
Income Management Strategy

2025-2029

Housing Services

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Document Responsibility			
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Document Review and Approvals		
Name	Action	Date
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1 FOREWORD

I am pleased to introduce our Housing Income Management strategy, developed with residents and stakeholders, with whom we will continue to work to ensure that this strategy is delivered.

Locally and nationally the cost of living is continuing to be a challenge, so it is important that Stroud District Council has a robust income management strategy which supports the delivery of excellent customer focussed services to meet the wide range of needs of people who live in our accommodation.

We will continue to work closely with our tenants to support them in their homes and help others in the district who aspire to a council tenancy.

Cllr Gary Luff Chair of Housing Committee

2 INTRODUCTION

Stroud District Council owns over 5,000 rented properties, as well as the freehold of approximately 180 leasehold flats. As a social landlord, it is important that we have a fair and robust approach to managing our income to ensure we can continue to deliver a great housing service.

This strategy is specifically focused on the Housing Revenue Account (HRA) income sources, which include but are not limited to: rent collection, service charges, leaseholder charges and recharges. It sets out how we will effectively manage our income, with the aim of maximizing collection whilst supporting our more vulnerable tenants, so that we can continue to provide high quality services that meet the needs of all those who access the housing service.

Efficient and effective income management is essential to achieve these aims.

3 OUR OBJECTIVES FOR THIS STRATEGY

The objectives of this strategy are to:

- Outline our approach to income management;
- Outline focus of the Housing Revenue Account (which include but are not limited to: rent collection, service charges, leaseholder charges and recharges);
- Outline how we will work in partnership; working with residents, other public sector and voluntary organizations enables us to deliver an excellent level of service whilst maximizing resources and avoiding duplication of effort.

4 OUR VISION

Stroud District Council must take a robust approach to income management in order to ensure that we can deliver efficient and modern services that offer best value for money. Our vision is to develop a culture where we support our tenants and leaseholders, intervening early to tackle barriers that stop them from managing their money and paying their rent on time, so we can provide the housing service they need.

Our approach to income management promotes financial inclusion, we as a landlord can support our tenants and leaseholders.

We can also use our income to continue to provide good quality homes, particularly to those in greatest need, and contribute to economic growth, prosperity, health and wellbeing across the district. A robust and fair approach to income management supports the housing service and the Council to deliver efficient and modern services that offer best value for money.

This strategy supports the Council's corporate vision and priorities:

- Environment, Climate and Nature
- Communities and Wellbeing
- Local Economy
- Housing
- Working for our Communities

4.1 National considerations

This strategy has been developed to align with all relevant statutory legislation and best practice guidance. Including an understanding of the changes to legislation made at a national level enables the housing service to adapt its approach to collecting and managing income in order to navigate any challenges specifically for the district.

The cost of living crisis, rising inflation, migration of all existing Housing Benefit claims (working age) to Universal Credit over the next 12 months, social housing rent policy and social housing regulation have all played a significant part to help shape the content of the Income Management Strategy (2025 – 2029).

Rent Cap – Following the previous consultation to “strike an appropriate balance between protecting social housing tenants from high rent increases and to ensure that RP's (Registered Providers) can continue to invest in new & existing social housing as well as providing decent homes and services to all tenants”, the Government announced (as part of the Spending Review) that there will be a 10 year rent settlement for social housing from 1 April 2026. Under the settlement rents will be permitted to increase by the current level of up to consumer price index (CPI) plus 1% per annum.

Rent Convergence – In the Spending Review statement in June 2025, the Chancellor announced a consultation on rent convergence, meaning Council rents that currently fall below the target social housing rent set by Government may be increased over time, resulting in a fairer and more equitable approach to rent policy.

Welfare Reform – The majority of the Government's welfare reforms have now been implemented with the exception of Universal Credit (UC). This is on a continued roll-out, with the last phase of working age tenants on legacy benefits targeted to be migrated over to UC in the next 12 months.

We have seen the negative impact UC can have on rent arrears. We are proactively engaging with our residents to offer continued support including financial inclusion, sign-posting them to the relevant external support such as CAB and ensuring where applicable a holistic approach to Income recovery and maximisation is applied.

The Social Housing (Regulation) Act 2023 - Introduced a new approach to regulation of social housing providers, including the revised consumer standards and the introduction of Tenant Satisfaction Measures (TSMs).

There are 4 revised consumer standards that housing providers must adhere to:

- the Safety and Quality Homes standard
- The Transparency, Influence and Accountability standard
- The Neighbourhood and Community standard
- Tenancy standard.

Along with the consumer standards, all social housing providers must publish their annual performance against the regulator's TSM standard.

The Housing Income Strategy will help the Council work towards these standards.

5 COMMITMENTS

To develop this strategy, the Council considered the views of a range of stakeholders, including financial inclusion and an analysis of tenants with rent arrears, resulting in the following:

Commitment 1: We empower tenants to manage their finances and prevent unaffordable debt

Commitment 2: We take action to recover money owed to the service

Commitment 3: We work with others to increase resources, expertise and service delivery

Commitment 4: We are proactive and manage our income to meet current & future housing needs

Commitment 1

We empower tenants to manage their finances and prevent unaffordable debt

Collecting rent is at the core of all the services we provide as a landlord and our ability to build new homes. Whilst the majority of tenants pay their rent on time, it is important we understand the reasons why tenants fall into rent arrears and wherever possible help them to manage their money and prioritise. Factors such as life-skills, changes in circumstance, knowledge of the welfare benefit system or lack of access to financial services all impact on tenants' ability to pay their rent regularly, in full and on time.

