

Committee: Housing Management & Almshouses Sub-Committee	Dated: 30/06/25
Subject: Income Recovery Update	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly? delivers Corporate Plan 2024-29 outcomes	Business enabling functions Providing Excellent Services
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
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Summary

Tenants sometimes have problems managing their tenancies, particularly where paying rent is concerned. Our Income Team works with tenants and other services within the City and in our host boroughs to provide the necessary support or signposting to tenants so that they do not risk losing their homes.

Eviction is always a last resort, and this report explains our approach to ensuring tenants can manage their rent accounts.

Recommendation

Members are asked to:

- Note the report.

Main Report

1. The City of London Corporation manages rent collection for a total of 1,860 Housing Revenue Account (HRA) properties, 14 properties in Spitalfields, and licence charges for 44 City of London Almshouses properties. These homes are distributed across six boroughs and the Square Mile.
2. The City of London Corporation is committed to being a supportive landlord, where eviction is considered the absolute last resort. Our Income Recovery Policy outlines our approach to the recovery of rent and service charge arrears, ensuring that we provide appropriate support to tenants experiencing financial hardship.
3. Historically, we have successfully recovered 98-99% of rental income due to our hands-on approach. This success is largely attributed to the trust and strong relationships that our Income Recovery Officers have built with tenants. These officers are embedded on the estates, allowing them to meet tenants where they live and provide personalised support. This proximity helps tenants feel confident that help is readily available when they face circumstances that put them into arrears, whether temporarily or in the long term.

Key Data

4. For the financial year 2024/25, we collected 97% of rent and service charges. This is a 1% increase on last year's performance and is a very good collection rate considering the issues with HM Court Service and the shortage of County Court Bailiffs across the country.
5. As of the end of the year, the total rent arrears stood at £371,960.13. It is important to note that £114,105.37 of this amount is comprised of cases where we are awaiting a Bailiff to enforce possession orders. These cases include situations where tenants have passed away, and family members have unsuccessfully attempted to succeed their tenancy; these situations are approached with due sensitivity while bearing in mind our duty to return the property to use as social housing. Another situation giving rise to arrears is where a tenant has died with no next of kin, which requires a legal process to be followed to formally end the tenancy.
6. The process of reclaiming these properties is often lengthy and complex. HM Court Service is experiencing delays, and there is also a shortage of County Court Bailiffs, meaning that Possession Orders the City of London has been granted are still waiting to be enforced. We are just starting to see evictions scheduled for the first quarter of the current financial year.

How We Help

7. Our Income Recovery Officers play a crucial role in supporting tenants and preventing evictions. By being present on the estates, they can build strong relationships with tenants, offering assistance and signposting to relevant support agencies when needed. This approach not only helps in recovering rent but also ensures that tenants feel supported and valued.
8. Income Recovery Officers work closely with Tenancy Support, Social Services, and Resident Service Officers on estates to ensure that tenants are able to pay their rent or get help when they are unable to.
9. Case studies for two complex cases are contained in the appendix of this report for Members to see how much time and support is given to tenants experiencing difficulties paying their rent or otherwise maintaining their tenancies. Each tenant in difficulty is contacted by the Income Recovery Officers and then those officers engage with the tenants to find what support would be most appropriate and/or beneficial to them **(Appendix 1)**.
10. According to our Housing Management System, the Tenancy Support Team have flagged 37 accounts to say they are working with the tenants of these homes. Of these, only six tenants are in arrears, and only three of these are more than two weeks in arrears.
11. The City of London has recently implemented a new 24-hour automated payment phone line so that service users can pay for an array of services, like parking, Council Tax and rent. Providing more convenient ways for tenants to pay their rent will be a focus in the new financial year. We need to make sure that our payment methods are convenient and easy to use.
12. The Rent Officers and the Rent Administrator will usually encourage payments when tenants call, and when they talk to tenants experiencing difficulties, will offer to have the Income Recovery Officer call get in touch to assist them.
13. We make notes on the Housing Management System to log any contact we've had with tenants so that whoever is providing a service to the tenant knows what the tenant has called about previously. It saves the tenant time, so they don't have to explain everything again.

Conclusion

14. The City of London Corporation's approach to income recovery is centred around being a supportive and caring landlord. Our high recovery rates and the trust tenants place in our Income Recovery Officers are testaments to the effectiveness of our hands-on approach. We remain committed to ensuring that eviction is a last

resort and that tenants receive the support they need to manage their rent payments.

Appendices

- Appendix 1 – Case studies

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