customers”

2.6 Purpose of strategy

The income management strategy outlines how we aim to maximise the income received through our income streams. It provides clear messages for staff about their role in delivering this strategy and the links to delivering our corporate aims.

This strategy aims to address the key issues that Anglesey County Council Housing Services believe needs addressing within the income management service.

This strategy recognises the links with the Isle of Anglesey County Council overall strategic aim which is to:

‘Promote and protect the interests of the island, its citizens and communities’

Through creating an Anglesey:

- Which has thriving and prosperous rural community
- Where people achieve their full potential
- Where people are healthy and safe
- Where people enjoy, protect and enhance their natural and built environment for future generations
- Where people are proud of their Council.

The income management strategy links directly to the Council’s transformation plan and the six themes of the plan:

- **Theme one** – professional and well run
- **Theme two** – innovative, ambitious and outward thinking

- *Theme three* – customer, citizen and community focussed
- *Theme four* – valuing and developing our people
- *Theme five* – committed to partnership
- *Theme six* – achieving.
- *To set appropriate standards to measure performance, service delivery and tenant satisfaction* – covering individual and team performance measures; quality assurance; supervision and appraisal; service standards and tenant satisfaction.

This strategy also recognises the current strategic challenge of Welfare Reform.

3 Objectives of the strategy

In order to achieve our desired service level we have prioritised a number of strategic objectives and identified the scope of each objective across the service.

The specific objectives of the Income Management Strategy are:

- *To minimise the level of new arrears and debts* – covering rent and non-rent charges, terminations, repairs, voids
- *To maximise the collection of existing arrears and debts* – covering rent arrears, former tenant debt, re chargeable works
- *To ensure that financial exclusion is minimised and to minimise tenant debt* – covering maximising tenant income, developing financial awareness, skills and knowledge, supporting employment opportunities, supporting digital inclusion, support and advice on banking, credit, savings, insurance, affordable utilities, increasing awareness of Loan sharks and pay-day loan companies

Objective 1: *To minimise the level of new arrears and debts*

Our aim is to ensure that new tenants are well advised and clear about their responsibilities and the cost of running a home; by doing this we will improve sustainability of tenancies and minimise arrears within the early part of a tenancy.

We will achieve our objective by working with our allocations service to ensure that we work proactively with applicants before they are allocated a tenancy. Appropriate information and self assessment budget sheets will be provided to ensure that applicants are fully aware of the costs of renting our properties.

We will undertake affordability checks with applicants prior to an offer of accommodation and, where affordability may be an issue, signpost applicants to support agencies. This supports the future sustainability of tenancies and we are not setting new tenants up to fail.

Pre allocation of tenancies will be developed and offer letters will be provided in advance to ensure that tenants are aware of the contract obligations to which they will be agreeing.

Systematic post tenancy visits will be undertaken at key points in the tenancy and action and support taken where arrears arise

Introductory tenancies will be extended where rent arrears exist to ensure that the

tenancy can continue to be intensely monitored and act as an incentive for tenants to maintain payments and arrears agreements. We will maximise income collection by developing a strong payment culture amongst tenants

Objective 2: *To maximise the collection of existing arrears and debts*

We recognise that all tenants are individual and arrears and debt problems may be complex. We will use the available tenant profiling information to tailor our services to meet their needs and make them accessible to all residents

We will deliver arrears and debt collection services which focus on supporting and assisting the tenants to retain their home. We will improve the level of our early personal contact with tenants and the positive outcomes resulting from this contact alongside using clear arrears letters in accordance with our procedures.

We will promote more proactive access to services for tenants aimed at arrears and debt prevention. We will offer a wide range of ways for tenants to pay rent and arrears; making affordable arrangements for arrears repayment and signposting tenants to advice and support as appropriate.

We will take prompt action when rent arrears and other debts are incurred; balancing prevention and enforcement, to ensure that arrears do not escalate to unacceptable levels, outside tenant abilities to repay.

We will develop appropriate procedures to maximise the collection of other debts such as rechargeable repairs; former tenant arrears and sundry debts, ensuring links between the service areas to reduce multiple debt pressures for tenants.

Objective 3: *To ensure that financial exclusion is minimised and to minimise tenant debt*

We will reduce the risk of financial exclusion by increasing the opportunities for customers to access financial services and reduce the risk of new arrears by providing and promoting more arrears prevention services. We will support tenants to pay their rent and to reduce personal debt, through benefit advice and to access to help with money management and budgeting.

