



## HOUSING SCRUTINY COMMISSION REPORT

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# **Mandatory Direct Debit Rent Payments or Credit Union accounts for all new council tenants**

Commission Meeting: 2<sup>nd</sup> November 2015  
Assistant Mayor for Housing: Cllr Andy Connelly  
Lead Director: Ann Branson

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## Useful information

- Ward(s) affected: All
- Report author: Vijay Desor/Mike Watson
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- Version Number: 4.4

## 1. Purpose of Report

1.1 Executive seeks the views of the Housing Scrutiny Commission on the proposed introduction of mandatory direct debits or credit union rent accounts for all new council tenants from early 2016.

- 2.1 This report proposes the introduction of Mandatory Direct Debits or Credit Union accounts for all new council tenants from early 2016 when the new housing IT system makes this possible.
- 2.2 Universal Credits are due to begin in Leicester from January 2016, for new single, childless claimants first and then expanded to include all other **working age** claimant groups by 2017.
- 2.3 Under Universal Credit, claimants will receive all of their benefits, including the Housing Costs elements, directly into their bank accounts on a calendar monthly basis.
- 2.4 The Housing Revenue Accounts total income from rent is currently about £85m and we receive approximately £50m a year directly from Housing Benefits. Once Universal Credit is fully introduced, approximately £28.6m of the Housing Benefit will be paid direct to tenants. They will then need to pay the FULL rent to their landlord. The total cash to be collected from tenants would then be £63.6m
- 2.5 As a result, there could be significant financial pressures faced by the Housing Revenue Account including increased debt and additional costs associated with collection. The proposed use of mandatory direct debits or credit union accounts would be one measure to help mitigate the impact of these.

## 3. Recommendation(s)

It is recommended that

- 3.1 We require all new housing revenue account tenants to set up either Direct Debits or Credit Union payments, as a mandatory condition of tenancy.
- 3.2 The new policy starts once the new housing IT system is in place.

## 4. Supporting Information

- **Direct Debts**

- 4.1 Currently, 17.9% (2,637) of all tenants who have rent to pay (i.e. not on 100% Housing Benefits) do so by Direct Debits. A further 1% (142) pay by Bankers Standing Orders, and 0.4% (62) by Wage Stops. In total, 19.3% of tenants with rent to pay do so by automatic, non-cash methods.
- 4.2 Direct Debits are the cheapest and safest way to collect rent. If all those affected by Universal Credit who currently do not have any rent to pay (about 6,574) pay monthly in cash by PayPoint, the extra transaction costs would be:
- $45p \times 12 \text{ months} \times 6,574 \text{ tenants} = \text{£}35,500 \text{ per year}$
- 4.3 With a change to the Conditions of Tenancy, all **new** tenants could be required to pay their rent by Direct Debit or for those who do not have a bank account we will set up a Credit Union rent payment account at no cost to themselves.
- 4.4 Contact was made with Kirklees Neighbourhood Housing, an Authority very similar in size and stock to Leicester, who introduced mandatory Direct Debits for all new tenants in April 2013. They also gave existing tenants 12 months to move onto Direct Debits.
- 4.5 Kirklees Neighbourhood Housing had 3,375 tenants (about 14% of all their tenants) paying by Direct Debit. By 31<sup>st</sup> March 2014, this had increased to 6,180 (about 27% of all their tenants).
- 4.6 While almost doubling the numbers using Direct Debits in the space of a year is undoubtedly impressive, the great majority of their tenants (about 73%) were still using other payment methods.
- 4.7 The latest information from Kirklees Neighbourhood Housing, in July of this year, is that the number of tenants paying by Direct Debits had further increased to about 8,000, their cash flow has stabilised and arrears decreased steadily over the past two years.
- 4.8 The cost to customers for a failed Direct Debit payment have reduced recently, and now run at between £10 and £15 per transaction, depending on the bank and the account type. It is recognised that this may present difficulties for some tenants. Officers are exploring what other arrangements tenants can make with their banks to avoid these charges if Universal Credit payments arrive late into their accounts.
- 4.9 When Direct Debits are arranged, it is important that the dates are aligned with the date the tenant receives their Universal Credit payments, if they are in receipt of benefits. This will minimise the likelihood of a failed Direct Debit transaction, and avoiding extra banking costs for the tenant. To do this, as

many dates as possible will be available for Direct Debit transactions each month and it will be a requirement that the tenant provides the Council with their Universal Credit receipt date.

