

# Engaging with individuals at risk of eviction to manage increasing debts

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# Southwark

- Large inner London Borough
- Second largest social landlord



- Transient population
- Areas of deprivation

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# Step-by-Step

A managed, single view of debt team, rebranded as Step-by-Step

## Key drivers

- 30% of CTAX arrears attributed to our own tenants
- Enable a tailored approach based on customer circumstances
- Provide efficiencies through automation of basic tasks
- Provide a consistent approach across service areas

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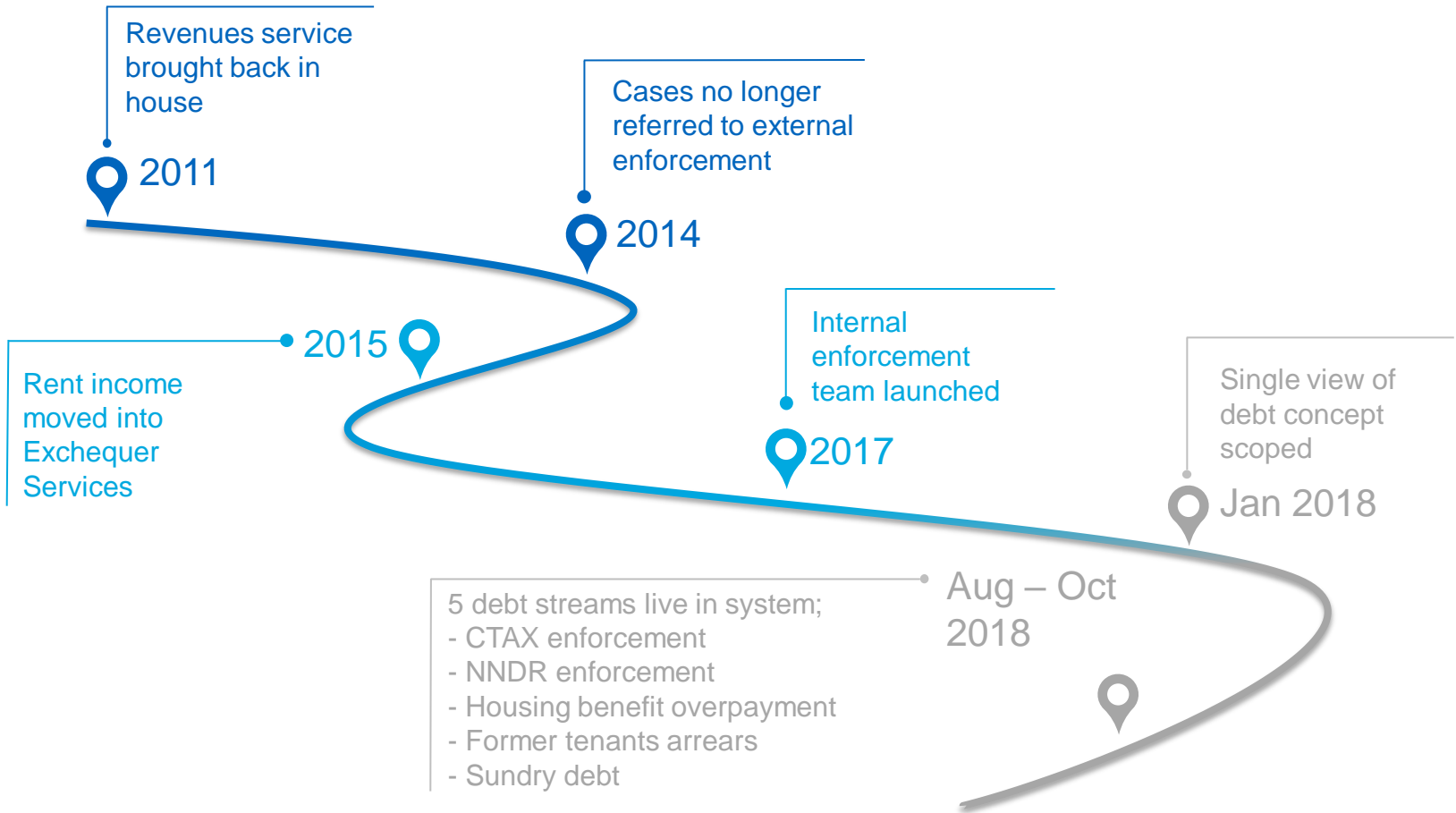