We will further develop our support and the development of financial confidence of our tenants experiencing financial difficulty, through our money management courses and basic IT courses, to enable our tenants to better understand and take control of their finances.

We will improve access to free financial support and advice, and provide financial health checks to all tenants and support tenants to get advice on benefit entitlement and debt management to maximise their income, through our work with internal and external partners such as the O'Toole Centre; SHELTER and CAB. Working in partnership with other organisations we will aim to maximise the impact of initiatives

We will increase support to our tenants to develop IT skills and increase access to the internet for tenants and residents.

We will improve access to employment and training opportunities, working with partners and stakeholders to create employment opportunities for our residents.

We will promote sustainability by supporting our tenants on issues such as fuel poverty and energy efficiency

particularly where this promotes effective budget management

We will link collection of our debts to the corporate debt policy.

Objective 4: *To set appropriate standards to measure performance, service delivery and tenant satisfaction*

We will develop systems to allow us to collect and analyse relevant information to achieve top quartile performance for key indicators. We will develop performance measures and targets to demonstrate where we are performing well or underperforming. We will manage, monitor and review these with senior management, operational staff and tenants.

Anglesey County Council Income Management Service is keen to respond to the challenges faced by our tenants in respect of money and income management. We have a strong emphasis on providing Value for Money services and continuous improvement.

We will improve the value for money achieved through our income collection methods. In pursuing value for money we will identify when it is not effective to create rechargeable works orders and we will ensure timely identification of whether former tenant debts are collectable or not.

We will involve our tenants in future service developments.

Performance indicators for this service should not be viewed in isolation it is important that they link closely to other services within Housing Services.

4 Monitoring progress

To measure our progress in meeting these objectives we will use quantitative and qualitative indicators. These will be included within the services balanced scorecard which will be reported monthly. In addition relevant Performance Indicators (PI) will be discussed in each officer's appraisal.

Quantitative and qualitative indicators will include:

Financial inclusion

- Number of customers referred to all agencies for support and outcomes
- Customer take up of services – insurance; pilot classes
- Value of extra benefit secured for customers through advice service (income maximisation).

Rent charges and arrears

- Rent collected as a proportion of rents owed (including and excluding arrears)
- Proportion (%) of tenants with more than seven weeks' arrears
- Proportion (%) of tenants who have had NOSP's served
- Number of tenants evicted as a result of rent arrears
- Average arrears £
- % of system-prompted arrears actions that were carried out – either completed or rejected
- Number of arrangements made/ % maintained

- Number of tenants visited before NoSP
- % of successful court cases – order granted
- Number of Court Orders cleared
- Percentage of new tenants given a pre-tenancy interview
- Percentage of new tenants who have had HB, determination within six weeks.
- Percentage of new lettings clear at 12 weeks
- Average arrears for introductory tenancies.
- On site target for HMOs; Year 1 – 60:40; Year 2 – 80:20.

Former tenant debt

- Former tenancy debt collected % (existing at end of previous financial year)
- Former tenant debt collected % (newly arising during financial year)
- Cumulative FTA debt
- Cumulative FTA write-off
- FTA written off as % of total rent debit
- Number of tenancies in arrears at termination
- Average arrears of tenancies when ended.

Garages

- Level of garage rent arrears

- Garage rent collected
- Number of garages let.

Rechargeable works

- Income collected from rechargeable works (existing at end of previous financial year)
- Income collected from rechargeable works (newly arising during financial year).

Miscellaneous income

- Amount of income collected from miscellaneous sources against debit for this area.

5 Expected impact

We expect, through the successful implementation of this strategy, to have the following impact:

- *Customers* will feel supported in maximising their income and sustaining their tenancies. They will have access to support in reducing existing arrears. They will be able to avoid the creation of new debt and be supported to reduce the level of existing debt
- *Anglesey County Council Housing Services* will be providing a more proactive service and will be seen by customers as more supportive. Rent and debt collection will improve and the organisation will benefit from increased income
- *Other organisations* may benefit if our customers are better educated and advised in relation to money management and have access to wider financial services. In this way

their overall level of debt may be reduced.

6 Strategy delivery

The actions required to implement this strategy in its first year are contained in an income management strategy action plan 2013/14.

