

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	16 September 2009
Report by:	Executive Director (Housing and Technical Resources)

Subject:	Housing Rent Direct Debit
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ outline proposals to increase the take up of rent direct debits and request approval for an annual Direct Debit promotional campaign for Housing Rent customers

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that an annual Housing Rent Direct Debit promotional campaign is established offering two prizes of £250 in supermarket shopping vouchers.

3. Background

- 3.1. Promotion of payment by Direct Debit is central to improving the efficiency and effectiveness of housing rent collection. Direct Debit contributes towards reduced rent arrears and transaction charges for Direct Debit payments are significantly lower than traditional payment methods.
- 3.2. The Council currently operates a successful annual Council Tax Direct Debit promotional campaign in April each year.

4. Direct Debit Promotional Campaign

- 4.1. It is proposed that the Council establish a Direct Debit promotional campaign for Housing Rent customers. The draw will take place on 1 November 2009 and annually thereafter and eligible customers will include both new and existing Direct Debit customers.
- 4.2. The Council will promote the promotional campaign through letter campaigns and leaflets and offer a prize of £250 to two Rent Direct Debit customers selected at random.

5. Rent Direct Debit

- 5.1. The Council has a current housing stock of 26,200, of which 14,200 households are not on full benefit and liable to pay rent charges. Of these households, 2,800 (20%) currently pay by Direct Debit. An annual increase in Direct Debit payers of 10% will be targeted.

6. Employee Implications

- 6.1. None.

7. Financial Implications

- 7.1. The estimated cost of promoting the Direct Debit promotional campaign, including the total prize cost of £500, totals £3,500. It is anticipated that the costs will be offset in full by reduced transaction processing costs of customers transferring from their existing method of payment to Direct Debit.

8. Other Implications

- 8.1. None.

9. Equalities Impact Assessment and Consultation Arrangements

- 9.1. There is no requirement to carry out an impact assessment in terms of the proposals within this report.
- 9.2. Proposals on the Rent Direct Debit promotional campaign were discussed with the Central Liaison Sub-group, who acknowledged the importance of the Council promoting Direct Debit as the most efficient method of payment. The Central Liaison Sub-group also believed that customers should continue to be offered a range of payment methods to suit personal circumstances.

Jim Hayton
Executive Director (Housing and Technical Resources)

20 August 2009

Link(s) to Council Objectives and Values

- ◆ Accountable, effective and efficient

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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