



# **Swansea Council**

## **Housing Rents Management Strategy**

**2022-2026**

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## **Introduction from Cabinet Member for Climate Change & Service Transformation, Deputy Leader Councillor Andrea Lewis**



At the time of publishing we are in the midst of a global pandemic and the current environment within which Housing services are delivered is perhaps more challenging than ever before. As a Councillor and Cabinet Member I remain committed to our Housing Service vision of providing good quality homes and services which support communities and help to safeguard and protect both people and the environment of Swansea.

Seeking to deliver towards this vision and wider corporate priorities this Housing Rents Management Strategy has been developed. The strategy outlines how the Council, as part of the holistic estate and tenancy management service, plans to deliver housing rents services between 2022 and 2026. In Swansea Council tenants have come to expect the high standards of service that they deserve from the Council and in maintaining these the strategy aims to effectively prevent rent arrears to ensure that Council tenancies are sustained and income to the Housing Service is maximised.

Rental income is the primary source of income for the Housing Service and it can only be spent on the Council's Housing Service. This Strategy recognises the need to maximise rental income to reinvest into the service. The investment in the Council housing stock will make a significant contribution to the delivery of the Council's priorities and result in wider benefits to communities, estates and the local economy. It will also contribute to the wider national and local well-being, prevention and poverty agenda.

However in collecting this income the service recognises that some Council tenants, particularly those who may be vulnerable, may face difficulties in managing their responsibility for rent payment. This Strategy therefore ensures strong emphasis on the provision of support and advice to Council tenants and the accompanying action plan contains actions to ensure that services are accessible, appropriate and responsive to all groups in order to ensure that Council tenants can maintain and sustain their tenancies, consequently preventing eviction and helping to build sustainable communities.

The strategy is ambitious and is intended to be so. Moving forward it is projected that rent arrears and the number of households in rent arrears will continue to rise and consequently demands on the service will intensify. It is clear that the service will be continually challenged to adapt and explore new opportunities to ensure that rental income is maximised and Council tenancies are sustained.

## **1. Purpose of the Strategy**

This Strategy sets out the guiding principles for the development and delivery of Swansea Council's Housing Rents Management Service over the next 4 years. It considers the national and local context that the Housing Rents Management Service is currently working within. It identifies current and future challenges and sets out how the service will seek to address these challenges through the objectives of the Strategy taking account of the wider Corporate priorities.

This Strategy and accompanying Action Plan have been developed following consultation with service users and stakeholders to ensure that it accurately captures the needs and aspirations of Council tenants, the Housing Service and all those involved with the Housing Rents Management Service.

## **2. Aim and Objectives**

The overall strategic aim of Swansea Council's Housing Rents Management Strategy is to:

**Effectively prevent rent arrears to ensure that Council tenancies are sustained and income to the Housing Service is maximised.**

This will be achieved through the adoption of the following four objectives all of which have equal importance:

**Objective 1:** Maximise the collection of rental income to the Housing Revenue Account (HRA)

**Objective 2:** Prioritising early intervention and prevention of rent arrears

**Objective 3:** Minimise rent arrears when they occur and support Council tenants to sustain tenancies and prevent eviction

**Objective 4:** Mitigate the impacts of existing and future Welfare Reforms on Council tenants and the Housing Service

These objectives are interconnected and therefore should not be considered in isolation from each other. For example, prioritising early intervention and prevention of rent arrears will in-turn maximise the collection of rental income to the Housing Revenue Account.

## **3. National Strategic and Legislative Context**

### **3.1 The Housing (Wales) Act 2014**

The Housing (Wales) Act 2014 sets out how to improve the supply, quality and standards of housing in Wales. The Act introduced a number of legislative components which influence the Housing Rents Management Strategy. These include a strengthened duty on Local Authorities to take reasonable steps to prevent and relieve homelessness and a requirement on Local Authorities to ensure that all

existing properties meet the Welsh Housing Quality Standard by 2020 (*extended to 2021 due to COVID-19*) and subsequently maintain that standard. The Act also gave provision for all Welsh Local Authorities to exit the Housing Revenue Account Subsidy system; enabling Local Authority Housing Services to become self-financing; which subsequently followed for Swansea in 2015. This Strategy encapsulates the increased emphasis on prevention and also on collecting income in order to generate the funding required to maintain homes and services brought about by these legislative provisions.