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# Background



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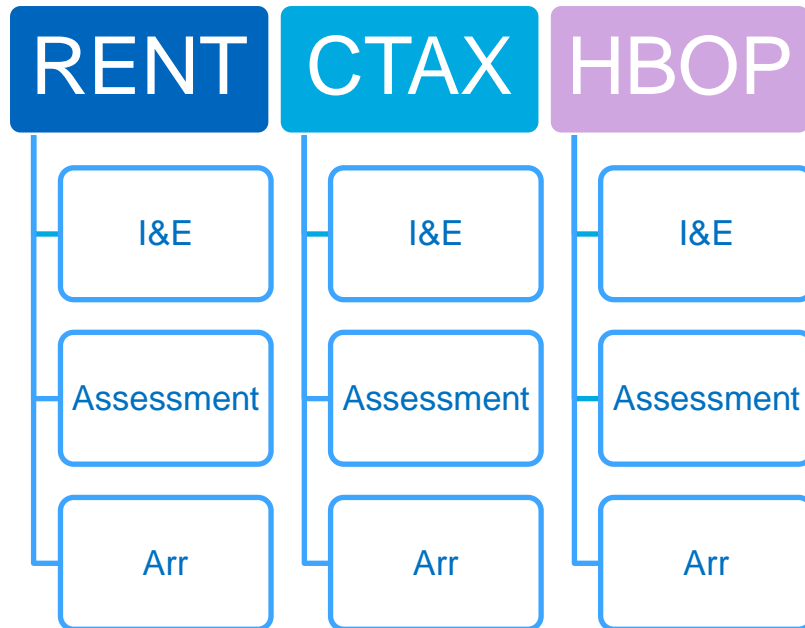
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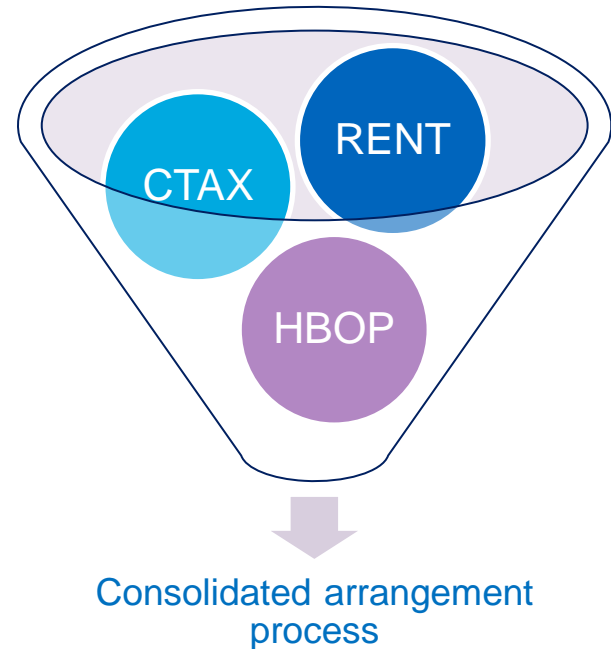


# Benefits

*Before*



*After*



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# Current tenant arrears

- High match rate of multiple debts
- More complex
- The pandemic hits...
- Pilot launched August 2021

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# Examples

| Customer | Current Tenant Arrears | Council Tax | Housing Benefit Overpayment | Former Tenant Arrears | Total   |
|----------|------------------------|-------------|-----------------------------|-----------------------|---------|
| A        | £1,767                 | £3,919      | £46,133                     |                       | £51,819 |
| B        | £4,466                 | £4,428      | £35,179                     | £899                  | £44,972 |
| C        | £3,115                 | £6,246      |                             | £220                  | £9,581  |
| D        | £1,346                 | £954        | £596                        | £329                  | £3,225  |

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# Approach

- Initial automated engagement
- Review points – joint debt approach initiated
- Customer choice
- Encourage engagement – payment, arrangements
- Support – Money Advisers Network
- Refusal to engage - escalation

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# Step-by-Step Commitment

## Council Commitment

1. Immediately stop recovery action
2. Support and direct customers to help where needed
3. Manage the 'consolidated' debt