- 4.10 In order to avoid problems with late or non-payment of benefits affecting a Direct Debit rent payment, the date for the Direct Debit would be set at least two working days after the expected Universal Credit payment date.
- 4.11 The first and second arrears warning letters are normally fully automated and go out without officer intervention. For monthly payers, these can be set to manual, forcing officers to look at the case and attempt to contact tenants before any action is taken. This will allow a more sympathetic approach where problems with receipt of Universal Credit do arise.
- 4.12 The introduction of paperless Direct Debits following the implementation of the Housing Division's new I.T. system will allow staff to set up or alter Direct Debits over the 'phone, improving the quality and speed of customer service in this respect. This is scheduled to take place in Phase 2, about January 2016, and would be an ideal time to begin a mandatory Direct Debit regime.

### **Credit Union Accounts**

- 4.13 The Council has funded a Rent Payment Account through the ClockWise Credit Union for all tenants should they wish to open one. This is arranged at no cost to the tenant and allows rent to be paid in a comparable way to Direct Debit.
- 4.14 To date, take up of Credit Union accounts on a voluntary basis has been very poor despite a significant publicity campaign that was introduced last year.
- 4.15 By offering a free Credit Union account as an alternative to a bank account with the introduction of mandatory Direct Debits may increase the take up of these accounts significantly.
- 4.16 The advantages of this account for the tenant is that their rent payments are prioritised and the ClockWise account **will not charge** if there is insufficient funds, and they have access to other banking services such as affordable borrowing.
- 4.17 Credit Union accounts are preferable to commercial bank accounts as they guarantee the rent payment before any other call on funds. This helps sustain vulnerable tenancies and will be increasingly important with the introduction of Universal Credit.

### **Other authorities**

- 4.18 One of the Universal Credit Pilot authorities, Wigan Borough Council, has been contacted. Wigan is an Authority with a very similar size of housing stock to Leicester, and had a very similar level of rent arrears.
- 4.19 Wigan's experience is that the Universal Credit process begins slowly, but escalates rapidly. The impact on their rent arrears has been considerable, going from c.£1.52m in 2013/14 to c.£2.20m in 2014/15, although there were

signs that this was starting to stabilise and reduce after the initial impact. They had only got 4.5% of those affected by Universal Credit onto Direct Debit payments.

- 4.20 The potential value of maximising the number of Direct Debit arrangements during the introduction of Universal Credit seems clear. It will help to mitigate the anticipated impact on rent collection, and minimise the additional collection costs to the Authority.
- 4.21 In recognising that there will be some tenants who will have difficulties, there will be a clause that allows other payment methods to be agreed in Exceptional Circumstances, such as disabilities, undischarged bankrupts, etc.
- 4.21 It is unlikely the Council would seek possession for a breach of the new condition on its own. Possession would be sought, as now, for rent arrears and other breaches of conditions. This proposal is designed to reduce the likelihood of rent arrears.

## **5. Financial, legal and other implications**

### 5.1 Financial implications - Housing Finance (Peter Coles)

- 5.1.1 “The HRA collects £85m in rents and service charges from tenants, of which £50m (58%) is income from housing benefits. HB income is received via internal transactions with the Revenues & Benefits department. The remaining £35m is collected directly from tenants either by direct debit and standing order, or via pay.net or paypoint. Under Universal Credit claimants will receive all their benefits in one monthly payment (working age claimants from 2015/17 and pensioners from 2017/18). From this single payment the tenant will be responsible for paying their rent to the council. The £50m currently received indirect HB payments will become collectable from the tenants.
- 5.1.2 Collecting income directly from tenants will significantly increase the risk of rent arrears. Mandated direct debits will not guarantee that a tenant will pay their rent but it will increase the certainty that payment will be received. A direct debit payment will only be successful if there are sufficient funds in the bank account. Aligning the Direct Debit payment date with the Universal Credit credit receipt date will maximise the number of successful direct debits and will reduce the risk of the tenant incurring penalty charges from the bank. DWP will not notify landlords of a claimant’s Universal Credit payment, therefore to reduce the risk of failed direct debits it is recommended that if direct debits become mandated the tenants must also be required to inform the council of their Universal Credit receipt date so that the Direct Debit date can be adjusted accordingly.”