### **3.2 The Well-being of Future Generations (Wales) Act 2015**

The Well-being of Future Generations (Wales) Act puts in place national well-being goals to ensure that all public services are working towards the same vision which will help create a Wales that we all want to live in, now and in the future. These goals are; a more prosperous Wales; a resilient Wales; a more equal Wales; a Wales of more cohesive communities; a Wales of vibrant culture and thriving Welsh language; a healthier Wales and a globally responsive Wales. The Act also sets out that public bodies, including Swansea Council, must carry out sustainable development which is about improving the way that we can achieve our economic, social, environmental and cultural well-being.

The Act seeks to ensure public bodies work in sustainable ways by applying five ways of working, all of which underpin the delivery of the Housing Rents Management Strategy, these are:

- **Long term** - The importance of balancing short-term need with the need to safeguard the ability to also meet long-term needs. This Strategy ensures strong emphasis on assisting Council tenants to sustain their tenancies long term supporting building sustainable communities.
- **Prevention** – Acting to prevent problems occurring or getting worse. Through its objectives this Strategy places emphasis on early intervention and prevention of rent arrears.
- **Integration** – Ensuring our objectives do not contradict each other and compliment those of other public bodies. The objectives of this Strategy will be delivered working alongside other Council services and public bodies.
- **Collaboration** – Acting in collaboration with others. Collaborative working and working in partnership is key to the delivery of the Housing Rents Management Service and emphasised within this Strategy.
- **Involvement** – The importance of involving people with an interest. This will be achieved by working with Council tenants, including the consultation completed in respect of this Strategy.

### **3.3 Other relevant National Legislation and Protocol**

There are a number of other key pieces of national legislation, strategy and protocols which impact the delivery of the Housing Rents Management Service which consequently contribute to shaping this Strategy. These include:

- Housing Act 1985
- United Nations Convention on the Rights of the Child 1992 (UNCRC)
- Housing Act 1996
- Human Rights Act 1998
- Equality Act 2010

- Welfare Reform Act 2012
- Social Services and Well-being (Wales) Act 2014
- The Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015
- Welfare Reform and Work Act 2016
- Renting Homes (Wales) Act 2016
- Welsh Government Financial Inclusion Strategy for Wales 2016
- Civil Procedural Rules – Pre-Action Protocol for Possession Claims by Social Landlords in the County Court.
- Coronavirus Act 2020

#### 4. Local Strategic Context

##### 4.1 Swansea Public Services Board and Local Well-Being Plan – Working Together to Build a Better Future

As part of the Well-being of Future Generations (Wales) Act 2015, every council in Wales is legally required to have a Public Services Board; a partnership of public service agencies, whose purpose is to work collectively to improve local social, economic, environmental and cultural well-being. Each Public Service Board is required to carry out an Assessment of Well-being to understand current levels of well-being, what matters most to local communities and to produce a plan in order to improve wellbeing.

Following the Assessment of Well-being in Swansea, the Local Well-being Plan has been produced which contains the high-level priorities that the Swansea Public Services Board has identified as being the most important, these are:

- **Early Years** – To make sure children have the best start in life to be the best they can be.
- **Live Well, Age Well** – To make Swansea a great place to live and age well.
- **Working with Nature** – To improve health, enhance biodiversity and reduce our carbon footprint.
- **Strong Communities** – To empower communities promoting pride and belonging.

Housing is a key theme within the plan and the Housing Rents Management Strategy supports the delivery of some of the drivers identified to achieve the priorities, including:

- Contributing to ensuring that people live and age well by providing support so that people can get information, advice and help and enabling people to live in safe, good quality homes.
- Contributing to stronger communities by ensuring that people can get the financial support that they have a right to.

##### 4.2 Swansea Councils Corporate Plan: Delivering a Successful & Sustainable Swansea 2018-2022

To achieve Swansea Councils vision “*to create a safer, greener, smarter, fairer, healthier and richer Swansea*”, and contribute to the seven national well-being goals

outlined in the Well-being of Future Generations (Wales) Act, Swansea Councils Corporate Plan sets out six priorities, known as 'well-being objectives'. These are:

- **Safeguarding** people from harm - so that our citizens are free from harm and exploitation.
- **Improving Education and Skills** - so that every child and young person in Swansea gains the skills and qualifications they need to succeed in life.
- **Transforming our Economy and Infrastructure** - so that Swansea has a thriving mixed use City Centre and a local economy that will support the prosperity of our citizens.
- **Tackling Poverty** - so that every person in Swansea can achieve his or her potential.
- Maintaining and enhancing Swansea's **natural resources and biodiversity** - so that we maintain and enhance biodiversity, reduce our carbon footprint, improve our knowledge and understanding of our natural environment and benefit health and well-being.
- **Transformation and Future Council** development - so that we and the services that we provide are sustainable and fit for the future.

