

**To: Communities and Housing Policy Board**

**On: 22 August 2023**

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**Report by: Director of Environment, Housing and Infrastructure**

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**Heading: Tenant's Support Fund Policy**

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## **1. Summary**

- 1.1 At its meeting on 2 March 2023, Council approved a rent increase of 5.5%. It was acknowledged that additional income is needed to continue planned expenditure including significant investment and regeneration initiatives together with funding the annual costs of maintaining the housing stock and all annual operating costs.
- 1.2 As part of the approved Housing Revenue Account budget in March 2023, a fund was approved to provide additional support to tenants in financial hardship. Council also agreed to fund additional service provision in the form of Specialist Income Advice to allow for exclusive support to tenants experiencing financial hardship. The Tenant's Support Fund policy has now been developed and is presented for the Policy Board's consideration and approval.
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## **2. Recommendations**

It is recommended that the Communities and Housing Policy Board:

- 2.1 Approve the Tenant Support Fund policy, as set out in Appendix 1 of this report.
- 2.2 Subject to approving the policy, agree that the Tenant's Support Fund is processed as a weekly payment into the qualifying tenant's rent account in line with the charging frequency.

- 2.3 Agree that the fund will be applicable from 3rd April 2023 - the effective date of the rent increase and awards will be backdated to that date if qualifying criteria is met.
  - 2.4 Agree the arrangements in place for assessing and managing requests for funding from the Tenant's Support Fund as outlined in Appendix 1 of this report.
  - 2.5 Note that updates on support for tenants to make rent payments and the Tenant's Support Fund will be included in Service Improvement Plan outturn reports and reported to this board.
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### **3. Background**

- 3.1 The cost of delivering housing services to Council tenants and capital investment in existing homes and new Council homes is funded from tenants' rental income.
  - 3.2 The "cost of living crisis" has increased financial pressures on people. Renfrewshire has close to 75% of tenants in receipt of some form of support for their housing costs. Following the rent increase, tenants on partial benefit may need to make a minimal additional contribution and some tenants who may not have previously qualified for help with rent, may now be eligible for financial support through Housing Benefit or the housing element of Universal Credit. For those tenants who do not qualify for support with their housing costs, the rent increase is due in full.
  - 3.3 Council agreed to introduce the Tenant's Support Fund to provide additional support to tenants in financial hardship, application conditions and qualifying criteria have now been developed and included within the draft policy attached to this report.
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### **4. Tenant's Support Fund**

- 4.1 The Tenant's Support Fund, is intended to supplement the current rent collection process and is a temporary measure to alleviate existing and emerging financial stress, prevent and reduce escalating rent arrears and contribute to sustaining Council tenancies in Renfrewshire. The Fund is intended to support tenants experiencing financial difficulty, through no fault of their own, where it has been identified that financial challenges exist due to a change of circumstances including, but not limited to:
  - Increase in household costs / cost of Living (eg. energy, food, fuel, rent).
  - Reduction in income (eg. loss of employment, reduced hours, loss of a

- household member).
  - Changes to Welfare benefit, Housing Benefit and/or Universal Credit.
- 4.2 As part of our existing rent collection process, tenants are encouraged to engage with the housing team at the earliest opportunity if they are experiencing difficulties in paying rent. A wide range of advice and support is available to help tenants to meet their rent payment responsibilities and to manage household budgets that will be under increased pressure at this time.
- 4.3 In recognition of these continuing pressures, in addition to the introduction of the Tenant's Support Fund, as part of the budgetary process on 2 March 2023, Council agreed to fund additional service provision in the form of Specialist Income Advice to allow for exclusive support to tenants in hardship.
- 4.4 The specialist Income Advisors and Housing Staff will be able to make a referral to the local Housing Team to consider the appropriateness or otherwise of making a payment to a tenant's rent account from the Tenant's Support Fund. An officer will contact the tenant to check that they are in receipt of all the benefits that they may be entitled to and to establish if an application has been made for assistance from the Scottish Welfare Fund and or discretionary housing payment if applicable. A decision on the award of Tenant's Support Fund will be made as soon as possible following engagement with the tenant and it is proposed that a payment will be made directly into the tenant's rent account. Income maximisation assessments will be carried out to support tenants to meet their long-term rent payment responsibilities.
- 4.5 The Tenant's Support Fund will not be used to address arrears accrued prior to 3<sup>rd</sup> April 2023. However, it could assist or prevent a tenant falling into further rent arrears with an income maximisation assessment.
- 4.6 The impact of the Tenant's Support Fund in relation to outcomes for tenants and the impact on the HRA financial position will be monitored by officers within the Council's Finance & Resources team. At this early stage of introduction of the Tenant's Support Fund, it is difficult to estimate how many tenants might require support from the Fund. Outcomes from monitoring will be reported as part of Service Improvement Plan outturn reports and reported to this Policy Board.

