

Draft Rent Income and Arrears Policy

Analysis of stakeholder consultation

May 2021

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THE ROYAL BOROUGH OF
KENSINGTON
AND CHELSEA

Introduction

Background

The Council has written a draft rent income and arrears policy and was keen to hear stakeholders' views on the draft. The draft policy will guide how the Council approaches rent collection and responds to rent arrears.

The interventions and actions in this draft policy include:

- providing a holistic service to those having genuine difficulty paying their rent
- acting early and using preventative measures to assist tenants to maintain their tenancies
- making realistic repayment arrangements with tenants in rent arrears
- collecting as much rent as possible to keep rent increases as low as possible
- pursuing “wilful non-payers” and fast tracking them for legal action, including eviction
- using all appropriate legal remedies to recover any debt owed to us.

Rental income helps to pay for maintaining and improving homes, providing housing services, and giving residents in need support where necessary.

Consultation methodology

On 18 January 2021 the Council launched an online survey to gather tenants', and other stakeholders', views on the draft policy. Alongside the survey, a link to the draft policy was placed on the website and respondents were encouraged to read the draft policy before responding. The consultation was promoted via a variety of channels and respondents that needed material in another medium were provided with a telephone number and email address to facilitate such requests.

Report

A total of 25 surveys were returned by the closing date of 30 April 2021. This report contains an analysis of survey responses. Where graphs are shown, actual number of responses are used, as percentages can be misleading with a small number of responses. A separate appendix report is also available on request, containing data tables and all comments made by respondents to the survey.

Acknowledgements

The Council would like to thank all tenants and stakeholders that took the time to feedback their views.



Results at a glance

Level of support for the policy

- Over half (14) indicated that they **'strongly support'** or **'somewhat support'** the draft policy.
- However, eight were **'not sure'** and three respondents either **'somewhat oppose'** or **'strongly oppose'** the draft policy.
- Those that opposed the policy, or responded neutrally, were asked to explain why. The most commented on theme was in relation to **support for those on low income/benefits** (four comments).

Tenants' needs

- Nearly half (12) of respondents indicated that they **'strongly agreed'** or **'agreed'** that the draft policy gives adequate consideration to tenants' needs.
- However, seven respondents responded neutrally and six respondents either **'disagreed'** or **'strongly disagreed'** that the draft policy gives adequate consideration to tenants' needs.

Customer obligations

- Over half (13) indicated that they **'strongly agreed'** or **'agreed'** with the proposed clauses related to customer obligations.
- Seven respondents responded neutrally and five respondents either **'disagreed'** or **'strongly disagreed'** with the proposed clauses in relation to customer obligations.
- Those that disagreed with the clauses, or responded neutrally, were asked to explain why. The most commented on themes were in relation to **repair issues** (three comments) or **in relation to lack of improvements to homes** (two comments).

Understanding the draft policy

- Respondents were asked to comment on any areas of the draft policy they didn't understand. Most comments were fairly specific but two respondents commented on the **need to see the related documents referred to in the draft policy**.
- Alternative suggestions put forward by respondents included: **supporting tenants finding it difficult to manage money/rent payments** (four comments) and **monthly (online) rent statements** (two comments).

Impact of the draft policy

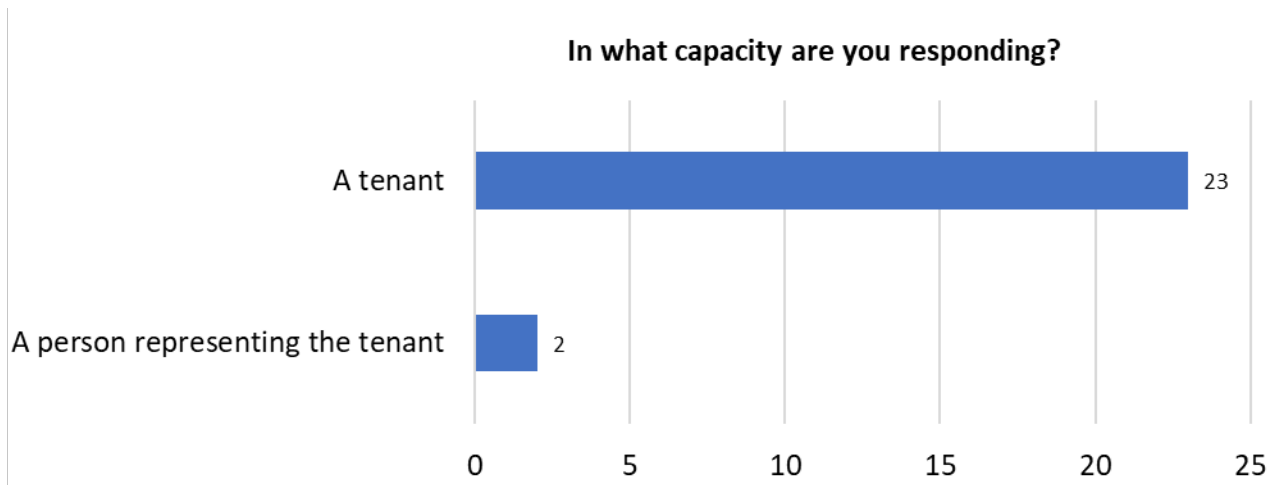
- Respondents were asked how the draft policy might affect them, the people they live with or the tenant they are representing. The most commented on themes were in relation to **will have no impact/no impact as not in rent arrears** (three comments) and **stress/impact on emotional health and wellbeing caused by actions of the Council to recover rent arrears** (three comments).