This Housing Rents Management Strategy reflects and indirectly delivers in relation to all the corporate well-being objectives and delivers directly in relation to the following two objectives:

**Safeguarding people from harm**

- By working with partners to address all aspects of safeguarding children and vulnerable adults.

**Tackling Poverty**

- By helping to address the impacts of Welfare Reform, such as supporting people to claim the full benefits they are entitled to so that they are able to maximise their income.
- By maximising income to the Housing Service to invest to improve housing and build more energy efficient Council homes.
- By preventing homelessness and supporting people to sustain their tenancies to help provide stability and security for families and communities in order to safeguard health and well-being and prevent social exclusion.
- By helping to support individuals to overcome barriers to employment through referrals to co-ordinated person-centred employability support.

### **4.3 Local Housing Strategy**

The renewal of the Local Housing Strategy has been delayed due to the Coronavirus pandemic and is due to be refreshed in 2022. The Local Housing Strategy 2015 – 2020 set out the Council's vision for its Housing Service which is 'We will provide good quality homes and services which support communities and help to safeguard and protect both people and the environment of Swansea'. Furthermore it set out how the Housing Service aims to deliver in respect of the Corporate priorities.

One of the key objectives of the Local Housing Strategy was to develop a Housing Rents Management Strategy to ensure that the Housing Rents Management Service remains accessible and continues to meet the needs of a diverse community, whilst ensuring that the service is able to effectively meet future challenges.

#### 4.4 Links to other Swansea Council Strategies and Plans

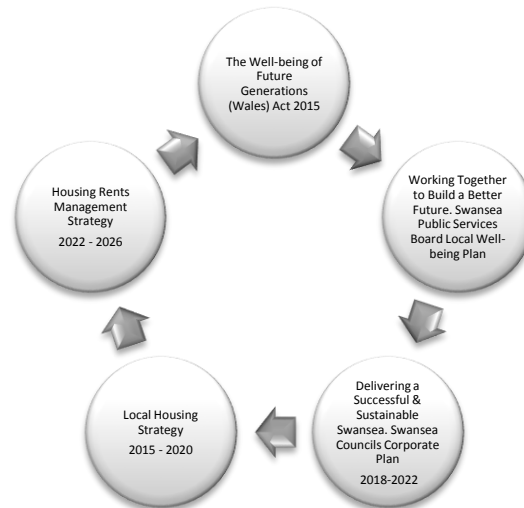
The Housing Rents Management Strategy is not a stand-alone document and is considered in the context of other Swansea Council strategies and plans, specifically:

- Local Housing Market Assessment 2015
- Strategic Equality Plan 2020 - 2024
- Tackling Poverty Strategy 2017 – 2020
- Prevention Strategy 2018 – 2021
- Homelessness Strategy 2018 – 2022
- Housing Revenue Account Business Plan 2021/22 to 2050/51
- More Homes Strategy
- Housing and Public Health Service Plan 21/22 (*reviewed annually*)
- Tenant Participation Strategy 2019 - 2021
- Digital Strategy – Aspiring to Digital Business 2020
- Housing Estate Management Strategy 2021 - 2025

Consultation has taken place with the stakeholders responsible for these strategies and plans and this Strategy therefore reflects the needs and priorities they have identified.

#### 4.6 Legislative and Strategic Linkages

The following infographic demonstrates the links between the national and local strategies which underpin the Housing Rents Management Strategy:



### 5. How Swansea Council's Housing Rents Management Service is Delivered

#### 5.1 Overview

As one of the largest social housing providers in Wales, Swansea Council's Housing and Public Health Service currently manages in excess of 13,500 Council homes located over a broad geographical area of Swansea comprising a diverse range of communities. These homes include houses, flats, bungalows, maisonettes, bedsits



and sheltered housing. The More Homes Project continues to increase the provision of more affordable housing, including building new Council Houses as well as considering alternative opportunities such as buying properties to convert into council housing. All Council tenants are liable to pay rent for the homes in which they live as part of the conditions of tenancy.