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## Implications of the Report

1. **Financial** - The implications of these proposals are included within the HRA 2023/24 Budget approved by Council on 2 March 2023
2. **HR & Organisational Development** - None
3. **Community/Council Planning** -

The Tenant's Support Fund will contribute towards achieving the 'Fair' strategic outcome and theme within the Council Plan, focusing on supporting our tenants through the cost-of-living crisis and making connections across the Council and partners to maximise support available aiming to improve outcomes for households.

4. **Legal** – None
5. **Property/Assets** – None
6. **Information Technology** – None
7. **Equality & Human Rights** –  
The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website
8. **Health & Safety** – None
9. **Procurement** – None
10. **Risks** – None
11. **Privacy Impact** – None
12. **Cosla Policy Position** – N/A
13. **Climate Change** - None

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### List of Background Papers

- (a) Background Papers - None

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# Tenant's Support Fund Policy

Environment, Housing & Infrastructure

September 2023

[www.renfrewshire.gov.uk](http://www.renfrewshire.gov.uk)



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## **1. Introduction**

- 1.1** Renfrewshire Council's Tenant's Support Fund (TSF) aims to assist Council tenants experiencing acute financial hardship and finding it challenging to keep up to date with payments of rent.
- 1.2** The Council currently aim to assist with the impacts of the cost of living crisis for tenants – for example Discretionary Housing Payments (DHP) and the Scottish Welfare Fund. We also advise/assist our tenants how to access other funding routes which may be available.
- 1.3** It is acknowledged that the cost-of-living crisis combined with the rent increase in 2023/24 may have placed further financial pressure on tenants and in some circumstances impacting on their ability to maintain rent payments.
- 1.4** The TSF, is intended to supplement the current Rent Collection process and is a temporary measure to alleviate existing and emerging financial stress, prevent and reduce escalating rent arrears and contribute to sustaining Council tenancies in Renfrewshire. The Fund is intended to support tenants experiencing financial difficulty, through no fault of their own, where it has been identified that financial challenges exist due to a change of circumstances including, but not limited to:
- Increase in household costs / cost of Living (eg. energy, food, fuel, rent).
  - Reduction in income (eg. loss of employment, reduced hours, loss of a household member).
  - Changes to Welfare benefit, Housing Benefit and/or Universal Credit.

## **2. Tenant Support Fund**

- 2.1** A TSF award may be granted when it is considered that a Council tenant requires further financial assistance towards paying rental payments. This includes tenants already in receipt of a Housing Benefit (HB) or Universal Credit (UC) housing element which would qualify them for Discretionary Housing Payment (DHP). An award may also be made to tenants experiencing financial hardship but not currently eligible for HB, UC or DHP.
- 2.2** A TSF award would be considered where a tenant can demonstrate they are unable to meet their rent payments from their available income. Council officers will determine this by taking into consideration the tenant's financial circumstances and any other relevant factors. As well as this, all alternative sources of financial assistance will be reviewed. An

income maximisation assessment will be undertaken to ensure all state and local welfare benefits are in payment where there is an entitlement.

- 2.3** Only 1 application will be eligible per household. All decisions will be made only after all other routes of financial assistance have been exhausted and each case will be decided on its own merits.

### **3. Method of Payment**

- 3.1** TSF awards will be delivered via credits to the tenants rent account in all cases. There will be a clear audit trail of payments and a clear coding system to distinguish between awards of HB, UC housing costs, DHP and tenant contribution.

### **4. Period of Payment and Level of Award**

- 4.1** A TSF award will not be intended to meet ongoing rental liability - it will be a weekly payment into the rent account in line with the charging frequency. The adjustment will be the equivalent of 5 % of gross rental charge – please see example below:

A tenant lives in a 2 bedroomed flat, the weekly gross rent charge is £93.78. They have missed rent payments due and following their interview with a Specialist Income Advisor, the officer is satisfied that the tenant meets the criteria outlined in section 8 below and concludes that they are unable to meet the full rental payments due from available income – therefore TSF application will be approved. A discount will be applied of 5% resulting in a weekly credit to the Tenant's rent account of £4.69.