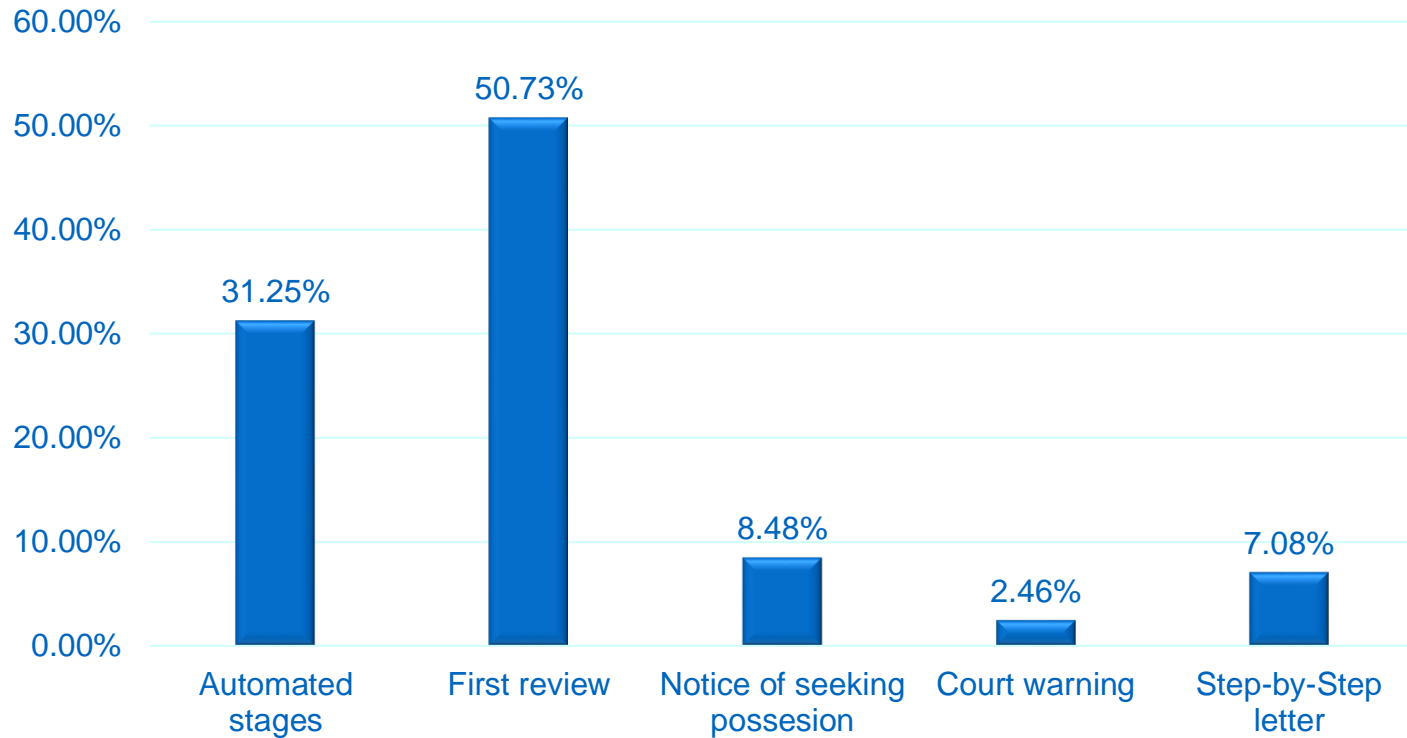


## Customer Commitment

1. Maintain monthly payments
2. Maintain ongoing liabilities
3. Maintain engagement

# Results

## Payment by stage



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# Results

| Outcome                      | Single debt | Multiple debt |
|------------------------------|-------------|---------------|
| Paid in full                 | 13%         | 8%            |
| Arrangement                  | 19%         | 25%           |
| <b>Successfully resolved</b> | <b>32%</b>  | <b>33%</b>    |

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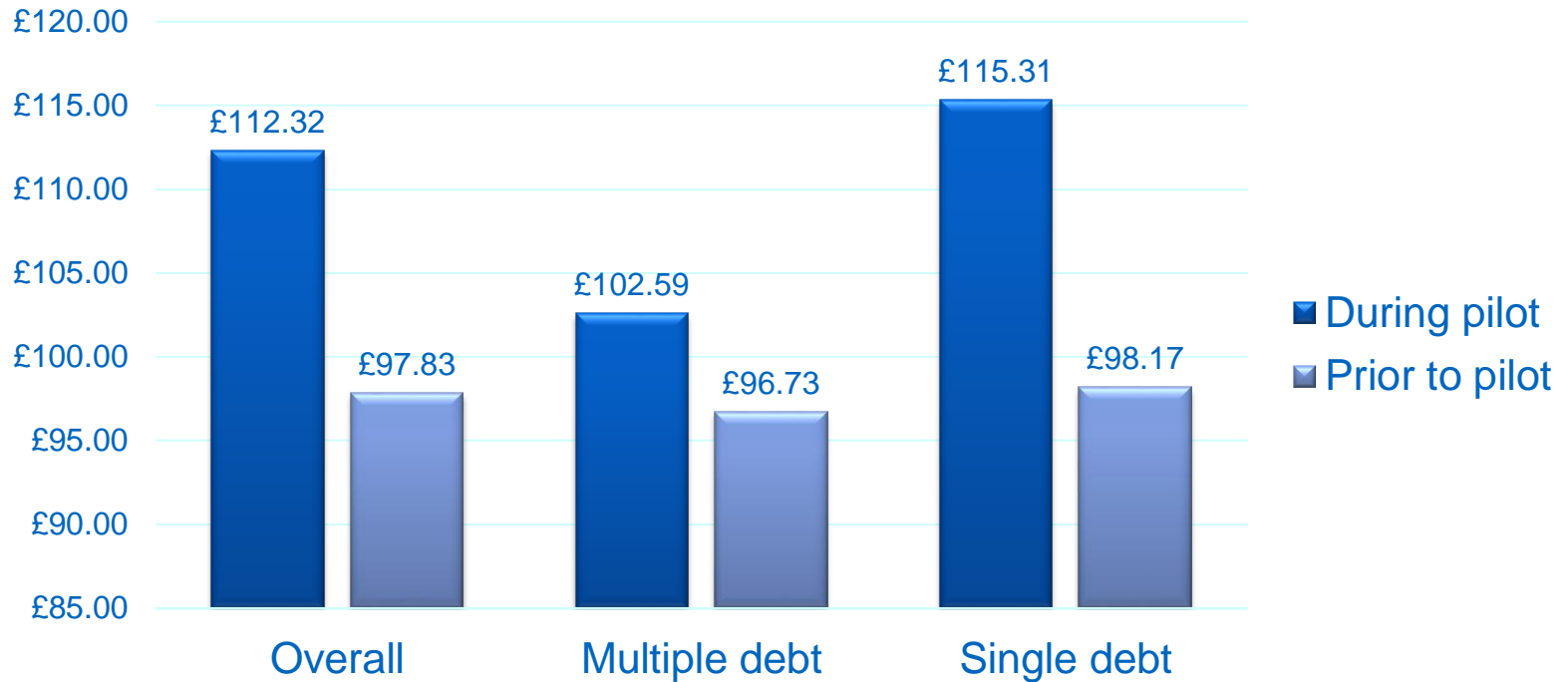
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# Results