Survey findings: Capacity in which responding

Respondents were asked in what capacity they were responding.

- The majority (23) indicated that they were responding as **'a tenant'**.
- Two respondents indicated they were responding as **'a person representing a tenant'**.



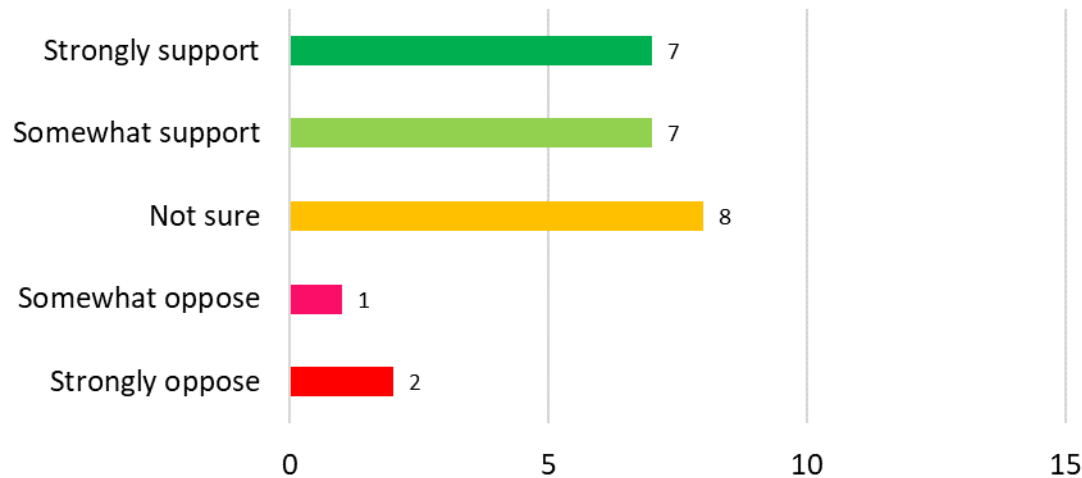
Base: All responses (25)

Survey findings: Level of support for the policy

Respondents were asked to what extent they support the draft policy.

- Over half (14) indicated that they '**strongly support**' or '**somewhat support**' the draft policy.
- Eight respondents were '**not sure**' whether they support the draft policy.
- Three respondents either '**somewhat oppose**' or '**strongly oppose**' the draft policy.
- Those that opposed the draft policy, or were unsure, were asked to explain why. These comments are explored overleaf.

To what extent do you support the Draft Rent Income and Arrears Policy?



Base: All responses (25)

Survey findings: Reasons for opposing the policy

Respondents that opposed the policy, or were unsure, were asked to explain why this was. Comments made have been themed and the themes with two or more comments are summarised in the table below. Examples of comments made can be seen overleaf, with the full list of themes and comments made can be found in appendix two.

The most commented on theme was in relation to **support for those on low income/benefits** (four comments).

Theme*	Comments
Support for those on low income/benefits	4
Not been able to see documents	2
Quality of services/repairs	2
Unaware of policy/consultation	2
Universal Credit	2

**Themes shown with two or more mentions*



Survey findings: Reasons for opposing the policy

“While the UK is out of lockdown, many tenants are still out of work and have no capacity to pay off arrears right now as I have been harassed by my rent officer to start paying off arrears, even though I'm paying full rent with little extra every month, rent officer went as far to demand more money out of my Universal credit (£68 deduction monthly) and I still have council tax, gas, electricity, water, credit cards, broadband contracts to pay, I've had 70 pence in my account after all payments, rent officer says RBKC understands you're going through hard times and some other generic sentences and the following week I received a case review from the court, very thoughtful of you RBKC rent officer. RBKC haven't supported me nor has it been a thoughtful landlord under the circumstances

Support for those on low income/benefits

“The policy says that it should be read with the related procedures and protocols but as these were not provided it makes giving an opinion to this survey a little more difficult.”

Not been able to see documents



“Do not want the introduction of service charges, what we pay for in rent should be more than enough to cover the (quite frankly poor) services you offer.”

Quality of services/repairs

“I was not aware a consultation was being done on this and didn't have the chance to read through the paper documentation of the proposed changes.”

Unaware of policy/consultation

“I would like to know what the performance targets are and what is done about reducing unaffordable deductions from Universal Credit.”

