



## AUDIT COMMITTEE REPORT

<b>Report Title</b>	<b>Rent Arrears Action Plan</b>
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**AGENDA STATUS: PUBLIC**

<b>Audit Committee Meeting Date:</b>	11 January 2010
<b>Policy Document:</b>	No
<b>Directorate:</b>	Housing
<b>Accountable Cabinet Member:</b>	Councillor Beardsworth

### 1. Purpose

1.1 To consider the rent arrears action plan attached in the appendix, as requested at a previous meeting of the committee.

### 2. Recommendations

2.1 The Committee is recommended to comment on the action plan attached in the appendix.

### 3. Issues and Choices

#### 3.1 Report Background

3.1.1 In preparation for the Audit Commission inspection which is expected this year, and to ensure that all necessary actions are being taken to reduce rent arrears, an action plan has been produced and is attached in the appendix.

3.1.2 A group of tenants have audited the rents service from a user perspective and their report is due in January. The action plan will be updated with their recommendations once they have been received.

3.1.3 Progress against the action plan is monitored on a monthly basis.

#### 3.2 Issues

- 3.2.1 Rent arrears stood at £1,333,106 at week 39 (end of December) compared to £1,462,877 at the same time last year. This is a reduction of £129,771. Over 60% of tenants are in receipt of housing benefit and do not have the capacity for large lump sum payments.
- 3.2.2 In comparison with other similar authorities, at the end of the first quarter of 2009/10, NBC was in the lower middle section for arrears as a percentage of the debit using the Housemark benchmarking performance information. The latest figures are awaited. This benchmarking has replaced the national performance indicator, BV66a which is no longer produced.
- 3.2.3 BV66a measured the proportion of rent collected. NBC performance at the end of 2008/9 was bottom quartile.

### **3.3 Choices (Options)**

- 3.3.1 Members are invited to comment on the actions recommended and suggest additional actions that should be addressed.

## **4. Implications (including financial implications)**

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### **4.1 Policy**

- 4.1.1 The action plan includes the requirement to produce a corporate debt policy, an income recover strategy and to revise the rent arrears policy. These will be submitted to Cabinet for approval.

### **4.2 Resources and Risk**

- 4.2.1 The action plan will be delivered from existing resources.
- 4.2.2 No specific risks have been identified in relation to the action plan.

### **4.3 Legal**

- 4.3.1 None

### **4.4 Equality**

- 4.4.1 The income recovery strategy will consider the profiling information on debt to see if any groups have larger arrears than others so that actions can be targeted.

### **4.5 Consultees (Internal and External)**

- 4.5.1 The corporate debt policy is being produced jointly with officers from the finance department.

## **4.6 Other Implications**

4.6.1 None

## **5. Background Papers**

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5.1 None

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