In recent years, like most Council services, the Housing Service has undertaken a review of how it delivers its services and is continuing to implement the recommendations of that review. The aim of the review was to modernise services so that they are sustainable for the future, transforming and reshaping service delivery to meet the needs of service users, redirecting resources to key demand areas and reinvesting savings into the Housing Revenue Account.

## **5.2 The Rents Team**

The specialist Rents Team deliver an income collection, rent arrears recovery and support and advice service to all current Council tenants and to former Council tenants in respect of former tenant rent arrears. The review informed and enabled changes in the Rents Team and currently the service is delivered by a team of Rents Officers and Housing Advisors linked to the Area Housing Office areas, therefore supporting the delivery of a holistic estate and tenancy management service.

The underpinning approach of the Rents Team focusses on prevention, early intervention and support. Eviction due to rent arrears is a last resort and Rents Officers provide accessible services tailored to the individual; working proactively to avoid rent arrears occurring and ensuring an appropriate balance between support and enforcement in regard to rent arrears recovery.

Rent arrears can occur for a number of reasons including; a change in personal circumstances, a change in employment circumstances, low income, loss of income, issues with welfare benefits, multiple debts and competing priorities and difficulties managing finances. Rent arrears recovery takes an incremental approach and Council tenants have opportunities to enter into realistic, affordable repayment agreements, with support and advice provision at every stage. The service recognises that some Council tenants may experience challenges which impact their ability to meet their responsibilities towards rent payment. Rents Officers, as a business as usual approach, deliver extensive support for Council tenants in regard to housing related welfare benefits and light-touch support in relation to other welfare benefits, general financial inclusion and income maximisation; signposting or referring on to other appropriate partner agencies in respect of individuals broader support requirements or complex cases requiring specialist support.

## **5.3 The Area Housing Office Service**

The Area Housing Office Service provides a comprehensive estate and tenancy management service and is closely aligned with the Rents Team. The Area Housing Office Service delivers information, advice and rental income collection functions in respect of the Housing Rents Management Service. Neighbourhood Officers, responsible for geographical areas within the Area Housing Office Service, work closely with Rents Officers to ensure joined up services tailored to individual need.

## **5.4 The Strategic Housing Division**

The Strategic Housing Division deliver aspects of the Housing Rents Management Service, including rent account auditing, rent setting, maintenance of the Housing Revenue Account and development of the Housing Revenue Account Business Plan.

#### **5.4.1 Funding and Rent Setting**

The Housing Rents Management Service is funded by the rental income received to the Housing Revenue Account.

Rent charges for Swansea Council tenancies are set in-line with the Welsh Government's Policy for Social Housing Rents (Rent Policy). The Welsh Government has introduced a new Rent Policy for social landlords set for a five year period beginning in April 2020. The policy is considered within the context of broader Welsh Government housing policies and emphasises that there must be a clear balance between the interests of landlords and tenants. It also highlights that landlords should consider value for money alongside affordability and make an annual assessment of cost efficiencies as part of the rationale for justifying any rent increases.

Rent charges are reviewed on an annual basis and Council tenants are informed in respect of any change. Rent is charged weekly for Council homes. Council tenants have the option to make rent payments on varying frequencies and a number of payment methods are provided to facilitate rent payment which include online, over the phone, Direct Debit, standing order, post office payments, Payzone points or at Area Housing Offices and the Civic Centre.

#### **5.4.2 Housing Revenue Account (HRA) and HRA Business Plan**

Rental income is the primary source of income for the Housing Service and it can only be spent on the Council's Housing Service. The rental income collected is reinvested into the Housing Service and is used to meet the costs of financial commitments and managing and maintaining the housing stock. In 2019/2020 £65.9 million in rent and other charges was generated; with 89% of the total expenditure of the service realised via rental income.

Local Authorities have a statutory duty to maintain a Housing Revenue Account and the Housing Revenue Account Business Plan, which sets out how the income will be invested to meet key strategic objectives, is predicted on the collection of all available income streams. These strategic objectives include the achievement of the Welsh Housing Quality Standard and delivery of a More Homes Strategy to build new Council housing and contribute towards decarbonisation. The effective management of the Housing Revenue Account rental income is crucial to future financial viability. To safeguard its position the Housing Service must ensure the efficient and effective collection of rental income.