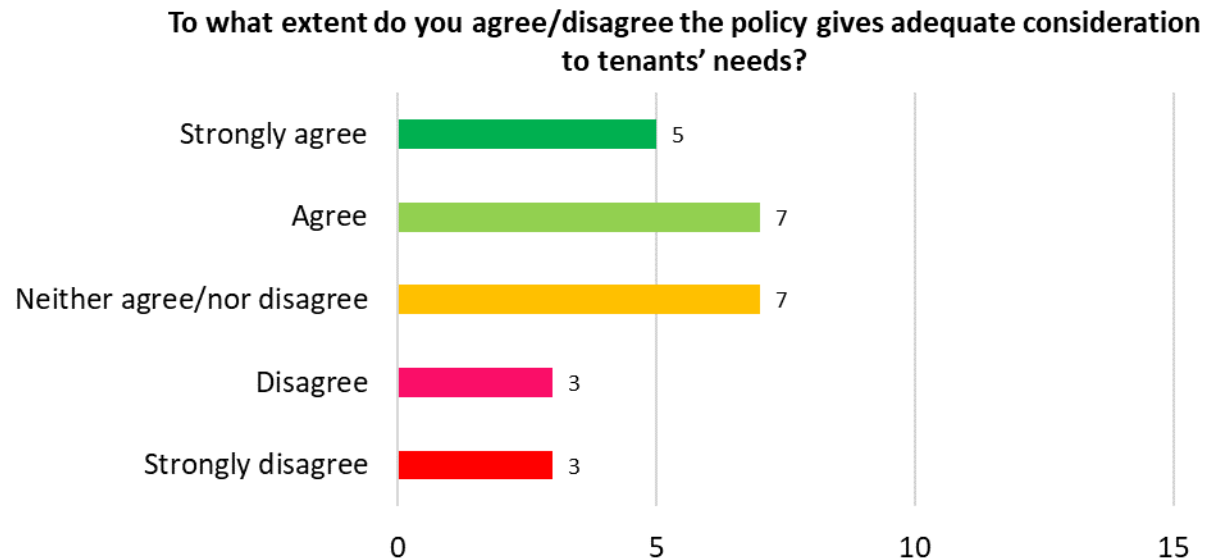
Universal Credit



Survey findings: Tenants' needs

Respondents were asked to what extent they agreed that the draft policy gives adequate consideration to tenants' needs.

- Nearly half (12) of respondents indicated that they '**strongly agreed**' or '**agreed**' that the draft policy gives adequate consideration to tenants' needs.
- Seven respondents responded neutrally to the question.
- Six respondents either '**disagreed**' or '**strongly disagreed**' that draft policy gives adequate consideration to tenants' needs.
- Those that disagreed, or responded neutrally, were asked to explain why. These comments are explored overleaf.



Base: All responses (25)

Survey findings: Tenants' needs

Respondents that disagreed that the draft policy gives adequate consideration to tenants' needs, or responded neutrally, were asked to explain why this was. Comments made have been themed, but due to the relatively low number of comments, most themes only had one comment. Two respondents were concerned about the **impact on health and wellbeing caused by Council chasing arrears**. Examples of comments made can be seen below, with the full list of themes and comments made can be found in appendix two.

“There’s no consideration. Failure to be transparent with charges, I waited almost a year to get a detailed rent payment history. As a tenant, I feel stressed and depressed.”

Impact on health and wellbeing caused by Council chasing arrears

“Not enough help for tenants with difficulties.”

More help needed for tenants

“I’m in temporary accommodation under RBKC and nobody has shared this with us.”

Consult those in temporary accommodation



“You may be giving tenants too much consideration and may end up with more rent arrears. As people discover how the system works and pay less and less rent as they will discover how easy it is to not pay with so much "consideration" of their needs. Perhaps it should be changed back for all to Housing Benefit to have this paid direct to the Council OR at least automatically (i.e. so no court case needed) being paid directly to the Council to pay the rent after one month or arrears is passed and all those now on arrears for one month or more that this is done. Otherwise, the Council (the taxpayer) may be taken for "fools".”

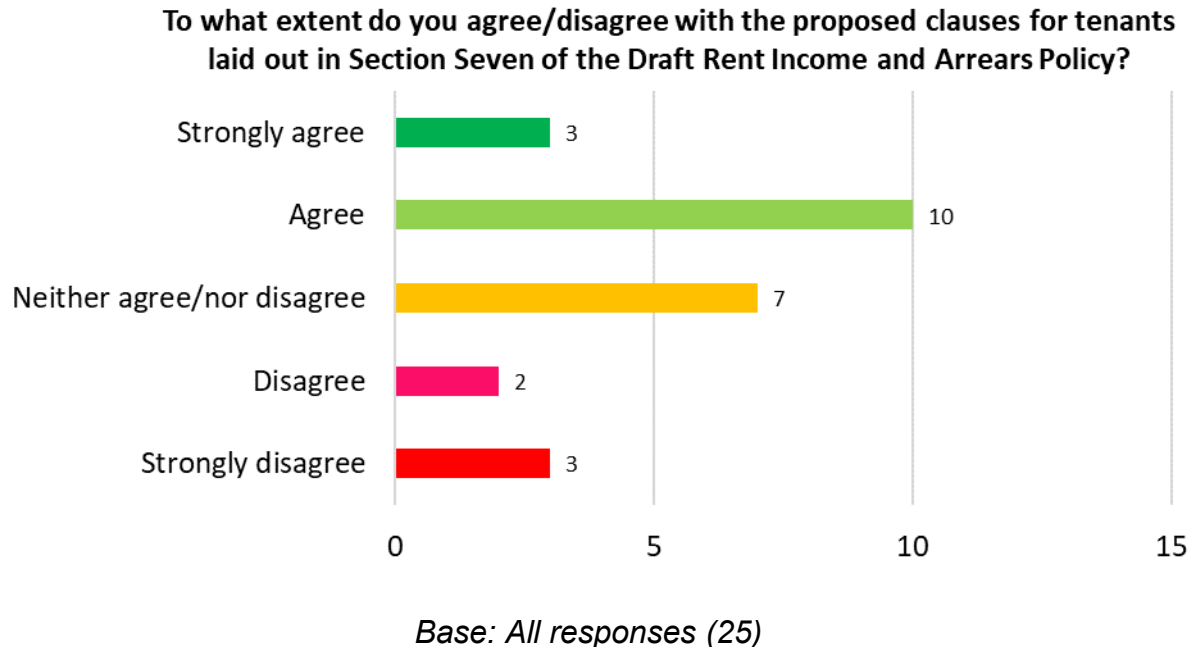
Might lead to tenants not paying as much rent