Delivery of strategy actions will be monitored through PIs linked to the balanced scorecard and through our staff appraisals.

The strategy and its action plan (see Appendix B) will be a key document in the delivery of the HRA Business Plan and the sustainability of housing services.

Appendix A

Where are we now?

Although we have developed how we deliver income management services, there are significant weaknesses in our performance, our culture and our overall approach to income management. The current state of the income management services is reflected in the following:

Culture

- Traditional views of service delivery with a lack of innovation or flexibility
- Negative view of the service and its new structure, by some staff
- Limited ownership of the roles and responsibilities in relation to the service and individual contribution.

Financial inclusion

- There is a funded benefits advice service which provides in-depth advice and assistance and representation for benefit appeals and backdates
- Partnership working with SHELTER and CAB
- Direct Debit is promoted
- Affordable contents insurance is available from the Authority, payable with the rent and promoted through the tenants handbook
- Tenants affected by Welfare reform changes have been identified and supported
- In partnership with Menai college we piloting accredited money

management courses and IT classes

- Outreach advice services to estates are provided
- Allocation policy reviewed to address under occupation changes ('bedroom tax')
- Tenant budget sheets are included in sign up pack
- Grant funded home starter kits for new tenants via temporary accommodation route.

Rent charges and arrears

- Housing management officers undertake the sign up meeting for all tenants to support them with payment methods and benefit claims
- Tenancy handbook is provided to all new tenants
- New tenants are encouraged to pay by DD; have bank accounts and take up home contents insurance
- Range of ways to pay and two DD dates in place; but more needed to meet customer needs
- Tenancy support service established
- Draft corporate debt policy developed
- Quarterly rent statement developed and issued to tenants
- Arrears procedures are not fully effective in identifying increasing arrears and taking action to contact

tenants. As a result rent collection performance is declining

- Rent arrears have been increasing for the last three years with arrears at 3.82% of rent collectable (£505,056.93 at year end 2012/13)
- Void and allocation process focus may be impacting on pro active approach to arrears management
- Information to tenants not user friendly or consistently used.

Service charges

- No service charge policy but aim to develop by March 2014
- Service charges are not de pooled and therefore not charged on a cost to benefit approach to tenants but work underway in conjunction with other authorities (Denbighshire; Flintshire; Wrexham) to start this exercise
- No clear information provided to customers about service charges/services received
- Service charges to leaseholders have been de pooled and are charged at cost, resulting in an inequitable approach
- No VfM approach to service charges to customers.

Former tenant debt

- Dedicated officer in place and some use of personal contact to chase debt but not fully proactive
- Limited performance measures in place to track outcomes

- Limited systematic proactive approach to FTA debt collection
- Debt levels have increased since April 2011/12 to current debt level of 1.83% of collectable rent
- Current FTA debt is £242,271.41 (as at year end 2012/13).

Welfare Reform

- Profiling and support work undertaken on 'bedroom tax' and benefit cap tenants
- Range of information in newsletters/website to publicise changes; pocket sized leaflet developed
- Limited profile data limits understanding of Welfare Reform impact.

Garages

- Limited proactive management of garage arrears/income collection
- Garages arrears are significant and increasing
- the number of occupied garages is decreasing
- Limited co-ordination of the repairs and maintenance of garages and there is no dedicated and growing budget for this purpose. A garage audit has started to determine sustainability of sites
- There remains a high number (260) of vacant garages and garages awaiting repair, allocation or disposal.

Rechargeable works

- No recharge policy or procedure so no proactive approach in place
- Limited linkages to other service areas such as income management when raising recharges
- Procedures for rechargeable works billing are not timely which makes securing payment difficult
- Collection rates are low
- Rechargeable debt is not systematically managed

Addition miscellaneous income areas

In addition to the mainstream income areas Housing Services, deals with and collects the following income streams:

- SP charges – these are collected as part of rent and arrears are therefore chased by HMO
- Sewerage charges – non mains drainage costs such as septic tank emptying and maintenance are not collected from leaseholders
- Contents insurance – procedure in place; included within rent; when arrears arise on the account; agreements are made initially but broken agreement results in the insurance policy being cancelled.

Where do we want to be?

We want to see a service where our customers, through maximising their income and having access to the full range of financial services, are able to sustain their tenancies by avoiding arrears and debt.