This Strategy recognises the need to maximise rental income in order to maintain high standards of service delivery. The investment in the Council housing stock will make a significant contribution to the delivery of the Council's priorities and result in wider benefits to communities, estates and the local economy. It will also contribute to the wider national and local well-being, prevention and poverty agenda.

## **5.5 Collaboration**

It is recognised that Housings objectives and outcomes for Council tenants can only be achieved by working in partnership and delivering joined up services. The Service works collaboratively with other parts of the Housing Service including Homelessness Services and the Tenancy Support Unit; and with internal partners, such as Tackling Poverty Services; including Employability Services and Welfare Rights Team, with the Revenues and Benefits Service, Social Services, Community Mental Health Teams, Local Area Co-ordinators and Finance.

Furthermore the Service collaborates with a number of external partners not limited to, but including, the Department for Work and Pensions (DWP), Prison and Probation Services, Support Service providers, Health Services, Shelter Cymru and Citizens Advice.

## **5.6 Tenant Participation**

Tenant participation is key to the delivery of the Housing Rents Management Service. Council tenants have been involved and consulted in respect of the development of this Strategy through the Tenants' Consultative Panel and survey to ensure that it accurately captures the needs and aspirations of the Councils tenants. The Action Plan contains actions which seek to ensure that tenant participation remains a key focus of the delivery of the Housing Rents Management Service.

## **5.7 Consultation**

Consultation has taken place with service users, internal partners and partner organisations to ensure that the development of the strategy is an inclusive process. The following consultation has taken place:

- Workshop – as part of the Housing Commissioning Review a discussion workshop with internal stakeholders took place in respect of the delivery of Housing Rents Management services.
- Tenants Consultative Panel – Initially members of the Tenants Consultative Panel were invited to discuss the Draft Strategy and provide feedback in respect of the Strategy and proposed survey.
- All Council tenants – A letter was sent to all Council tenants inviting them to consider the Draft Strategy and complete a survey; which was available online and in alternative formats.
- Internally – the Draft Strategy was considered within Housing Services and by internal partners including Legal Services, the Tackling Poverty Service, Revenues and Benefits Service and Community Cohesion.
- External Partners – the Draft Strategy was considered by external partners including Shelter Cymru, Crisis and Citizens Advice Swansea Neath Port Talbot.

Across all the consultation responses some clear, common issues emerged and the views provided have been used to develop the aim, objectives and actions for the strategy.

## **5.8 Equalities Issues**

The Strategy acknowledges the diverse communities served by the Housing Service and the objectives of the Strategy are intended to be broad and to cover all household types and equalities groups, therefore they do not reference specific

groups. However the strategy recognises that some Council tenants, particularly those who may be vulnerable, may face difficulties in managing their responsibility for rent payment. This Strategy therefore ensures emphasis on the provision of support and advice to Council tenants and the accompanying action plan contains actions to ensure that services are accessible, appropriate and responsive to all groups in order to ensure that Council tenants can maintain and sustain their tenancies, consequently preventing eviction and helping to build sustainable communities.

## 6. Key Achievements

In recent years the Housing Rents Management Service has attained a number of key achievements, these include:

- ✓ The **collection of rental income** at relatively high levels of rent charged.
- ✓ High levels of **former tenant arrears recovered**.
- ✓ Effective contribution to the provision of a **comprehensive estate and tenancy management service**.
- ✓ Provision of a range of accessible, easy to use **payment methods** for Council tenants.
- ✓ **Developed focus on early intervention and prevention** of rent arrears; minimising rent arrears and delivering positive outcomes for Council tenants.
- ✓ **Welfare Reform Awareness Campaigns** - Collaborative delivery of Corporate Welfare Reform awareness and advice campaigns. Delivery of Housing Welfare Reform awareness campaigns targeted specifically at Council tenants.
- ✓ **Targeted preventative work** undertaken with Council tenants due to be impacted by Welfare Reform measures.
- ✓ **Provision of extensive support to Council tenants claiming Universal Credit** – including the successful delivery of Universal Support; as previously contracted by the DWP, Personal Budgeting Support and Assisted Digital Support was provided for Council tenants by the Rents Team.
- ✓ **Training for front-line Rents Management staff** – to upskill Officers in the provision of welfare benefits and financial inclusion support and advice.
- ✓ **Financial inclusion** - Provision of financial inclusion support and advice to Council tenants. Development of financial inclusion services as a key member of the Financial Inclusion Steering Group.
- ✓ **Employability** – Increased awareness of and referrals to employability services amongst Council tenants.
- ✓ **Digital Inclusion** – Delivery of increased accessible digital provision for Council tenants; including public PC and internet access at several Area Housing Offices.
- ✓ **Mobile working** implemented in the Rents Team to ensure provision of digital access and support in Council tenants homes if required.
- ✓ **Rents Surgeries** – Establishment of Rents Surgeries, based in Area Housing Offices, delivering accessible, intensive face-to-face support and advice to Council tenants.
- ✓ **Participation in community events** to provide advice and assistance to Council tenants.
- ✓ **Developed processes, working practices, structure and resource of the Rents Team** to respond and adapt to the demands of Universal Credit. The