Survey findings: Customer obligations

For ease, respondents were shown an extract from the draft policy covering customer obligations. Respondents were asked to what extent they agreed with the clauses related to customer obligations in the draft policy

- Over half (13) indicated that they **‘strongly agreed’** or **‘agreed’** with the proposed clauses in relation to customer obligations.
- Seven respondents responded neutrally to the question.
- Five respondents either **‘disagreed’** or **‘strongly disagreed’** with the proposed clauses in relation to customer obligations.
- Those that disagreed, or responded neutrally, were asked to explain why. These comments are explored overleaf.



Survey findings: Customer obligations

Respondents disagreeing with the customer obligations' clauses, or those who responded neutrally, were asked to explain why this was. Comments made have been themed and are summarised in the table below. Examples of comments made can be seen overleaf, with the full list of themes and comments made can be found in appendix two.

The most commented on themes were in relation to **repair issues** (three comments) and **improvements have not been made to homes** (two comments).

Theme	Comments
Repair issues	3
Improvements have not been made to homes	2
Against introduction of service charges	1
Assistance for those on Universal Credit	1
Disagree with weekly payments, some tenants are paid monthly	1
Financial support/advice for vulnerable tenants	1
Tenancy agreement	1
Understanding towards tenants that are finding it difficult to pay off arrears	1
Unsure how it differs from before	1



Survey findings: Customer obligations

“You say rent money is put towards repairs and improvements to properties. I have lived in my flat for 15 years and have never had any improvements made, despite it being a very old building which is in desperate need of new windows and waste removal pipes. Also, nearly all repairs have been sub-standard.”

Repair issues

“Some of the money is used to pay for improvements to tenants’ homes.” Our rents are increasing and yet improvements have never been made to my flat.”

Improvements have not been made to homes

“What assistance is provided for tenants who are on UC and paid monthly in arrears? Is there a process for offsetting arrears against failures to deal with disrepair etc?”

Assistance for those on Universal Credit



“While I agree that tenant by law must pay rent and I was and have every intention to repay arrears, given the circumstances you must be truly understanding to current events and not stressing tenant to repay when they struggle to put food on the table.”

Understanding towards tenants that are finding it difficult to pay off arrears

“I disagree with weekly payment in advance. Due to rigid work pay conditions and need for some tenants to pay rent monthly.”

Disagree with weekly payments, some tenants are paid monthly



Survey findings: Understanding the draft policy

Respondents were asked if there were parts of the draft policy which they were unsure of. Comments made have been themed and the themes with two or more comments, alongside a selection of those with one comment, are summarised in the table below. Examples of comments made can be seen overleaf, with the full list of themes and comments made can be found in appendix two.

The most commented on themes were in relation to ***need to see related documents*** (two comments) and ***all aspects understood*** (two comments).

Theme*	Comments
All aspects understood	2
Need to see related documents	2
Council's discretion to refund credits	1
Direct payments, conditions when these can be made	1
Eviction of tenants who are unable to repay arrears	1
Questioning need for change	1
Section 2.3 Service Charges	1
Time span between notice and legal action	1
Unsure about all of it	1
Will slight rent shortfalls lead to eviction	1

*Themes shown with two or more mentions, plus selection of themes with one comment



Survey findings: Understanding the draft policy

“All bits I read understood.”

All aspects understood

“Specific conditions when direct payments can be made. When the council can use its discretion to not refund credits. Whether slight shortfalls in rent can lead to evictions like having arrears of water charges.”

Direct payments, conditions when these can be made

“What is the time span between 'notice' and legal action prior to eviction?”

Time span between notice and legal action

“All of it. Why do you truly want to change it?”

Unsure about all of it



“As said at first, some documents were not provided in accordance of what this policy states: “this policy should be read together with the..... documents” but these documents were not provided.”

Need to see related documents

“Evicting tenants who are unable to repay arrears rather than giving them time and space to find or get back to work.”

Eviction of tenants who are unable to repay arrears

“2.3 Should this include service charges?.”

Section 2.3 Service Charges



Survey findings: Alternative suggestions

Respondents were asked if they had alternative suggestions for the draft policy. Comments made have been themed and the themes with two or more comments, alongside a selection of those with one comment, are summarised in the table below. Examples of comments made can be seen overleaf, with the full list of themes and comments made can be found in appendix two.

The most commented on suggestions were in relation to ***no alternative suggestions*** (four comments) and ***supporting tenants finding it difficult to manage money/rent payments*** (four comments).

Theme*	Comments
No alternative suggestions	4
Supporting tenants finding it difficult to manage money/rent payments	4
Monthly (online) rent statements	2
Addressing those that are paid monthly or receive Universal Credit monthly	1
Allow weekly direct debits	1
Choices around direct payments from Universal Credit	1
It's set out in tenancy agreement	1
Paying Housing Benefit directly to the Council	1
Remove service charges	1
Staff training	1

*Themes shown with two or more mentions, plus selection of themes with one comment



Survey findings: Alternative suggestions

“I believe you could attempt to communicate more and assist more before any legal proceedings. Introduce a step where you understand your tenant’s situation and try to make a payment plan focused around that. If the tenant is paying for the rent but is still in arrears, give them time to get back on their feet instead of threatening.”

