

SUBJECT:	TENANCY SUSTAINMENT UPDATE
DIRECTORATE:	HOUSING AND INVESTMENT
REPORT AUTHOR:	KEELEY JOHNSON, TENANCY SERVICES MANAGER

1. Purpose of Report

- 1.1 To update Members on the current position on tenancy sustainment within Tenancy Services.

2. Background

- 2.1 Tenancy sustainment continues to be a key priority for City of Lincoln Council (CoLC) and the Covid-19 pandemic and subsequent increase in the cost of living has seen and increased need to provide tenants with essential support.

- 2.2 Sustaining tenancies has long been important for social landlords wishing to not only maximise income into the housing revenue account but also to maximise tenant's income. We want to allow tenants to thrive in their homes and reduce the risk of tenancies failing. Evictions on average cost between £7,000 and £10,000 without including any further temporary accommodation costs which can be in the region of £140 a night for a family should B&B be required. With the increasing numbers of homelessness and pressure on the housing register, there has never been a higher need to sustain tenancies and stabilise communities.

- 2.3 The Welfare Reform Act 2012 and the subsequent introduction of the underoccupancy charge and benefit cap, left many tenants facing a reduction in an already tight income. The further roll out of Universal Credit, designed to make benefits more streamlined, has left many tenants in more financial hardship, with delays in payment days and a struggle to change from fortnightly budgeting to monthly budgeting and paying their own rent.

There has also been a dramatic reduction in the third sector, with support shrinking across the board despite an increasing demand.

- 2.4 The introduction of the Equality Act 2010 also placed a duty on landlords to carry out Public Sector Equality Duty Assessments (PSEDA) when making decisions that affect tenants. Any enforcement action taken must have a PSEDA provided to court, with detail of consideration of how we have considered protected characteristics and the actions we have taken to support tenants. This places a high priority on providing an inhouse sustainment service in order to fulfil this legal obligation.

- 2.5 To address these issues, in April 2022, Tenancy Services introduced three Housing Officers on two-year contracts, dedicated to working on our sustainment objectives which have been split into four phases.

3. Project Roll Out

3.1 Phase 1 – Pre-tenancy support for vulnerable tenants

Housing Allocations and Tenancy agreed a vulnerability assessment that, should an applicant reach a certain threshold, they would qualify for pre-tenancy support. Allocations do have discretion should an applicant not meet the threshold to refer for support. All homelessness applicants are also referred in for pre-tenancy support. An initial phone conversation is held with a later appointment in City Hall is held depending on need.

This support includes:

- Discussing and assisting with any claims for benefits
- Help with Discretionary Housing Payment forms if necessary
- Referrals to Housing Related Support through framework for ongoing support
- Referrals for any Debt Advice
- Agreement for rent and discussion on how to make payments
- Explanation of the tenancy agreement and consequences of breaching it
- Awareness of utilities and how to sign up
- Discussion on furniture and help acquiring if needed
- Discussion around any alcohol or drug dependencies and how we can support with this.

The Officer attends the sign up of tenants requiring an increased level of support and use their discretion for this.

3.2 Phase 2 – Roll out of referrals to any tenant at risk of enforcement action

To assist any tenant at risk of enforcement action, a referral is made by the Housing Officer into the Sustainment Team. The Officer then has a dedicated period of time to assist the tenant with any issues they might be experiencing and sustain that tenancy. Should the tenant not engage, the authority has still fulfilled our obligations under the Public Sector Equality Duty which will be questioned at court.

3.3 Phase 3 – All general referrals accepted for any tenant experiencing some type of hardship

Any tenant who is experiencing hardship throughout their tenancy can seek assistance from the Sustainment Team. The team is a signposting service, so will ensure the correct agencies are involved and support is provided.

3.4 Phase 4 – Forming strong relationships with the third sector

To achieve our sustainment goals, we must form excellent relationship with the third sector and formalise these working arrangements. This will include work with furniture projects, food banks, charities etc. We would also like to form a better working relationship with the energy companies serving our properties to gain more understanding of any options available for tenants including hardship funds.

We are currently entering phase 4 of the project and have successfully achieved our current goals in providing pre-tenancy support and support for any tenant in crisis throughout their tenancy.