We want to maximise the income potential of the service to the Council in order that services can be protected and improved for our customers.

We want to become a high performing service which achieves top quartile performance for authorities in Wales.

For this to happen the following will need to be in place:

Cultural change

- Engagement and ownership of service delivery by all staff; with a positive solution based approach
- Strong clear performance measures with effective management, linked to systematic supervision and appraisal
- Clear direction and focus for the service
- Individual responsibility for ensuring we improve the way in which we work to deliver this strategy.

Financial inclusion

- Further develop initiatives to help alleviate financial exclusion
- Support to sustain tenancies with a range of opportunities for customers to improve their understanding of money management, managing debt, banking and budgeting
- Pro active pre tenancy financial assessment, support/guidance to applicants
- Provision of information on welfare and Housing Benefits at sign up

and at risk points throughout the tenancy

- Access to a range of money advice services; dedicated independent debt advice; specialist money management, benefits and debt advisors
- Support and promote the local credit union, low cost banking, utility cost comparators; increased DD dates to link to Universal Credit Tenancy and DD incentives
- Dedicated financial inclusion officer.
- Promotion of digital hubs and support for our tenants to use these.

Rent charges and arrears

- A sound understanding of our tenants and their needs through the collection of robust profiling data to enable targeted responses to arrears
- Clear procedures and policy; linked to effective IT system
- Early intervention when arrears arise. Support and advice available to help prevent arrears, manage arrears and that customers are readily accessing this support
- Challenging individual and team performance measures and supervision
- Effective IT and improved use of technology to support off site working
- Range of incentives relating to tenancy management.

Service charges

- A service charge policy in place
- De-pool all service charge costs and ensuring service charges demonstrate VfM
- Ensuring accessible information in place for service charge costs.

Former tenant debt

- Clear procedures in place
- Pro active pre termination action with an effective system for the avoidance of the unnecessary creation of former tenant arrears
- Rapid identification of whether debt is collectable, effective policy and procedures for the collection of such debt
- A range of methods/tools for the tracing of addresses.

Garages

- The number of vacant garages is kept to a minimum
- The income from garages is being maximised
- The garages and garage blocks are maintained to a high standard, funded by increased income and investment in garage maintenance
- Garages and garage sites that are not economical to bring into occupation have been identified and there are clear plans for their disposal.

Rechargeable works

- A procedure that ensures prompt, timely and effective debt collection
- Improved financial systems to notify recharges to customers in a timely manner
- An effective system for the avoidance of the unnecessary creation of rechargeable works orders.

Miscellaneous income

- A clear separation between arrears of rent and SP costs with clear procedure re chasing and recovering arrears
- A review of the insurance policy and process for tenants in arrears
- Undertake a consultation process relating to charges for sewerage costs and introduce and collect outstanding charges.