Supporting tenants finding it difficult to manage money/rent payments



“Letters threatening eviction should be delayed as much as possible, even if they were taken as a last resort. Tenants must be given enough and reasonable time to repay any arrears and they should be directed to sources of financial aid if their arrears are difficult to repay.”

Supporting tenants finding it difficult to manage money/rent payments

“...can considerations be made to send online monthly rent statements instead of quarterly statements so that tenants can proactively keep up to date and take control and monitor their rental payments.”

Monthly (online) rent statements

“Remove any notion of 'Service Charges' first and foremost!”

Remove service charges

“Also please allow weekly direct debits.”

Allow weekly direct debits



Survey findings: Impact of the draft policy

Respondents were asked how the draft policy might affect them, the people they live with or the tenant they were representing. Comments made have been themed and the themes with two or more comments, alongside a selection of those with one comment, are summarised in the table below. Examples of comments made can be seen overleaf, with the full list of themes and comments made can be found in appendix two.

The most commented on themes were in relation to ***stress/impact on emotional health and wellbeing caused by actions of the Council to recover rent arrears*** (three comments) and ***will have no impact/no impact as not in rent arrears*** (three comments).

Theme*	Comments
Stress/impact on emotional health and wellbeing caused by actions of the Council to recover rent arrears	3
Will have no impact/no impact as not in rent arrears	3
Impact of deductions from Universal Credit/court action	2
Concern will be if fall into arrears	1
Council should offer financial tips/debt advice	1
Assist residents to deal with rent arrears	1
Discretion over credits on account	1
Impact on finances	1

**Themes shown with two or more mentions, plus selection of themes with one comment*



Survey findings: Impact of the draft policy

“It would make us feel like we’re going to lose everything because of the pandemic, we try hard to make sure payments are more frequent but there is no leniency from the council. I’ve felt extremely anxious, depressed and stressed in the last year. If the proposed draft goes through I’m certain what I’m already feeling will be multiplied.”

Stress/impact on emotional health and wellbeing caused by actions of the Council to recover rent arrears



“I’m not able to repay more than what I’m forced to pay now and having spoken with rent officer over 40 times since April 2020, having extra deduction from universal credit and still she brought a case against me to court in February 2021 during a pandemic is very thoughtless and contradictory to the many times she assured me RBKC understands you’re going through difficult times, you don’t understand or sympathise with tenants. I’m stressed and depressed every day because of the constant harassment of the rent officer, speaking to her is nothing but source of negativity every time.”

Stress/impact on emotional health and wellbeing caused by actions of the Council to recover rent arrears

“As we pay our rent well in advance online, this will not affect us.”

Will have no impact/no impact as not in rent arrears

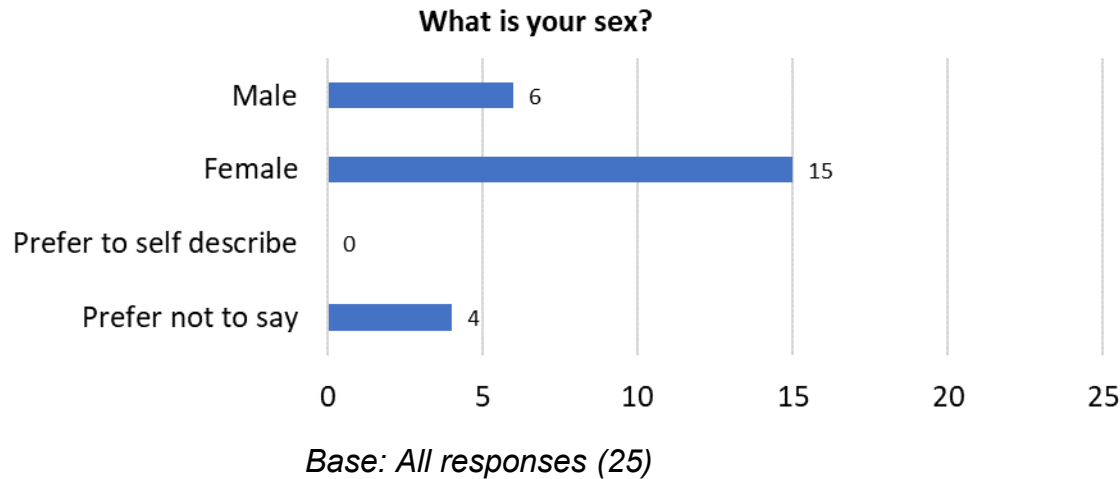
“I think it is very clear and written in plain English. It has a positive tone about supporting customer while still maintaining rent must be paid. I am especially pleased with the mention of vulnerable groups and recognise that appointing the correct care is taken into account.”