### 5.2 Legal implications

- 5.2.1 In principle, there is no prohibition to imposing an obligation on new tenants to pay their rent by Direct Debit. There are, however, a number of matters that require consideration:
- 5.2.2 The imposition of mandatory Direct Debit payments for new tenants would require a change to the existing conditions of tenancy as these apply both to secure and introductory tenants. Section 103 of the Housing Act 1985 allows for the variation of the terms of a secure tenancy by service of a notice of variation.
- 5.2.3 Section 105 of the Housing Act 1985 (and section 137 of the Housing Act 1996, which applies to Introductory Tenancies) requires a local housing authority to maintain appropriate arrangements to consult with tenants who are likely to be substantially affected by a matter of housing management. However, this requirement does not apply to a matter that *“relates to the rent payable under a secure [or introductory] tenancy...”* It is considered that the proposal to impose payment by Direct Debit is a matter *“relat[ing] to the rent payable”* and, as such, the Council is under no obligation to consult prior to the implementation of such a change to the conditions of tenancy.
- 5.2.4 Any decision to restrict the payment of rent to Direct Debit is at odds with the current DCLG Guidance, *“Guide on Effective Rent Arrears Management (August 2006)”*, which recommends *“A wide range of options for making rent payments should be provided by landlords. These should be flexible, accessible and convenient to use”*. This guidance is 9 years old and was published before it was decided to introduce universal credit and the potential impact that this might have on the Council’s ability to recover rent from those tenants who will have to pay their rent from this benefit. Any decision to disregard the current guidance is, given the change in circumstances, unlikely to give rise to any successful public law challenge.
- 5.2.5 In formulating and implementing policies the Council, as a public authority, must have regard to its obligations under the Equality Act 2010 in order to ensure that it does not discriminate against anyone with a *“protected characteristic”*, these being age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. At least two of the protected characteristics may be relevant i.e. disability and religion. By way of example, a tenant may not be able to operate a bank account due to impairment such as blindness, dementia or a learning disability, or s/he may have a conscientious objection to having a bank account on a religious or other belief. To militate against any potential discrimination, the Council should have provision for allowing tenants pay their rent otherwise than by Direct Debit if they do not have, or cannot operate, a bank account due to disability or religious belief. Although it is not strictly required, the Council could consider conducting an equality impact assessment in order to ascertain if there may be further examples of persons with protected characteristics who might be disadvantaged by this proposal.
- 5.2.6 If implemented, failure to pay by Direct Debit would then amount to a breach of the conditions of tenancy, thus giving rise to potential action for possession of the property. Possession proceedings would be available, in time, against

secure tenants who had passed their initial period as Introductory Tenants. Any possession proceedings against a secure tenant necessitate satisfying the court that it is “reasonable” to make a possession order. It is unlikely that a court would find it reasonable to make a possession order if the failure to pay arose because the tenant’s bank account was not in funds due to a failure to receive universal credit on time. Conversely, a failure to pay because the tenant refused to set-up a direct debit and was unwilling to change that stance, could well give rise to the making of a possession order.

(Jeremy Rainbow, Supervisory Legal Executive, Xtn 37 1435)

#### 5.3 Climate Change and Carbon Reduction implications

No climate change implications.

#### 5.4 Equality Impact Assessment

An Equality Impact Assessment has been completed and is shown at Appendix 2.