Appendix B

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
Objective 1: To minimise the level of new arrears and debts							
1	Develop the financial confidence of new and existing tenants	Develop affordability information and undertake checks for key target groups at application stage and before tenancy commencement	<p>Assist prospective tenants to understand if they can afford a tenancy</p> <p>Assist prospective tenants to explore benefits/support/advice prior to allocation</p> <p>Improve sustainability of tenancies</p> <p>Reduce arrears in tenancy</p>	KLR	<p>1/10/13 - Affordability Document to be finalised</p> <p>1/10/13 - Affordability Document to go out with all applications</p> <p>1/11/13 - Determine the approach to FI Officer role involvement</p>	H	3,6
		Develop pre-tenancy classes/budgeting skills classes for new tenants identified as at risk due to affordability.	Assist new tenants to budget and manage their money	FI Officer	1/12/13 - Identify approach and options for developing and introducing	H	3,6
		Consider offering pre tenancy classes to all applicants on waiting list (risk based)	Improve sustainability of tenancies	FI Officer	1/4/13 - Identify approach and options for developing and introducing	H	3,6
		<p>Ensure that post tenancy visits are used effectively by booking in first visit appointment at sign up</p> <p>Monitor post tenancy visits made</p>	<p>Identify arrears/debt issues at early stage</p> <p>Provide support and advice to tenants</p> <p>Improve sustainability of tenancies</p>	RS / WW	1/10/13	H	3,6
		Identify, further develop and strengthen partnership working with other agencies to provide advice and support to applicants pre tenancy	Clear routes for advice and support	FI Officer	1/12/13 – audit existing routes a	M	3,5,6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
		Provide financial health checks to all tenants	More tenants will have access to financial information advice and guidance and more likely to take up products and services	HR	Already in progress. Review use and effectiveness 1/4/13	H	3,6
		Provide new tenants who have been homeless, support with their finances in readiness of taking up their tenancy	More tenants will have access to financial information, advice and guidance and more likely to sustain tenancy	HR	Already in progress. Review use and effectiveness 1/4/13	H	3,6
Objective 2: To maximise the collection of existing arrears and debts							
2	Develop a proactive approach to rent arrears collection, focussed on personal contact	Review existing policies, procedures and IT escalation process to support this to include: Current rent arrears rent recovery Garage arrears procedure Former Tenant Arrears procedure Recharges Policy and procedure	Supports staff to manage process efficiently Enables prompt effective action at early stages of arrears Through publicity tenants will know that the organisation is taking action	HR/ KR/ Elaine Upton HQN	23/9/13 IT meeting re escalation steps review 1/11/13 Current Arrears recovery and garage arrears procedure to be completed 30/10/13 Former Tenant Arrears procedure and Recharge policy and procedure reviewed	H	6
		Ensure that prompt action taken in recovering arrears and publicise action taken.	Prompt action supports recovery of arrears and reduces pressure on tenant	HR	1/11/13 - Included as part of review of escalation steps and procedure reviews October 2013 – publicise arrears actions taken April 2014 – review approach to use of signage in gardens to publicise action taken eg. Evicted for arrears	H	6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
		Introduce a free phone number for customer contact re arrears or offer a call back service to tenants calling re arrears	Enables tenants to contact the service where they may not otherwise be able to afford to do so	RS/W W / HR	October 2013 –all staff to offer call back October 2013 – explore option for all Customer Service staff to take payments over phone/ ensure HMO take payments by phone	H	6
		Develop the use of texting, email and out-of-hours working to contact customers	Improved contact with tenants by their preferred method	DG	November 2013 – investigate and cost text messaging facility for arrears payment reminders/ arrears chasing November 2013 - Develop approach to out of hours working to meet needs of business in arrears management	H	6
3	Support tenants to minimise debt and rent arrears	Consistently promote DD in all service areas, introduce DD incentives exploring the opportunity to extend DD payment dates and frequency to meet needs of tenants when Universal Credit introduced	Encourages rent to be paid through most cost effective route	RS/W W/DG	December 2013 – introduce 4 dates for DD payments January 2014 – Identify approach to payment by DD on any date	M	3.6
		Promote DD/ SO at sign up and every contact with customer	Encourages rent to be paid through most cost effective route	All DG	All staff to promote DD/ SO at all contacts with customers January 2014 Review take up levels	M	3,6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
		Explore new ways of rent payment such as the use of mobile applications	Offers customers widest range of options to pay	DG	December 2013 – research and report on costs and options	M	3,6
4	Support tenants to be financially responsible for rent account and arrears	Ensure that tenants have access to account details/statements on internet	Supports tenants to manage their money and accounts and track payments	KR/DG	December 2013	M	3,6
		Review existing rent statements with customers to ensure meets their needs, include a 'how to understand your rent statement' as part of pre tenancy courses	Supports tenants to manage their money and accounts and track payments	HR	December 2013 – review with Task and Finish group	M	3,6
		Introduce incentive schemes for clear rent accounts/tenancy management and payment by DD	To encourage payment of rent and use of most cost effective payment method	DG	June 2014 – research and develop approach. Pilot introduction of incentives and monitor effectiveness	H	3,6
		Promote and use rent free week to collect arrears	To encourage payment of rent and use of most cost effective payment method	SLW/DG	December 2013 – Publicise in property newsletter October 2013 – include in rent statement Annually in tenants newsletter	H	3,6
5	Increase the ability of staff to be more visible and effective on site	Consider the use of alternative working – handhelds/net books to allow greater on-site working	More effective use of staff time and more useful to customer	KR/SLW	July 2014	H	3,4,6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
6	Improve approach to service charge management	Ensure that main service charges are de-pooled and actual costs of services are established for all new tenants	Supports equitable charges for tenants	DG/SL W	September 2013 - Consultant appointed March 2014 – consultation September 2014 - completed	H	3,6
7	Improve the approach to FTA management	Develop/ review FTA procedure and increase personal visits	Improved effectiveness; prompt arrangements made for recoverable income; non recoverable identified at early stage and written off	Elaine Upton HQN	30/10/13	H	3,6