Positive comments about the policy/support available within

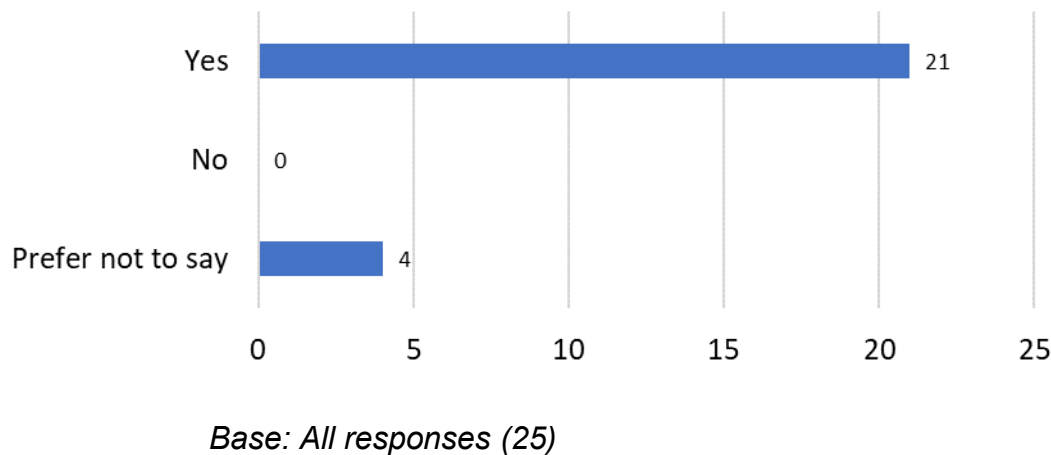


Survey findings: Profile of respondents

Respondents were asked a series of questions about themselves, to understand who had responded to the consultation.

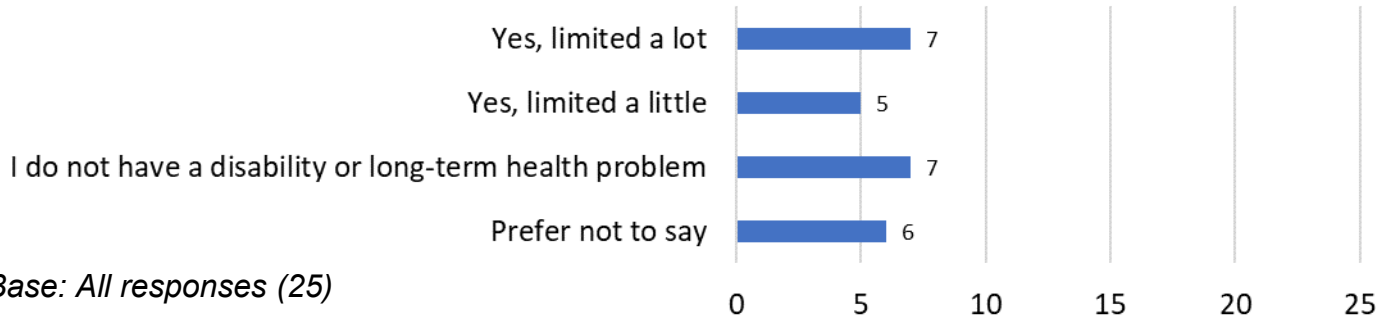


Does your gender identity match the sex you were registered with at birth?



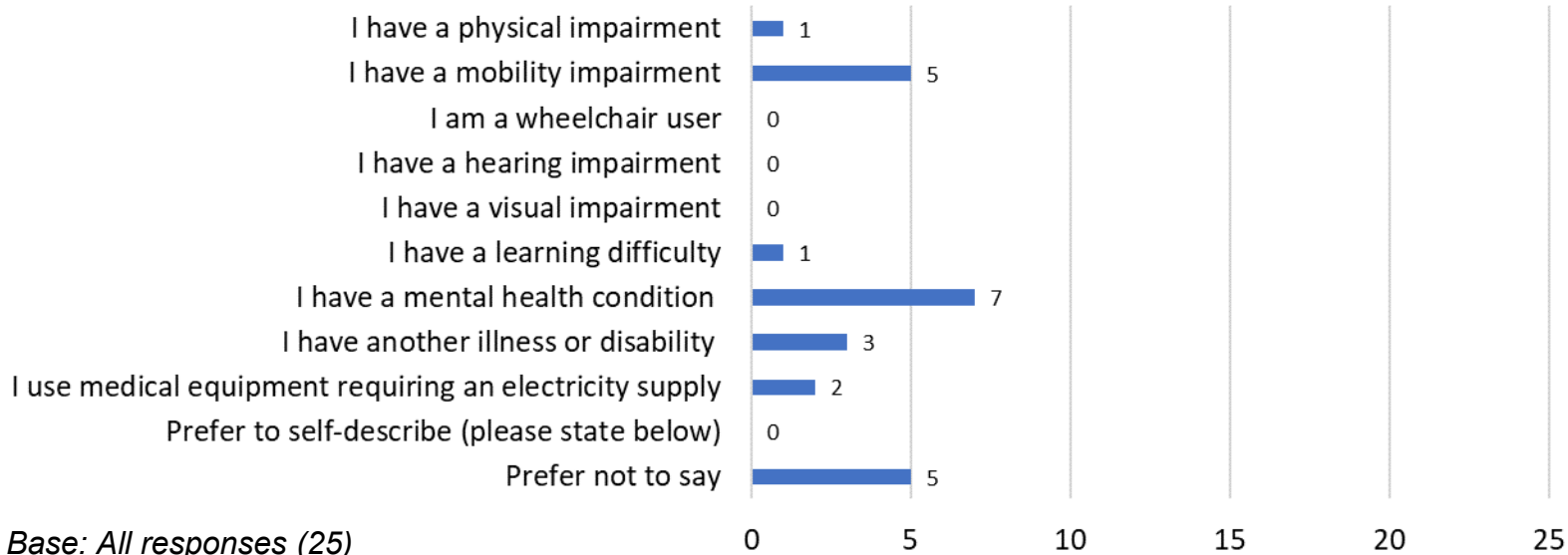
Survey findings: Profile of respondents

Are your day-to-day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?