### **5. Change of Circumstances**

- 5.1** A tenant receiving a TSF award is required to notify the Council of any changes in circumstances which may be relevant to their award as soon as is reasonably practicable. Most change of circumstances that tenants have a duty to report to Housing Benefit or Universal Credit may also be relevant to their TSF award. It will be expected that changes will be reported to housing to allow a review of the level of award, and this will be agreed with the tenant as part of the conditions of payment of TSF.



## **6. Cancellation and Ending an Award**

- 6.1** A TSF award may be cancelled and or stopped early if there is a change in circumstances that reduces entitlement or requirement for assistance. Also, if it is decided the award is being or has been made because a tenant has misrepresented or failed to disclose a material fact fraudulently or otherwise or when a tenant has been paid as a result of error.

## **7. Overpayments**

- 7.1** Whilst every effort will be made to minimise TSF award overpayments, where an overpayment occurs, the decision maker will decide if it is appropriate to recover the award by taking into consideration whether the tenant contributed or could reasonably have been expected to realise that an overpayment was occurring. Any credit on a tenants rent account, as a result of an overpayment of a TSF award may be recovered.

## **8. Eligibility for TSF**

- 8.1** Prior to approving an award the decision maker must be satisfied that the tenant: Has current rent arrears on their active rent account, and/or, has maintained rental payments while experiencing financial hardship.

- Has clarity over the accuracy of the amount of rent arrears that has accrued, length of time arrear is expected to continue and whether a previous payment arrangement has been made and adhered to by the tenant.
- Has exhausted all other forms of financial assistance available to them (Discretionary Housing Payment, Scottish Welfare Fund or any other qualifying benefit).
- Is unable to meet in full the rental payments due from available income.

- 8.2** The following are not eligible:

- Service charges.
- Legacy rent arrears that are not subject to the rent collection escalation processes.
- Certain sanctions and reductions in benefit such as housing benefit / universal credit.
- Former Tenant arrears.

## **9. Dispute Procedures**

- 9.1** There is no statutory right of appeal in respect of a TSF award. The Council can review a TSF decision in the event of a dispute or where the tenant asks for reconsideration. An officer not involved in the original decision will consider the request for review.

## **10. Applications and Administration Process**

- 10.1** Applications for the TSF will primarily be generated from officers within the Council's Housing Service and Income Advisors.
- 10.2** Staff will complete a Tenant's Support Fund Application Form providing details of tenant's contact information, income and reasons for application.
- 10.3** The officer making the application on behalf of the tenant will refer the tenant to relevant advice workers (eg. income / energy / employability) to make sure their income is maximised. The tenant is responsible for engaging with sources of advice and making any claim for a qualifying benefit or housing costs associated with UC.
- 10.4** The officer can also, where appropriate, refer a tenant to Housing Support through the normal process where engagement with housing support will assist the tenant experiencing financial difficulty.
- 10.5** The officer will update the housing computer system to maintain a complete record of the Support Fund application, related referrals to ensure effective monitoring of the Fund.
- 10.6** The credit to rent accounts and any related adjustments will be administered by rent accounting staff to maintain integrity within the rent account and facilitate monitoring of payments.
- 10.7** The financial impact on the Housing Revenue Account will be monitored by Service Finance Partners and monitoring reports will be submitted to the Housing Services Senior Management Team and outcomes reported as part of the Service Improvement Plan outturn reports.

## 11. Outcomes

**11.1** This fund builds on the Council's Fairer Renfrewshire programme; considering household challenges in relation to financial insecurity and the cost of living crisis.

- Continued early and proactive contact with tenants in arrears.
- Maximising connections made to support tenants and signpost to all available advice; such as income, energy, employability.
- Contributes to alleviating existing and emerging financial stress for tenants in managing the impact of increased living costs including rent.
- Supports tenancy sustainment.
- Helps prevent homelessness and the additional resource and cost pressures that homelessness brings.
- Reduces the numbers of cases escalating through the court system, ensuring management of rent arrears is fair and proportionate.
- Increasing tenant confidence in the council as a supportive landlord.
- Increased numbers of tenants benefitting from specialist income advice.
- Reducing financial stress, helping health and wellbeing.



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