#### **6. Summary of appendices attached:**

**Appendix 1 Options, Pros & Cons**

**Appendix 2 Equality Impact Assessment**

#### **7. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?**

**No**

## Appendix 1 Options, Pros & Cons

Options	Advantages	Disadvantages	Comments
1. Do nothing – continue with existing arrangements	<ul style="list-style-type: none"> <li>• A wide range of payment options are available, making it easy for tenants to pay their rent</li> </ul>	<ul style="list-style-type: none"> <li>• Costs of payment methods high</li> <li>• Does not support Universal Credit implementation</li> </ul>	17.7% on Direct Debit at present – no incentive to increase uptake.
2. Introduce Mandatory Direct Debits or Credit Union payments for all new tenants (start date to be determined)	<ul style="list-style-type: none"> <li>• Encouraging take up of options which cost the Council least.</li> <li>• Further efficiencies, e.g. in arrears monitoring.</li> <li>• Supports Universal Credit. Implementation.</li> <li>• Does not require full consultation as does not affect existing tenants.</li> <li>• May encourage take up of ClockWise accounts.</li> <li>• Promotes financial inclusion.</li> </ul>	<ul style="list-style-type: none"> <li>• Creates different system for new and existing tenants.</li> <li>• Not enforceable after tenancy start – possible high drop-out rate.</li> <li>• Resource requirements to implement – make sign up interview longer</li> </ul>	<ul style="list-style-type: none"> <li>• A paperless Direct Debit set up will be implemented with Northgate.</li> <li>• 1250 lettings take place annually.</li> <li>• Would need to change offer/bidding processes to advise need for bank account prior to tenancy.</li> </ul>
3. Introduce Mandatory DD's for existing tenants, within 12 months	<ul style="list-style-type: none"> <li>• Promotes consistency in the treatment of tenants.</li> <li>• Minimizes financial risk to the Council.</li> <li>• Supports Universal Credit. implementation.</li> <li>• Greatly increase Direct Debit uptake.</li> <li>• May encourage take up of ClockWise accounts.</li> </ul>	<ul style="list-style-type: none"> <li>• Resource intensive to set up for all tenants.</li> <li>• Full consultation would be needed as all tenants affected.</li> <li>• Likely to be unpopular with tenants &amp; politicians.</li> <li>• Impossible to enforce.</li> <li>• Strategy for vulnerable people required.</li> </ul>	Roughly 18,163 existing tenants to be switched to Direct Debits.



## Appendix 2. Equality Impact Assessment

Title of spending review/service change/proposal	Mandatory Direct Debits (DD's) for new LCC Tenants
Name of division/service	Housing Services
Name of lead officer completing this assessment	Vijay Desor / Mike Watson
Date EIA assessment completed	6 <sup>th</sup> August 2015
Decision maker	Executive
Date decision taken	

EIA sign off on completion:	Signature	Date
Lead officer		
Equalities officer		
Divisional director		

### Please ensure the following:

- (a) That the document is understandable to a reader who has not read any other documents, and explains (on its own) how the Public Sector Equality Duty is met. This does not need to be lengthy, but must be complete.
- (b) That available support information and data is identified and where it can be found. Also be clear about highlighting gaps in existing data or evidence that you hold, and how you have sought to address these knowledge gaps.
- (c) That the equality impacts are capable of aggregation with those of other EIAs to identify the cumulative impact of all service changes made by the council on different groups of people.

### 1. Setting the context

Describe the proposal, the reasons it is being made, and the intended change or outcome. Will current service users' needs continue to be met?

The proposal is to make Direct Debit the mandatory payment method for all new Council tenants from a given date.

**2. Equality implications/obligations**

Which aims of the Public Sector Equality Duty (PSED) are likely be relevant to the proposal? In this question, consider both the current service and the proposed changes.

	<b>Is this a relevant consideration? What issues could arise?</b>
<p><b>Eliminate unlawful discrimination, harassment and victimisation</b> How does the proposal/service ensure that there is no barrier or disproportionate impact for anyone with a particular protected characteristic</p>	<p>The proposal is for new tenants only. Existing tenants would not be affected. Should any new tenant not have access to an appropriate bank account, the Council will pay for an account to be opened with Clockwise Credit Union (CCU). The proposal will help ease the transition onto Universal Credits, and promote tenancy sustainment for all groups in society, as well as encouraging financial inclusion.</p>
<p><b>Advance equality of opportunity between different groups</b> How does the proposal/service ensure that its intended outcomes promote equality of opportunity for users? Identify inequalities faced by those with specific protected characteristic(s).</p>	<p>The most disadvantaged groups in society are most likely to be financially excluded, and thus have difficulty arranging Direct Debit payments. By making CCU bank accounts, and full membership of the CCU, available at no cost to the incoming tenants, the proposal will ensure all tenants have access to appropriate financial products &amp; services, including responsible borrowing. This will reduce financial exclusion. Pre-tenancy work will mitigate the risk of new tenants not having an appropriate transactional account.</p>
<p><b>Foster good relations between different groups</b> Does the service contribute to good relations or to broader community cohesion objectives? How does it achieve this aim?</p>	<p>By helping to sustain tenancies the proposal will support stable, thriving communities in which cohesion can develop.</p>

**3. Who is affected?**

Outline who could be affected, and how they could be affected by the proposal/service change. Include current service users and those who could benefit from but do not currently access the service.