To achieve this, we will:

- Continue to fund money advice services in the voluntary sector delivered through Community Hubs so tenants can quickly access support, from us and our partners, when they are in debt
- Develop our Tenant Portal and online training as an opportunity to run informal courses or workshops on budgeting, Welfare Reform and managing household finances
- Work with households moving to Universal Credit to reduce the number of people falling into arrears
- Work with others to raise awareness of local scams, loan sharks and high interest lending so tenants do not become victims of unaffordable debt
- Provide regular information on account balances, charges and payments using a variety of methods.

Commitment 2

We take action to recover money owed to the service

Where tenants and leaseholders owe money to the service either through arrears or recharges we will take action to make sure payments are recovered. Whilst action taken will be proportionate, it is essential that we also consider the wider impact to other tenants and leaseholders as well as the service when tenants fail to pay. By developing a range of support and enforcement based approaches we can recover the money owed to the service.

To achieve this, we will:

- Take an approach to collecting money owed by having specialist officers dedicated to recharges, collecting old arrears, and managing arrears for new tenants and undertaking court action

- Continue to use recharges to tackle tenancy breaches to recover costs to the service, so the tenant or leaseholder responsible is held to account
- Continue to use support plans for tenants in debt and target funds to those most in need to enable them to sustain their tenancy
- Keep in regular contact with tenants in arrears helping them to stay on track with repayment plans
- Work with our homelessness prevention team if a tenant's arrears are likely to result in an eviction.

Commitment 3

We work with others to increase resources, expertise and service delivery

It is important our officers' time can be spent concentrated on delivering our core responsibilities as a landlord. We do, however, understand that our tenants and leaseholders need a wide range of support and services. We believe by investing in relationships we can provide better value for money, an increased service and explore new opportunities for income generation.

To achieve this, we will:

- Review all our contracts and agreements to identify opportunities for improving services and increasing value for our tenants and leaseholders
- Identify joint priorities with other commissioners, social housing providers and service providers through the Financial Inclusion Partnership to address social issues that affect both the individual tenant's wellbeing and that of the wider community, e.g. rural deprivation, hoarding and illegal money lending
- Use alternative funding e.g. grants to supplement rental income and enable us to develop new ways of working without impacting current service delivery.

Commitment 4

We are proactive and manage our income to meet current and future housing needs

Data allows us to identify where high levels of demand or pressures are within our service. Using this, we can develop an informed approach to allocating resources or identifying appropriate solutions. We also take pride in using our income to invest in the standard of our current homes as well as building new ones. Where possible, we will explore how to maximise income generation without creating unnecessary costs to tenants and leaseholders.

To achieve this, we will:

- Use our understanding of new and emerging policy to review the HRA business plan and mitigate against risks to our income
- Continue to invest in building new homes and new approaches to generating income to invest back into the housing service
- Use data to analyse rent arrears trends to shape our approach to maximise income
- Explore opportunities to put more information online or allow tenants and leaseholders to resolve their own issues.

6 CONCLUSION

Stroud District Council is committed to ensuring that, through this strategy, the needs of our residents are being met and that local people have access to genuinely affordable homes.

To conclude, this strategy demonstrates Stroud District Council's commitment to ensuring that, through enhanced joint working processes, the Council has the ability to shape the affordability and security of all properties owned, advertised and let through us to the district's residents.

7 DELIVERING A GREAT SERVICE

7.1 Value for Money

It is important to us that our tenants feel they are getting good value for money. The Council, along with involved tenants and leaseholders, monitors the housing service's approach to managing income and seeks to ensure that we have the resources to deliver excellent services at reasonable cost. Our residents are provided with annual information in an agreed format on our costs, performance, and satisfaction, to enable them to make evidence-based, value for money judgments.

7.2 Performance

We have an effective management framework - including councillor performance monitoring - in place to report, monitor, and review performance. Our income recovery targets are challenging, subject to regular review and contribute to ongoing improvement.

We encourage feedback about our income management service including comments, compliments, and complaints and use this feedback intelligently to continuously review and improve our service.

7.3 Equality and diversity

As a Council we believe all tenants should receive a good standard of service regardless of; sex, age, disability, gender (including gender reassignment), race, religion or belief and sexual orientation (Equality and Diversity Act 2010). We are committed to being inclusive with our approach and determined to make sure that our approach to managing our income and allocating resources supports this.

7.4 Working in Partnership

Our strong relationships with our partners including public sector and voluntary organizations enables us to deliver an excellent level of service whilst maximizing resources and avoiding duplication of effort. Working with other agencies, tenants' issues are identified and dealt with at an early stage, which can help to avoid problems with tenancy issues including unaffordable debt. Our continued investment in local partnerships is essential to assist our more vulnerable clients to maintain their tenancies, access services and make the most of living in the district.

8 GOVERNANCE AND MONITORING

This strategy will be reviewed every four years, or sooner in the event of legislation, business or sector developments. Review will ensure it continues to meet the stated objectives and takes account of good practice developments