		Use in-house FTA tracing system and using at least two debt collection agencies (no win/no fee)	Improved effectiveness; non recoverable identified at early stage and written off	DG	October 2013 – identify use of licence and location – introduce use into FTA process (see action above)	M	3,6
		Ensure that forwarding addresses and telephone numbers are always systematically collected as a priority at termination	Improved effectiveness; non recoverable identified at early stage and written off	Elaine Upton HQN/ KR	October 2013 (linked to procedure review action above)	M	3,6
8	Improve the way that recharges are managed	Ensure that Recharges policy is reviewed/ developed and that all staff are aware of the policy and procedure	Tenants are clear about recharge responsibilities and costs	Elaine Upton HQN	October 2013	H	3,6
		Ensure that all recharges are invoiced promptly	The Authority recovers the maximum amount of recharge income	Elaine Upton HQN	October 2013 – develop as part of policy review	H	3,6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
		Set performance measure and service standards to support collection	Demonstrates effectiveness of service to customers	Elaine Upton HQN	October 2013 – develop as part of policy review	H	3,6
9	Improve the management of garages and improve collection rates	Ensure that there is a focus on managing garage arrears. Introduce clear monitored procedures Take prompt and early action to prevent high arrears	Tenants are aware of their responsibilities	KR	Letting of garages passed to CSO 1/11/13 – introduce new procedure (Actions already in place – DD payment/ rent in advance/ termination of garage tenancy when property arrears)	M	3,6
Objective 3: To ensure that financial exclusion is minimised and to minimise tenant debt							
10	Provide an agreed level of money advice services and a referral process for those seeking advice	Identify all other agencies and money advice providers working in Anglesey and build partnership working	To target services where they are most needed	FI Officer	March 2013	H	3,6
11	Increase access to benefit advice benefit entitlement and debt management through our work with internal and external partners such as the O'Toole Centre; SHELTER and CAB to maximise income through benefits	Promote benefits advice services already provided within Anglesey	To target services where they are most needed	HR	December 2013 - Tenant and Property newsletters December 2013 – promote on all new arrears letters	H	3,5,6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
		Ensure all under occupancy visits (bedroom tax) to affected tenants are completed and follow up visits undertaken	To support tenants adversely affected by welfare benefit changes	RS/W W	Dedicated resource in place October 2013 – review On-going process	H	3,6
		Develop personal housing plans for those affected by under occupancy	To support tenants adversely affected by welfare benefit changes	HR/ KR	Dedicated resource in place October 2013 – review On-going process	H	3,6
		Identify partners and develop an approach to sharing of information and focus on better outcomes for specific cohorts of people	To support tenants adversely affected by welfare benefit changes	KR/DG	October 2013 – RSL sharing identified/ Welfare Reform Impact Partnership Review outcomes	H	3,6
12	Raise financial literacy and awareness for tenants	Further develop our support to tenants experiencing financial difficulty through our money management courses and basic IT courses, to enable our tenants to better understand and take control of their finances	Increase people's ability to manage their money	HR	September 2013 – new courses start January 2014 – evaluate courses	H	2,3,6
13	Develop opportunities for digital inclusion	Introduce computer internet terminals in access points with trained support/extend IT pilot	Support tenants to be able to manage UC application and money management	KLJ	July 2014 – research, explore feasibility, and identify approach. Link to corporate approach.	H	
14	Raise employment opportunities by removing the financial barriers to entering and sustaining employment	Review and further develop our pilot money management and IT course	Improving the financial knowledge and situation of people seeking employment	HR	April 2014 – review and evaluate. Identify feasibility of expansion of courses	H	2,3,6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
15	Ensure that our communities have access to affordable credit, through supporting affordable credit initiatives and supporting the development of the credit union movement.	Promote credit unions in O'Toole centre and housing access points	Increase the provision of affordable credit options and reduce use of unauthorised, loan shark providers	FI Officer	December 2013	H	3,6
		Explore opportunities for credit unions outreach work	Increase the provision of affordable credit options and reduce use of unauthorised, loan shark providers	FI Officer/ Katie	December 2013	H	3,6
		Develop Community Centres as a resource for tenant access to services and credit union	Increase the provision of affordable credit options and reduce use of unauthorised, loan shark providers	FI Officer/ Katie	December 2013	H	3,6
16	Ensure that tenants have a safe place to save through our support to credit union movement	Develop and build closer working relationships with credit unions and explore opportunity for account options such as 'jam jar' and rent direct accounts	Increase in Credit Union membership and access to other services provided	FI Officer	April 2014	H	3,6
		Build links with Money Line Cyrmu	Increase access points for tenants	SLW	October 2013 – meeting arranged	H	3.6
17	Ensure our communities have access to banking services through exploring opportunities with banking partners	Develop packs which provide all information about opening a bank account/credit union account	Improved access to mainstream banking services – choice for tenants	FI Officer/ KLJ	April 2014	H	3,6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
18	Continue to offer suitable home contents insurance products and increase take up	Promote and advertise the availability of the insurance scheme	More tenants will be insured leading to greater financial security	FI Officer	Ongoing – condition of tenancy at sign up April 2014 - Evaluate and report on current levels and issues	H	3,6
19	Address fuel poverty by providing an agreed level of Energy Advice and a referral process for further advice	Explore the opportunity to develop a fuel brokerage scheme for mainstream energy options such as gas and electricity	More tenants will have access to energy advice services including fuel price comparison and fuel debt repayment plans	FI Officer	November 2013 – contact Denbighshire CC to discuss opportunities re bulk purchase October 2013 – introduce energy warden pilot October 2013 – promote fuel switching service	H	3,6
		Deliver action to improve the level of insulation levels in properties	More tenants will live in well insulated properties	SHO	October 2013 – loft insulation programme completed/ work to upgrade voids ongoing	H	3,6
21	Implement the corporate debt policy	Link collection of our debts to the corporate debt policy	To provide a co-ordinated approach to debt recovery from our tenants	DG	October 2013 – consultation	H	2,3,6