Base: All responses (25)

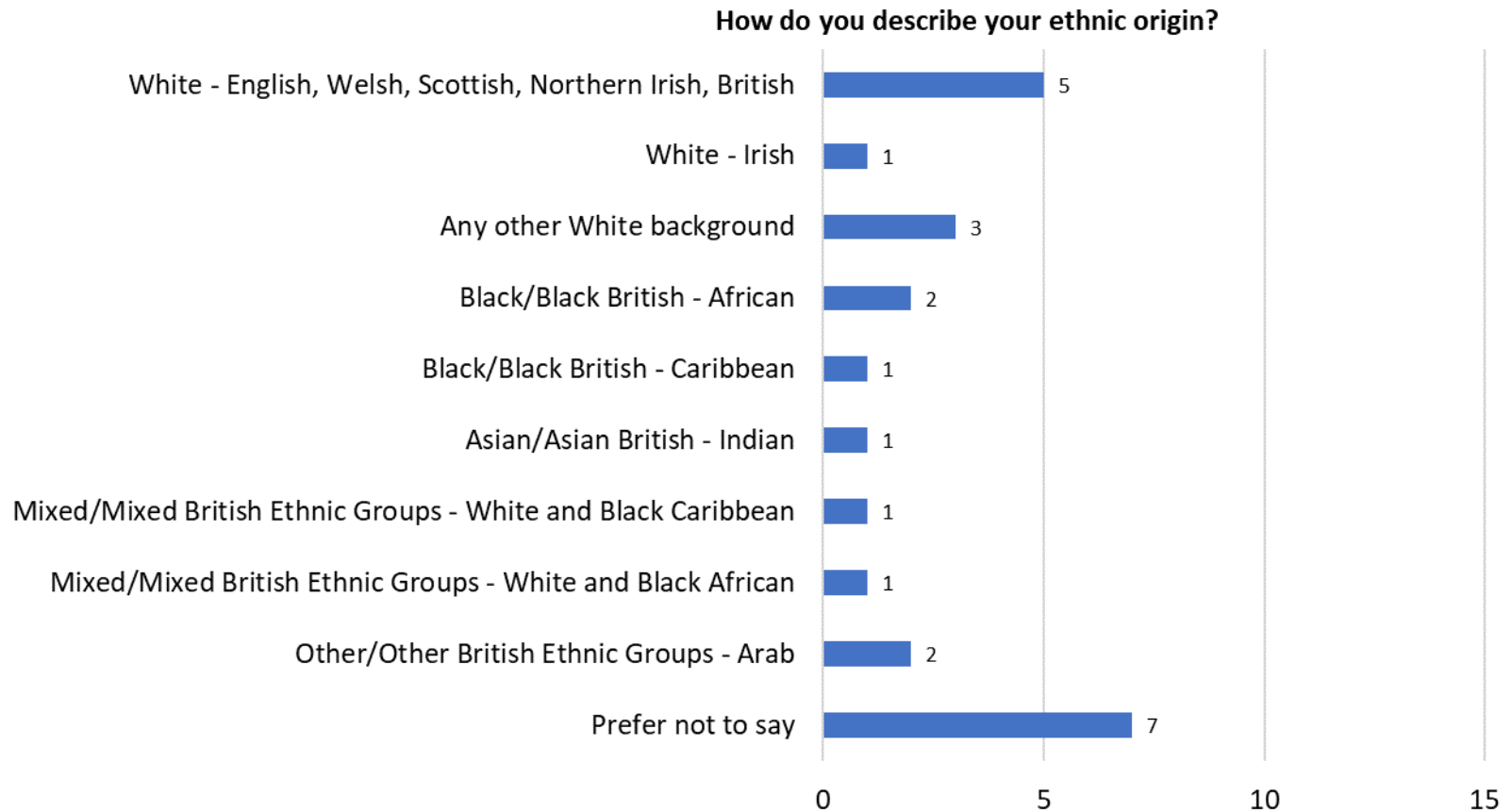
If yes, what is the nature of your health problem or disability?



Base: All responses (25)