## Average weekly payment



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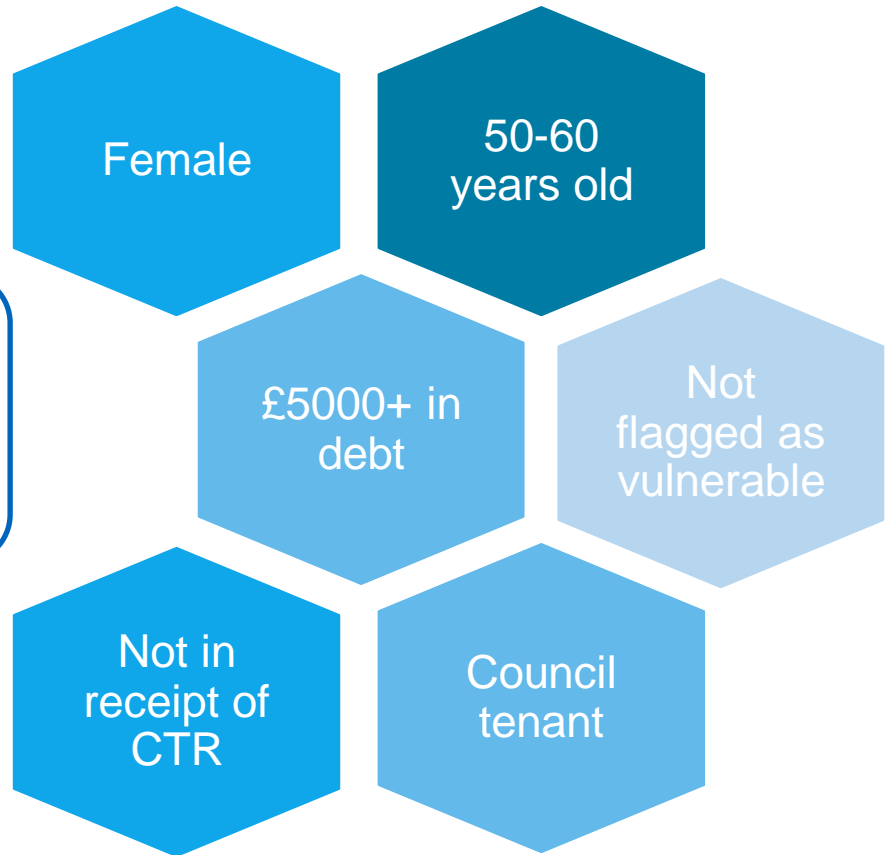
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# Results

**Money Advisers Network**  
50% referred reduced  
arrears by £500



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# Case studies

- **Owed £12k across rent, council tax and HBOP**
- History of arrears on all debt types
- Single tenant caring for severely mentally impaired son
- Income and expenditure information obtained and assessed
- Arrangement in place for £200.00 per month
- Payments maintained and total debt reduced by over £4k to date



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# Case studies

- **Owed £2k in rent arrears**
- **Vulnerable tenant suffering from schizophrenia**
- **Identified issue with housing benefit entitlement**
- **Backdated housing benefit payment credited to the rent account**
- **Arrears and ongoing rent debt of over £4k cleared in full and income maximised for the customer**

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