



Report to:	STOCKPORT HOMES MEMBER COMMITTEE <i>12 February 2024</i>
Report of:	EXECUTIVE DIRECTOR OF RESOURCES
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Type of Report	<i>Assurance</i>
Title of Report:	STOCKPORT HOMES GROUP INCOME COLLECTION STRATEGY
Purpose of Report:	To present the Group Income Collection Strategy 2023-26 to the Member Committee
Recommendation(s):	It is recommended that Member Committee provide comment on the Group Income Collection Strategy 2023-26 and associated action plan
Confidentiality	Non-Confidential
Resource Implications	The recommendations made will ensure that the service supports and maximises accessible income solutions for customers, prevents arrears and sustains tenancies, with the aim to Transform Lives by enabling customers to manage their money well, sustain their homes, and have access to the best advice to enable them to do so, feeling supported and secure. For the business, recommendations made will maximise income into the organisation enabling the optimum, wide-ranging, efficient delivery of housing services, and the achievement of key Business Plans.
Impact on Risk Appetite and Risk Register	Stockport Homes Group is open to using innovative collection techniques to maximise income collection. The risk appetite is 'minimal' with regards to reputation and financial loss. The recommendations in this report are in line with this risk appetite.

	Risk Number	Risk Description	Risk Mitigation
	8	Income collection, available cash resources and stress testing are insufficient to deliver and sustain SHG and its strategic ambitions	The recommendations and actions in this strategy will ensure that rent and water charge collection is maximised, and arrears minimised
Customer Voice	Several service review actions identified in this strategy, such as reviewing communications, non-payment weeks and direct debit incentives will be delivered following consultation with customers.		
Equality, Diversity & Inclusion implications	An Equality Impact Assessment has been carried out. As a result, a number of sub-actions have been added to the action plan where appropriate surrounding accessibility to services and the support available.		
Regulatory compliance	<p>The Group Income Collection Strategy supports SHG in demonstrating compliance with regulatory standards including:</p> <p>The Regulator of Social Housing's Consumer Standards, specifically engagement with tenants within the Tenant Engagement and Empowerment Standard.</p> <p>The Regulator of Social Housing's Economic Standards, specifically making best use of resources within the Value for Money Standard.</p>		
Comments of the Stockport Homes Monitoring Group at the meeting held 30 January 2024:	<p>The introduction of the 'robot virtual employee' was seen as a positive development, which will potentially free up members of the service to provide support to more customers.</p> <p>The customers commended the work being carried out by the service, noting that they have been required to deal with various challenges in recent years which will have significantly impacted the demand of the service. They added that everything appears to be in order to maximise income and minimise arrears.</p>		

1 INTRODUCTION

- 1.1. The purpose of this report is to present the Group Income Collection Strategy 2023-2026 to the Member Committee.
- 1.2. This strategy has been developed to ensure that income collection, a key service area for Stockport Homes Group (SHG) and its customers, continues to be effectively managed, efficient, and agile, whilst continuously improving and responding to any changes in the sector and the group.
- 1.3. The strategy is supported by an action plan which is attached at appendix A. The strategy and the associated action plan will ensure that Stockport Homes Group will continue to be a sector leader in this area and improve income collection and Money Advice services during what is expected to be a time of continued pressure on customers' finances.

2 OVERVIEW OF THE INCOME COLLECTION STRATEGY

- 2.2. This strategy builds upon the previous Income Collection Strategy 2020-2023, which was developed, approved and published in 2020. It will see the service operating in an environment of an on-going cost of living crisis, in the early stages of a major new housing IT system, amidst continued digital transformation across the business, and with a growing focus within the sector on the effective use of customer data and customer insight to drive improved services and efficiencies.
- 2.3. Some of the more notable achievements and advancements to the service over the last three years have included the embedding of a quality conversation framework, introduction of robotic automation processes for Universal Credit claim verification and effective support provided to customers affected financially by the Covid-19 pandemic, and more recently the cost of living crisis.
- 2.4. The first phase of the Civica CX Housing Management System replacement project went live on 18th June 2023. The new system is still being embedded by Phase One teams and many areas of improved functionality that the new system brings are still being embedded. The Customer Finance service will be a key team in contributing to the delivery of a truly transformational system that creates business process efficiencies and an improved customer journey when accessing services.
- 2.5. High levels of inflation resulted in higher than usual rent and service charge increases for the current financial year. Based on September 2023 inflation levels, rents are forecast to increase by 7.7 per cent from April 2024 (under the Government's CPI+1% current rent policy). Customers, particularly those not receiving housing costs benefits, will be supported by SHG with exploring any entitlement to benefits to meet the cost of these increases.

- 2.6. The strategy identifies five key themes for the service over the next three years, with thirty-four actions identified in the associated action plan, encompassing a one-team approach, effective and accessible financial support, better use of customer data and insight, delivery of efficiencies by embracing digital technology, and a highly skilled and motivated income collection team.
- 2.7. An Equality Impact Assessment has been completed and several recommendations have been added to the actions deemed to have high customer impact.

3. CONCLUSION

- 3.1 The Income Collection Strategy 2023-2026 provides a clear set of priorities to support Stockport Homes Group to deliver an excellent income collection service and effective advice provision, which will ensure support is given to those customers who most need it, and that income to the HRA is maximised for investment in the housing stock.

4. RECOMMENDATIONS

- 4.1 That Member Committee comment on the Group Income Collection Strategy 2023-2026 and its associated action plan.