4. Current Position

The Tenancy Sustainment Team have received 293 tenants since starting in April 2021. A breakdown of the actions taken is below. 272 cases have been closed, with 21 cases currently open. There have been 48 referrals for received for tenants at risk of court action due to rent arrears, of these 41 have made arrangements to pay saving the authority in excess of £12,000 alone in court costs across these cases. The total debt across these cases amounts to £76,756.

4.1

Action taken by Sustainment Team	Total
Apply for UC	18
UC amendments (e.g., change of circs)	69
CTS claim	94
HB application	20
DHP application	11
Backdated claims	22
Benefit overlap	4
Any other bens (e.g., Carers)	30
Inc/Exp form completed	69
Referred to Welfare	15
Assisted to set up utilities	70
Furniture referral	38
White goods application	50
Attended sign up	21
Framework referral	3
Foodbank referral	11
Signpost to external organisation	36
Court Action Avoided/Possession Prevented	42
F2F visit/meeting	81
Payment Arrangement for Rent	126
Receiving support at time of referral (e.g., leaving care, Framework etc)	47
HSF referrals made (13/12/22 - 14/12/22 only)	4
Warm Home Lincoln (from 3/1/23 only)	2

5. Evictions

- 5.1 As of the end of Q3 2022, 12 evictions had been carried out which averages 4 per quarter. Keeping aside the two years where evictions had restrictions on the average number of evictions over 19/20 and 18/19 was 66 and therefore 17 per quarter. This means that we are currently operating at a reduction of 50 evictions less per year based on previous 'normal' performance.
- 5.2 Taking an average void cost of £7,000, this equates to a total saving on evictions per year of £350,000. This being a conservative estimate. This does not include the potential unforeseen costs of temporary accommodation where there is a priority need.

Year	Number of evictions	Legal position
22/23	12	No restrictions
21/22	10	Restrictions until Oct 21
20/21	0	Complete ban on evictions
19/20	45	No restrictions
18/19	86	No restrictions

6. Arrears

Given the current economic climate, it was expected that the rent arrears owed to the council would increase significantly. The arrears as of the end of Q3 had reduced by £40,641.05 compared to the same point last year. This is despite an increase of 393 Universal Credit cases.

	December		Variance
	2022	2021	
Collection Rate	100.46%	100.52%	-0.06%
Total Arrears	£1,012,039.01	£1,052,680.06	-£40,641.05
Arrears % debit	3.33%	3.68%	-0.35%
UC Cases	2,801	2,408	393
UC Arrears	£657,762.47	£666,390.16	-£8,627.69

7. Benchmarking

The benchmarking information below provides a comparison of performance with other local authorities for context. The sustainment works the officers have been tasked with has enabled the authority to reduce arrears overall whilst not sacrificing the low level of evictions.

Organisation	No of Tenancies	Rent Arrears Qrt 3 21-22	Rent Arrears Qrt 3 22-23	Collection as a % of debit	Arrears as a % of debit	Total no. of UC cases
Local authority 1	25,254	£3,626,134	£3,756,186	100.31%	3.60%	8,924
Local authority 2	29,000	£5,503,048	£5,997,598	98.23%	5.10%	8,851
Local authority 3	9,843	£1,717,695	£1,847,089	100.51%	4.14%	3,833
Local authority 4	18,200	£2,118,760	£2,386,832	98.32%	3.47%	6,495
Local authority 5	20,149	£2,380,082	£2,599,185	98.56%	2.83%	8,766
Housing Association	11,131	£552,634	£624,954	98.4%	0.83%	3,936
City of Lincoln Council	7,638	£1,052,680	£1,012,039	100.46%	3.33%	2,801

8. Organisational Impacts

8.1 Finance

There are currently three Housing Officers posts on scale 6 working to deliver the sustainment objectives

8.2 Legal implications (including procurement rules)

No further considerations at present.

Equality, Diversity and Human Rights

8.3 Project is in accordance with the equality duty impact assessments required from local government.

9. Recommendation

9.1 The recommendation is for the three posts to be added to the establishment.

Is this a key decision? No

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? No

How many appendices does the report contain? None

List of Background Papers: None

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