

BABERGH DISTRICT COUNCIL and MID SUFFOLK DISTRICT COUNCIL

From: Head of Corporate Organisation	Report Number: JSC/20/14
To: Joint Scrutiny Committee	Date of meeting: 26 November 2014

SCOPING OF A JOINT SCRUTINY REVIEW OF THE IMPACT OF WELFARE REFORM ON RENT COLLECTION AND VOIDS

1. Purpose of Report

- 1.1 To enable Members to establish the scope of a Joint Scrutiny Review of the impact of Welfare Reform on rent collection and voids in Babergh and Mid Suffolk.

2. Recommendations

- 2.1 That the Joint Committee agrees the proposed scope of the review and undertakes the review.

The Committee is able to resolve this matter.

3. Financial Implications

- 3.1 There are no specific financial implications identified from this report.

4. Risk Management

- 4.1 The nature of this report is such, that a risk management assessment is not needed.

5. Consultations

- 5.1 N/A

6. Equality Analysis

- 6.1 This scoping document has no direct equality and diversity issues but the review should include consideration of whether there are any equality issues in relation to this issue.

7. Shared Service / Partnership Implications

- 7.1 The scoping document has no specific partnership implications.

8. Key Information

- 8.1 The proposed review will look at the action the Councils have taken to minimise the effect of the Welfare Reform Act on rent collection and void times both by internal processes and by providing assistance to tenants. A proposed scoping document is attached as Appendix A to form the basis for discussion at the meeting.

8.2 An earlier report was presented to this Committee In December 2013 on the Impact of Welfare Reform with respect to Benefits and the Council Tax Reduction Scheme. A review of the Choice Based Lettings was carried out by the Committee in March 2014 in which the effect of the Welfare Reform Act was considered. Consequently these areas are to be excluded from this proposed review.

9. Appendices

	Title	Location
A	Joint Scrutiny Committee - Review Scoping Document	Attached

10. Background Information

As listed in Appendix A.

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Joint Scrutiny Committee – Review Scoping Document

Review Topic (name of review)	Impact of Welfare Reform Act on Rent Collection and Voids
Lead Members	Rachel Eburne; Peter Burgoyne
Officer Support	Gavin Fisk, Anne Bennett, Sue Lister, Vicky Smy, Clare Boniface, Christine Roofe
Rationale	<p>The Welfare Reform Act was expected to have a detrimental effect on the Councils' rent collection levels. To mitigate this impact the Councils have taken actions to assist those tenants affected by the changes. This review will look at the effectiveness of those initiatives.</p> <p>The removal of the spare room subsidy under the Welfare Reform Act had the potential to make it harder to let larger properties, increasing the length of time these properties remained empty and thus reducing rent income. This review will include consideration of this aspect.</p>
Purpose of the review/Objective	<p>To ensure that the Councils have taken effective action to minimise the effect of the Welfare Reform Act on rent collection and void times both by internal processes and by providing assistance to tenants.</p> <p>To identify any potential further opportunities to ensure:</p> <ul style="list-style-type: none"> • Rent incomes are maximised • Void times and levels are minimised • Tenants provided with assistance to enable them to pay their rents. <p>Exclude impact on voids due to other issues e.g. maintenance/ refurbishment arrangements</p> <p>Exclude impact on benefits provision and council tax collection – dealt with in earlier review.</p> <p>Exclude operation of choice based lettings system – dealt with in earlier review.</p>
Success measures	Outcomes of the review meet the objectives
Background information	<p>Welfare Reform Act</p> <p>Welfare Reform Guide MSDC website or Welfare Reform Guide BDC Website (same document)</p>

	<p>Financial Inclusion Strategy Babergh and Mid Suffolk Financial Inclusion Strategy</p> <p>Council Website Information MSDC website or BDC Website</p>
Methodology/	<p>Evidence gathering Review of Evidence</p> <p>Questions to be answered: Have the Welfare changes affected rent collection levels – how have these changed since April 2013? Have the Welfare changes had an impact on voids? What steps have been taken to assist our tenants? Which actions have been effective? Are tenants aware of help available? Are there any further actions which can be taken to improve rent collection? What to expect looking forward? Has the Council incurred additional costs because of the impact of the Welfare Reform e.g. requirement for additional staff. Has any Government funding been available to offset this? What impact have Benefits Sanctions had on tenants ability to pay rent? Are there any examples of best practice elsewhere which could be considered for adoption here?</p>
Resource requirements	Officer time
Project parameters	Within scope of MSDC / BDC powers
Specify Witnesses/ Experts/ Stakeholders	Citizens Advice Bureau Tenant Representatives
Specify Evidence Sources	Councils' housing systems Councils' websites Citizens Advice Bureau
Specify Site Visits	N/A