review informed and enabled continual development of the Rents Team with the objective of reinforcing focus and capacity in respect of support and advice to tenants.

- ✓ **Effective partnership working** with the Area Housing Offices, Tenancy Support Unit and Housing Options; including utilisation of the Homelessness Prevention Fund to assist those at risk of homelessness due to rent arrears.
- ✓ **Development of collaboration with internal partners** including Tackling Poverty Services; including Employability Services and Welfare Rights Team, with Revenues and Benefits Services, Social Services, Community Mental Health Teams, Local Area Co-ordinators and Finance; assisting tenancy sustainment and the prevention of rent arrears.
- ✓ **Development of collaboration with external partners** including Prison and Probation Services, Support Service providers, Health Services, Shelter Cymru and Citizens Advice; assisting tenancy sustainment and the prevention of rent arrears.
- ✓ **New working relationships developed with the Department for Work and Pensions (DWP)** - particularly at local level, including shadowing between Job Centre Staff and the Rents Team, presentations to Job Centre staff in relation to rent and rent arrears, close links built and regular liaison with relevant DWP representatives.
- ✓ **Responding to the COVID 19 Pandemic** including the provision of financial and well-being advice and support to Council tenants impacted by COVID 19 and proactively identifying and targeting those Council tenants who may require additional support.

## 7. Facing Current and Future Challenges

The current environment within which the Housing Rents Management Service operates is challenging and is anticipated to become increasingly so over the next four years. It is projected that rent arrears and the number of households in rent arrears will continue to rise and consequently demands on the service will intensify. The service will be continually challenged to adapt and explore new opportunities in respect of service delivery to ensure that income to the Housing Revenue Account (HRA) is maximised and that the objectives in relation to preventing rent arrears, sustaining tenancies and preventing eviction are achieved.

The following factors have been identified as potential key challenges to the delivery of the Strategy and have therefore been considered as part of the development of the Action Plan and, where possible, mitigating actions have been identified.

- **Poverty** – The current economic climate, austerity measures and Welfare Reforms have led to increasing numbers of people experiencing poverty; including financial difficulties more generally. The prevalence of affordability issues in respect of everyday living expenses and people increasingly experiencing multiple debt issues leads to conflicting priorities and ultimately, paying rent at times is simply not always a priority.
- **Welfare Reform** - The continuing impacts of existing Welfare Reforms, such as the bedroom tax (abolition of the spare room subsidy), benefit cap and the benefits freeze; and further proposed reforms which have not yet

materialised, including the introduction of housing costs into Pension Credit, have and will continue to have a major impact on the Housing Rents Management Service, Council tenants and levels of rent arrears. In particular the introduction of Universal Credit, through its design and delivery, marks a fundamental change to the way in which landlords receive rental income. The implementation of Universal Credit continues and is anticipated to be completed in 2024. The ability of the Housing Service to successfully collect rental income at the high levels it has historically is substantially impacted and this is a continued risk to the objectives of the Housing Revenue Account Business Plan.

