

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 03 March 2022

TITLE	Rental Income and Arrears Management Policy		
Ward(s)	All wards		
Author: Mark Kempt	Job title: Income and Leasehold Manager		
Cabinet lead: Cllr Tom Renhard, Cabinet Member Housing Delivery and Homes	Executive Director lead: Stephen Peacock, Executive Director Growth and Regeneration		
Proposal origin: BCC Staff			
Decision maker: Cabinet Member Decision forum: Cabinet			
Purpose of Report: 1. To seek approval of the Rental Income and Arrears Management Policy for Bristol City Council residents.			
Evidence Base: 1. There is no Rental Income and Arrears Management Policy. The service relies on the Ministry of Justice Pre-Action Protocol to justify progression of arrears cases. This does not establish Bristol City Council's rationale for rent recovery. 2. Failure to clearly and unequivocally, establish responsibilities and processes for rent collection activities increases the risk of inconsistent and irregular practice. 3. Bristol City Council owns and manages over 27,500 housing and residential property stock and wishes to provide more social and affordable housing now and in the future. This is a resource in scarce supply, and it is Bristol City Council's responsibility to manage this resource effectively on behalf of our residents. 4. The collection of rents is fundamental to maintaining our services and enabling Bristol City Council to further invest in improving and maintaining good quality homes for the residents of Bristol. 5. Bristol City Council wants to make sure that everyone in Bristol feels they belong, has a voice and an equal opportunity to succeed and thrive. 6. Successive internal audits in 2019 and 2021 have identified the lack of an arrears recovery and income policy 7. To meet the requirements of the audit Housing and Landlords Services have worked on the attached policy since 2018 8. The Rental Income and Arrears Management Policy compliments the overarching Corporate Debt Policy. 9. Bristol City Council will assist residents to access support to apply for, welfare benefits, sign-post individuals to access advice, and support from other agencies and/or charities. 10. This will minimise bad debts arising and mitigate consequential costs associated with the provision of homelessness services and costs for legal proceedings. 11. The Equalities Impact assessment confirms that the policy does not negatively impact tenants - the policy aims to address known issues for equalities groups. There is evidence that some groups are disproportionately affected by rent arrears, which was found by the initial assessment. However the changes to the policy do not have a further positive or negative effect. The policy will promote equality of opportunity through clear procedures that ensure each tenant's circumstances are taken into consideration and action is taken to support them to reduce their rental income arrears.			
Cabinet Member / Officer Recommendations: That Cabinet: ▪ 1. Approves the Rental Income and Arrears Management Policy (Appendix A) for Bristol City Council residents.			
Corporate Strategy alignment: ▪ Homes: The Policy will support the Housing Revenue Account 30-year business plan and our ability to build homes			
City Benefits: • Bristol City Council's vision is that 'we play a leading role in driving an inclusive, sustainable, and healthy city of hope and			

aspiration, one where everyone can share in its success.’ There are several obstacles to making this a reality. One is delivering sustainable high quality public services and designing that into everything we do.

- Maximise income collection and ensure effective management of rent collection and minimise arrears through early intervention, advice and support that helps residents maintain their tenancy and avoid eviction. To afford residents every opportunity to fulfil their obligations in terms of repaying arrears before taking initial or escalating existing enforcement action.

Consultation Details:

1. Housing & Landlords Senior Leadership Team
2. Cabinet Member

Background Documents:

External

- Pre-Action Protocol for Possession Claims by Social Landlords
- Pre-Court Action Protocol for Debt Claims
- Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020.

Internal

- Bristol City Council Tenancy Agreement(s)
- HomeChoice Bristol Allocations Policy
- Former Tenant Arrears and Write-off Policy
- Equality and Inclusion Policy & Strategy 2018-2023
- Vulnerable Tenants Policy

Revenue Cost	£0	Source of Revenue Funding	
Capital Cost	£0	Source of Capital Funding	
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: There are no direct financial implications to this report.

Finance Business Partner: Aisha Bapu, Principal Accountant 21 January 2022

2. Legal Advice: The purpose of the Policy is to ensure that rental income is collected efficiently to facilitate reinvestment in housing development and property maintenance and to provide support to our customers before any possession litigation is considered. It will assist to address any inequality and/or inconsistency of practice before possession litigation is being considered. The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 may prevent steps to recover rental income arrears under the Policy for a period of time, so officers implementing the Policy will need to be aware of how they would be alerted to a notice served under those Regulations. Legal services understand that there is (or is to be) a separate procedure relating to notices under these Regulations. Where there is decision to commence possession litigation on the grounds of rent arrears, the Policy is supplemental and in addition to the Pre-Action Protocol for Possession Claims by Social Landlords. The Pre-Action Protocol must be complied with and the Policy does not replace the requirements under the Pre-Action Protocol. A key part of this Policy is to ensure that occupiers in property arrears debt and those likely to go into arrears debt are assisted/ supported to mitigate the risk of a possession action, and the Policy gives the best possibility of those occupiers successfully managing their property charge obligations. Additionally having a policy will support consistent future rental income from those households. Having such a policy is also likely to reduce the cost of pursuing legal action.

The Public Sector Equality duty requires the decision maker to consider the need to promote equality for persons with “protected characteristics” and to have due regard to the need to i) eliminate discrimination, harassment, and victimisation; ii) advance equality of opportunity; and iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it.

The Equalities Impact Assessment is designed to assess whether there are any barriers in place that may prevent people with a protected characteristic using a service or benefiting from a policy. The decision maker must take into consideration the information in the check/assessment before taking the decision.

A decision can be made where there is a negative impact if it is clear that it is necessary, it is not possible to reduce or remove the negative impact by looking at alternatives and the means by which the aim of the decision is being implemented is both

necessary and appropriate.		
Legal Team Leader: Anne Nugent, Team Leader (in consultation with Anna Nixon) 18 February 2022		
3. Implications on IT: I can see no implications on IT in regards to this activity.		
IT Team Leader: Gavin Arbuckle – Head of Service Improvement and Performance 6 January 2022		
4. HR Advice: There are no HR implications evident		
HR Partner: Celia Williams, HR Business Partner – Growth and Regeneration 6 January 2022		
EDM Sign-off	Stephen Peacock, Executive Director Growth and Regeneration	12 January 2022
Cabinet Member sign-off	Councillor Tom Renhard, Cabinet Member Housing Delivery and Homes	17 January 2022
For Key Decisions - Mayor's Office sign-off	Mayor's Office	31 January 2022

Appendix A – Rental Income and Arrears Management Policy	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	No
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO