

EXECUTIVE

14th July 2022

Report Title	Housing Income Management Policy
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Lead Member	Cllr Matthew Binley, Executive Member for Housing, Communities and Levelling Up

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	

List of Appendices

Appendix A – Income Management Policy

1. Purpose of Report

- 1.1. To seek approval from the Executive for a harmonised Income Management Policy for adoption by North Northamptonshire Council.

2. Executive Summary

- 2.1. The purpose of this report is to seek approval from the Executive to adopt the harmonised Income Management Policy.
- 2.2. The current status quo is that Corby and Kettering housing teams have their own separate policy in this area.
- 2.3. The adoption of this key document will assist in enabling consistency of the income management and income collection functions within North Northamptonshire Council housing teams.

3. Recommendations

3.1. It is recommended that the Executive:

- a) Approves the Income Management Policy at **Appendix A**.
- b) Delegates authority to the Executive Member for Housing, Communities and Levelling Up, in liaison with the Executive Director, Adults, Communities and Wellbeing to take any further decisions and/or actions required to implement these policy documents. This includes making minor amendments.

3.2 Reasons for Recommendation:

- A harmonised policy will offer one consistent approach to the income management and income collection parts of the tenancy and landlord services.
- A harmonised policy will avoid current issues of risk presented by two different approaches in the management and collection of council housing debts.

3.3. Alternative Options Considered: -

- The only other options are to do nothing or to delay the harmonisation of working practices across the two teams.
- These are not options that can continue to be maintained effectively over time. The best option is to harmonise working practices as soon as possible to ensure consistency of service, reduce the risk of challenge, and most importantly make improvements to the service.

4. Report Background

4.1. North Northamptonshire has council housing stock in the Kettering and Corby areas. As of 1st April 2021:

- Kettering 3625 homes of which 401 are sheltered
- Corby 4615 homes of which 536 are sheltered

4.2. The Council also owns and manages 94 units of Temporary Accommodation.

4.3. Prior to the formation of North Northamptonshire Council, Kettering, and Corby had their own different documents, policies, procedures and working practices which were automatically transferred to the new authority upon Vesting Day.

4.4. These all require harmonisation to ensure that the service is operating in a consistent way across the whole area and there is improvement for tenants within the Council's housing stock.

Income Management Policy

- 4.5. A North Northamptonshire Income Management Policy follows on from the adoption of North Northamptonshire Councils Tenancy Agreement and Tenancy Policy and will help to underpin the service level offer in this key function.
- 4.6. The Income Management Policy provides clarity on the setting, collecting and enforcement of income levels for North Northants Council's housing stock and associated accounts.
- 4.7. The Council is keen to adopt a successful income management service that provides a supportive approach to tenants and leaseholders, whilst also maximising income for North Northamptonshire Council. The Policy supports this approach, setting out how the Council will deal with rent setting, charging, and arrears management whilst providing a framework for effective income management operating within legislation, regulation, and best practice.
- 4.8. The policy details how the Council will collect income following the agreed principles of: -
- Prevention of debt
 - Maximising income
 - Personal contact
 - Signposting and support
 - Consistent recovery and enforcement
 - Prevention of homelessness
- 4.9. The Council aims to ensure that all customers have a transparent and fair procedure in the collection of income.
- 4.10 The Council aims to achieve high standards of customer care and support for all customers, considering individual needs at any given time and signpost our customers to other support where relevant.
- 4.11 The Council will set all rents and charges in accordance with legislative requirements and standard guidance as directed by Central Government.

5. Issues and Choices

- 5.1. The teams in Corby and Kettering currently manage Housing Income according to existing policies and processes. In order to reduce risk of managing income in different ways in the 2 localities, a consistent approach is proposed.
- 5.2. The Council has a work plan to harmonise all our Housing policies and procedures.
- 5.3. The Council's approach is to remodel existing procedures, taking the best from both, in line with best practice and legislation.

- 5.4. The Council has consulted with the newly formed Tenant Advisory Panel who reviewed the Policy and unanimously voted for it to be adopted.
- 5.5. The Council is seeking to adopt this Policy as part of ongoing plans to harmonise working practices. Retaining the current status quo is not recommended due to the risks that it creates through inconsistent service delivery in regard to the management of housing income, our tenancies, our properties, and our resource.

6. Next Steps

- 6.1 Following the adoption and implementation of this Policy the Council will continue the harmonisation work towards a consistent service across our areas of operation.

7. Implications (including financial implications)

7.1. Resources, Financial and Transformation

- 7.1.1 The Council is currently resourcing its work through the two neighbourhood budgets within the overall HRA (Housing Revenue Account) budget. The new policies have been designed with current resources in mind.
- 7.1.2 Adoption of the Policy will support a transition to a more consistent service where working practices are harmonised.
- 7.1.3 The current Corby Income Policy includes a rent cap which prevents NNC from re-letting homes at target rent where the target rent is 10% greater than the rent in 2016/17. This presents an inconsistency in rent setting and has a negative impact on recoverable income.
- 7.1.4 The Council currently has 661 properties affected by the Rent Cap. This equates to 14% of the Corby stock. Should any of those properties become void and re-let, they would be restricted to a capped rent. The average cap will reduce the rent by £2.36 per week.
- 7.1.5 Last year, the Council let 253 homes in the Corby locality. This is 5% of our stock there. If 14% of those 253 homes were rent capped, this would have a cumulative impact of £82.60 per week, or £3,964 per annum (or £118K over the 30-year HRA business plan).
- 7.1.6 This new policy will remove the rent cap; all new tenancies will therefore be offered at target rent, based on government formula.

7.2. Legal and Governance

- 7.2.1. Legislative requirements are contained within **Appendix A**. The recommended harmonisation of policies will help to offset some current legal risks of inconsistency of service delivery.

7.3. Relevant Policies and Plans

- 7.3.1 The proposal is a priority in the development of harmonising of Policies for the Council Housing Teams within North Northants Council.

7.4. Risk

- 7.4.1 There are risks in managing North Northamptonshire Council Housing in the current way. Inconsistency within service delivery can lead to potential challenges from complaints.
- 7.4.2 Having one harmonised Income Management Policy is fundamental in moving towards a consistent approach for our tenants.

7.5 Consultation

- 7.5.1 Consultation has taken place with the newly formed Tenant Advisory Panel (TAP).
- 7.5.2 TAP reviewed the Policy and unanimously voted for the Council to adopt it.
- 7.5.2 The feedback from TAP was positive in supporting the Council to propose the approval of the recommended approach and the Income Management Policy.

7.6 Consideration by Executive Advisory Panel

- 7.6.1 This Policy document has not yet been reviewed by the Executive Advisory Panel; therefore, no comments or recommendations have been received.

7.7 Consideration by Scrutiny

- 7.7.1 This Policy has not been reviewed by the Scrutiny Committee; therefore, no comments or recommendations have been received.

7.8 Equality Implications

- 7.8.1 The Income Management Policy takes account of the diversity within our communities and the support that may be required by more vulnerable tenants.

7.9 Climate Impact

7.9.1 There are no considered impacts from this Policy upon climate.

7.10 Community Impact

7.10.1 Providing a consistent service to communities of North Northamptonshire Council will be a positive for residents.

7.11 Crime and Disorder Impact

7.11.1 There are no considered impacts from this Policy upon crime or disorder.

8 Background Papers

8.1 The previously adopted new NNC Tenancy Agreement and Tenancy Policy have been reviewed and taken into consideration in the drafting of this report and policy documents.