Survey findings: Profile of respondents

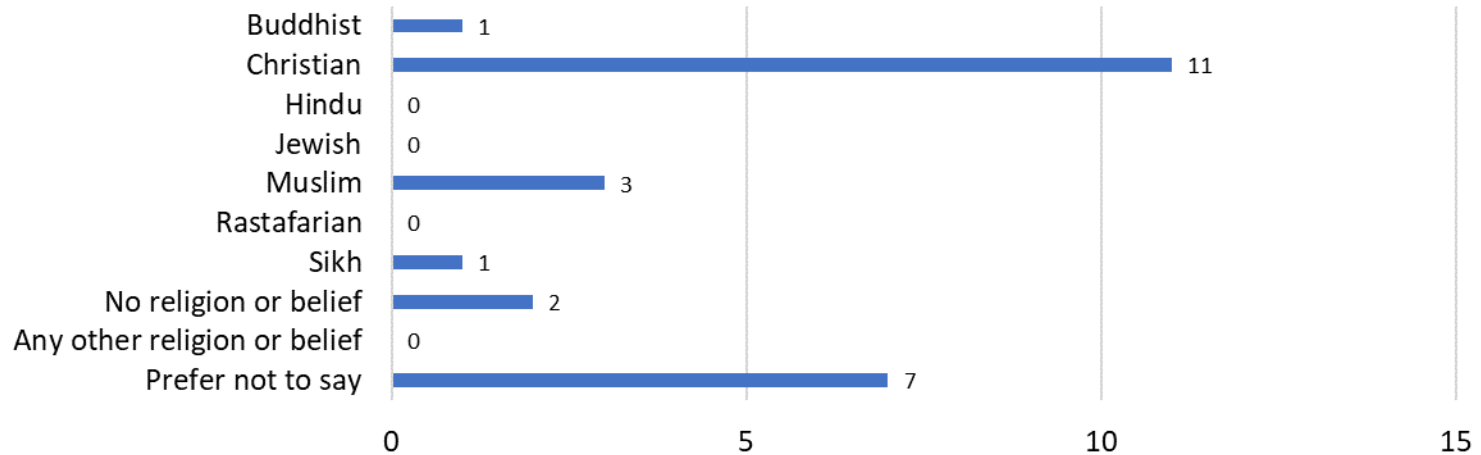


* Graph only shows ethnicities where a response has been received, list presented to respondents was longer

Base: All responses (25)

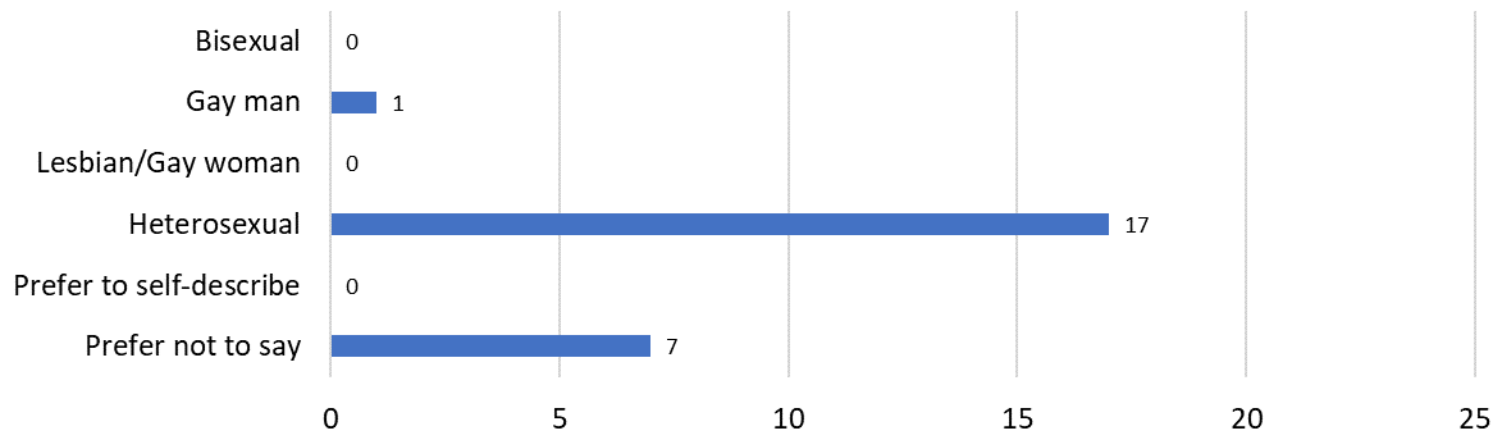
Survey findings: Profile of respondents

How would you describe your religion or belief?



Base: All responses (25)

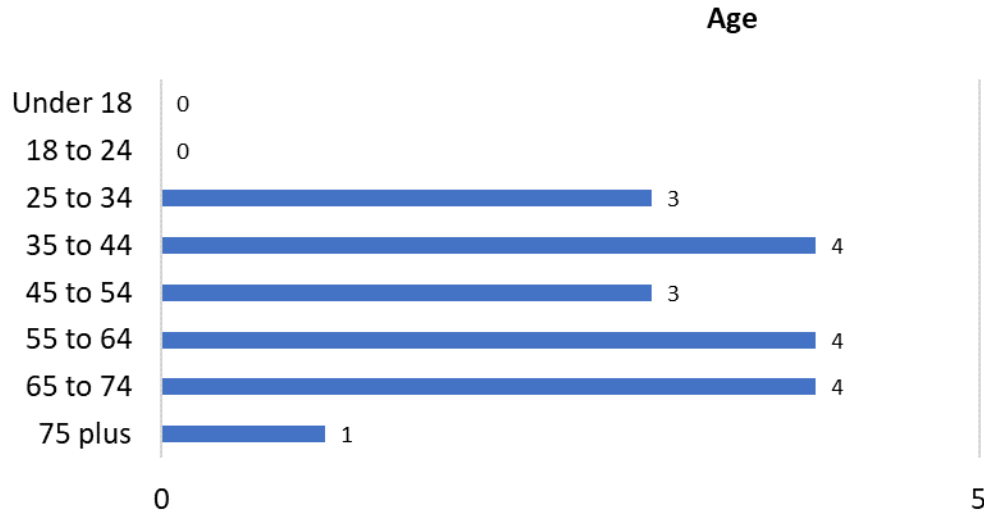
How would you describe your sexual orientation?



Base: All responses (25)



Survey findings: Profile of respondents



Base: All responses (25)