- **Engagement** – Despite considerable efforts to engage with some Council tenants, lack of engagement with support and services offered is a significant challenge and has been identified as a primary cause of eviction. Challenges are faced in establishing reasons for non-engagement and when identified are often complex, multi-faceted issues such as mental health issues, substance misuse issues, domestic abuse and chaotic lifestyles.
- **Support** – There are increasing numbers of people who are vulnerable with unmet complex support needs, including but not limited to people with mental health issues, substance misuse issues and learning difficulties. In addition, the continuing impact of the economic climate, financial pressures and personal debt has resulted in increasing demand for financial inclusion, budgeting, income maximisation and welfare benefits advice. As with the whole Housing Service, the Housing Rents Management Service continues to experience an unprecedented increase in demand in terms of volume and complexity of support required by Council tenants. This, combined with a need to understand more in respect of the specific circumstances of individual tenants, is a challenge in supporting the most vulnerable tenants to pay their rent and sustain their tenancies.
- **Future legislative changes** – such as the implementation of the Welsh Government’s Renting Homes (Wales) Act 2016, which will include, amongst other features, issuing all new and existing tenants with new occupation contracts.
- **Welsh Government Policy for Social Housing Rents (Rent Policy)** – Following the outcome of the Independent Affordable Housing Supply Review and the findings of the Heriot Watt University Rents Policy report the Welsh Government has developed a new Rent Policy. The Policy, implemented for a five year period beginning in April 2020, will impact the delivery of this Strategy.
- **Business Interruption** – in respect of the current COVID 19 global pandemic the full socio-economic impacts are as yet undetermined. However in addition to the impact on service delivery, early indications have shown a negative impact on employment and an increase in reliance on welfare benefits support. These factors, combined with the legislative amendments brought about by the Coronavirus Act 2020 and the stay on Civil Court Possession

Proceedings, will impact the delivery of this Strategy. Going forward any future form of business interruption will impact the delivery of this Strategy and need to be managed accordingly.

## **8. Key Priorities**

The following issues have emerged as areas for priority development:

### **8.1 Provide and promote a range of payment methods that are accessible, flexible, easy to use and have the most cost effective transaction costs.**

The provision of accessible, flexible, easy to use payment methods which are cost effective is crucial in enabling Council tenants to pay their rent and consequently maximise income to the Housing Revenue Account (HRA). Whilst a comprehensive range of payment methods is currently provided analysis has identified that demand for certain payment methods has shifted. In particular demand has increased for automated, digital, self-serve methods of payment and demand in respect of localised payment facilities also remains. Enhancing payment methods and capitalising on the most cost-effective payment methods is key whilst also ensuring that every Council tenant has access to pay rent using a payment method that is accessible, flexible and easy to use.

There is an objective in the accompanying plan detailing key actions including developing automated and self-serve methods of payment with flexible multi-date capacity e.g. introduce paperless Direct Debit provision and increased Direct Debit date availability, Civica E-Store and a Housing App / Portal along with undertaking a 'Ways to Pay' promotion campaign focused on most cost effective methods of payment.

### **8.2 Continue to develop the approach to early welfare benefits, financial inclusion and income maximisation advice and support and how this is delivered.**

The current economic climate and Central Government Policy, including Welfare Reforms, have led to an unprecedented increase in demand from Council tenants for early welfare benefits, financial inclusion and income maximisation advice and support. Whilst there were effective existing services in place to provide people with financial related support, the Housing Rents Management Service has responded to meet this increase in demand from Council tenants and it has been identified that it is appropriately placed to continue to enhance this provision as part of the delivery of a holistic estate and tenancy management service.

The review has enabled significant progress in this area and the location, structure and resource in the Rents Team has recently changed. There is a specific objective in the accompanying action plan to deal with this aspect and further issues to be addressed include continuing to upskill Rents Officers and Housing Advisors to ensure that welfare benefits, financial inclusion and income maximisation advice and support runs intrinsically through the work of the team. The provision of this advice and support is key to ensuring that Council tenants are equipped to pay their rent and maintain and sustain their tenancies.

### **8.3 Work to minimise the number of evictions undertaken in respect of rent arrears.**

The approach of the Housing Rents Management Service is underpinned by prevention and early intervention and seeks to ensure that eviction due to rent arrears is always an action of last resort. Work to mitigate the impact of the underlying causes of eviction on Council tenants and rent arrears is effective however there are areas for development which consequently support the prevention of homelessness. Furthermore, in 2018, the Welsh Government commissioned research which explored rates of social housing evictions, reasons for evictions, and the support provided to prevent evictions across Wales. The findings from the research were published in the 2019 'Understanding Social Housing Evictions in Wales' report which concluded that, whilst there is substantial good practice, more could be done to ensure the effective and consistent use of preventative actions with the aim of reducing evictions from social housing in Wales. This Strategy supports the Welsh Government aim for no evictions from social housing into homelessness.

This is a priority area and there is an objective in the accompanying action plan setting out areas to be addressed which include; developing rent arrears recovery processes to ensure that they are aimed at avoiding litigation and eviction unless all other options have been exhausted and identifying and working with sub-groups of tenants and vulnerable tenants most at risk of eviction.