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
Objective 4: To set appropriate standards to measure performance, service delivery and tenant satisfaction							
22	Develop methods to effectively performance manage the income management service	Develop a robust performance framework for monitoring the service Introduce challenging SMART targets for the service, staff at an individual and team level	To demonstrate the progress of the service to staff and tenants To link the performance monitoring and management to the corporate framework To support effective monitoring and identify areas for further support	Elaine Upton HQN	October 2013	H	4,6
		Develop the opportunity to use the Orchard Business Objectives more systematically to support performance analysis and resource targeting	To support staff in targeting resources effectively	All Managers	September 2013 – training on building reports March 2014 – review further training needs	H	4,6
		Undertake systematic profiling of arrears or trend monitoring (geographic/periodic/age/gender) and customer/debt profiling to enable targeting of resources and activities	To support staff in targeting resources effectively	RS/W W	October 2013	H	3,6
		Raise awareness of strategic aims and objectives for this service	To ensure that actions to improve the service are delivered and recognised	SLW	25/9/13 - Strategy launch event	M	6
		Ensure that training and development needs of all staff are fully met, linking to one-to-ones and appraisals	To support staff to undertake their roles and to be fully effective	All Managers	January 2014 – staff appraisals/ Customer Excellence training	H	4
		Develop local offers/service standards with customers and monitor and report performance	To deliver services that meet the needs of customers	HR	July 2014	M	3

Ref	Area requiring improvement	Actions	Key outcomes	Owner	Target dates and progress	Priority H/M/L	Links to trans plan theme no.
		Regularly publish performance reports to staff and customers	To raise awareness of the service among customers and to demonstrate that the authority will take action to recover its income	SLW	October 2013- Tenants newsletter Annual performance in tenants newsletter October 2013 – performance charts introduced into teams	M	3,6
		Ensure the service keeps up to date with best practice and innovative ways of working both within and outside housing sector	To be able to respond to changes and effective ways of working	KR DG	October 2013 – explore use of on line Money Action courses Review House mark best practice Review HQN Rien best practice	M	2
		Monitor and manage customer satisfaction reporting within the service	Understand and demonstrate areas of positive tenant service and address areas of weakness	DG/KR	April 2014 – identify, develop and implement customer satisfaction measurement methods	M	3