## **9. The Way Forward**

In order to meet the objectives and mitigate the challenges each of the strategic objectives has a range of areas for development that will be focused on over the next four years. The objectives form the basis of a four-year action plan, which gives clear outcomes and provides details on the key activities to be undertaken. The full Action Plan is attached at appendix 1.

In summary, the actions are: :

### **Objective 1: Maximise the collection of rental income to the Housing Revenue Account (HRA)**

#### **Areas for development:**

- Aim to meet targets in respect of rent collected and rent arrears.
- Create and promote a rent payment culture that ensures payment of rent is seen as a priority by Council tenants.
- Create and promote a whole service approach to rent collection and rent arrears recovery.
- Provide and promote a range of payment methods that are accessible, flexible, easy to use and have the most cost effective transaction costs.



- Ensure that Council tenants have immediate access to information in relation to their rent accounts by developing digital, self-serve capacity in respect of rent account information.
- Review and improve information available on-line and the use of Social Media to improve communication and accessibility of information.

### **Objective 2: Prioritising early intervention and prevention of rent arrears**

#### **Areas for development:**

- Develop pre-tenancy processes in relation to working with prospective Council tenants to prepare and equip them to manage and sustain a tenancy and understand if people will require additional support in respect of rent prior to the commencement of a tenancy.
- Focus on providing advice and support to new tenants so that they do not fall in to rent arrears.
- Develop the approach to early welfare benefits, financial inclusion and income maximisation advice and support and consider how this should be delivered.
- Provide Rents Management Services which are easy to access and conveniently located.
- Establish and develop partnerships with a shared focus on prevention.

### **Objective 3: Minimise rent arrears when they occur and support Council tenants to sustain tenancies and prevent eviction**

#### **Areas for development:**

- Review the rent arrears recovery policy, process and operational procedures to ensure that they are firm but fair, easy to understand, contribute to minimising financial hardship and take account of Council tenants needs; particularly those who may be vulnerable.
- Focus on proactive interventions to increase engagement at a much earlier stage.
- Improve partnership working and collaboration with partners involved in supporting Council tenants.
- Work to minimise the number of evictions undertaken in respect of rent arrears.

### **Objective 4: Mitigate the impacts of existing and future Welfare Reforms on Council tenants and the Housing Service**

#### **Areas for development:**

- Ensure that take up of housing related and non-housing related Welfare Benefits by eligible Council tenants is maximised.
- Profile tenants households to proactively identify the impact of benefit changes and develop strategies to mitigate those impacts.
- Ensure effective communication to Council tenants in respect of policy developments in Welfare Reforms and what that will mean for them.
- Improve digital inclusion for Council tenants.
- Work collaboratively with others and share best practice in respect of new initiatives in response to Welfare Reforms.

## **10. Monitoring, Evaluation and Review**

The Housing Rents Management Strategy outlines how the Council plans to deliver Housing Rents Management Services between 2022 and 2025. Progress towards achieving the strategy's aims and objectives will be measured and monitored on a regular basis. In order to achieve this the following activities will be carried out:

- The action plan will be reviewed on an annual basis and progress reported to the Cabinet Member for Climate Change & Service Transformation (Deputy Leader)
- An annual update will be produced including action plan progress and an update of the key data.

In addition to the annual review of progress, the following key performance measures and service indicators will be used to monitor on-going success, progress and demand for services:

- The value and number of transactions of rent payments made by each payment method.
- Measure of rent collected as a percentage of rent charged.
- The amount of Current Tenant rent arrears.
- The amount of Former Tenant rent arrears.
- The number of evictions carried out on grounds of rent arrears.
- The number of solutions provided to tenants that demonstrate the work of the Rents Team in respect of sustaining tenancies, the prevention of homelessness and the wider tackling poverty agenda.
- The impact of Welfare Reform on the Housing Revenue Account and associated Business Plan.

Further appropriate measures will be considered and existing performance measures developed over time as the action plan is updated.

## **11. Equalities**

A key principle of this strategy is to ensure equality of access to services and promote social inclusion and community cohesion. Equalities issues have been mainstreamed throughout this Strategy, therefore reference to specific groups or

communities of interest is limited. Wider housing issues relating to these groups have been highlighted in the Local Housing Strategy 2015-20. <https://www.swansea.gov.uk/housing>

An Integrated Impact Assessment has been undertaken as part of the development of this strategy and is available on the Council's website.