Housing applicants being signed up for new tenancies, tenants performing mutual exchanges, successions, and any other change of tenancy, will be affected. The proposal will limit their payment options, and require them to have a transactional bank account. By making Credit Union accounts available at no cost to the incoming tenants, financial inclusion will be promoted, giving them access to all the benefits of e.g. cheaper power tariffs, lower interest loans and proper financial advice and services from the C.U.

#### 4. Information used to inform the equality impact assessment

What **data, research, or trend analysis** have you used? Describe how you have got your information and what it tells you. Are there any gaps or limitations in the information you currently hold, and how you have sought to address this, e.g. proxy data, national trends, etc.

New Tenants 2014/15		
Coarse groups	Number	%
All Asian	266	13.94
All Black	214	11.22
All Chinese	3	0.16
All Mixed/Dual	39	2.04
All Other	64	3.35
All White	854	44.76
Not Known	468	24.53
<b>Total</b>	<b>1908</b>	<b>100.00</b>

New Tenants 2014/15		
Gender	Number	%
F	1090	57.13
M	818	42.87
<b>Total</b>	<b>1908</b>	<b>100</b>

New Tenants 2014/15		
Age band	Number	%
25 to 50	1173	61.48
50 to 63	339	17.77
63+	119	6.24
Under 25	276	14.47
Not Known	1	0.05
<b>Total</b>	<b>1908</b>	<b>100.00</b>

Information obtained from Housing Department's I.T. systems for for all new tenancies created between April 2014 and March 2015.

In terms of ethnicity, the figures show that new tenants broadly reflect the ethnic composition of the city as a whole.

- Asian households are slightly underrepresented.
- Black households are a little over represented.
- More new tenants were female (57%) than male.
- The overwhelming majority (of new tenants were of “working age” (93.68%), i.e. between 18 and ‘pension credit age’ (usually about 63 years). This group are exposed to the impact of Welfare Reforms.
- A significant minority (14.47%) were under 25 years old. They are more likely to be in their first tenancy, and have the least life experience to draw upon.

## 5. Consultation

What **consultation** have you undertaken about the proposal with current service users, potential users and other stakeholders?

What did they say about:

- What is important to them regarding the current service?
- How does (or could) the service meet their needs?
- How will they be affected by the proposal? What potential impacts did they identify because of their protected characteristic(s)?
- Did they identify any potential barriers they may face in accessing services/other opportunities that meet their needs?

None required as per legal advice.

## 6. Potential equality Impact

Based on your understanding of the service area, any specific evidence you may have on service users and potential service users, and the findings of any consultation you have undertaken, use the table below to explain which individuals or community groups are likely to be affected by the proposal because of their protected characteristic(s). Describe what the impact is likely to be, how significant that impact is for individual or group well-being, and what mitigating actions can be taken to reduce or remove negative impacts.

Looking at potential impacts from a different perspective, this section also asks you to consider whether any other particular groups, especially vulnerable groups, are likely to be affected by the proposal. List the relevant that may be affected, along with their likely impact, potential risks and mitigating actions that would reduce or remove any negative impacts. These groups do not have to be defined by their protected characteristic(s).

<b>Protected characteristics</b>	<b>Impact of proposal:</b> Describe the likely impact of the proposal on people because of their protected characteristic and how they may be affected. Why is this protected characteristic relevant to the proposal? How does the protected characteristic determine/shape the potential impact of the proposal?	<b>Risk of negative impact:</b> How likely is it that people with this protected characteristic will be negatively affected? How great will that impact be on their well-being? What will determine who will be negatively affected?	<b>Mitigating actions:</b> For negative impacts, what mitigating actions can be taken to reduce or remove this impact? These should be included in the action plan at the end of this EIA.
<b>Age</b>	A significant minority of all new tenants (14.5%) are under 25 years old and probably holding a tenancy for the first time. Limiting the methods of payment available	This group are often in short term and agency work. In such situations maintaining a regular payment pattern can be difficult. Trying to budget for monthly or	Although described as mandatory, in practice Direct Debits are only one of a wide range of payment options that would be made available, by agreement, to new

	for them might hamper their ability to sustain a regular payment pattern, particularly if they frequently move between low, weekly paid work and monthly UC benefits. These clients have the least life experience to call upon.	even weekly DD payments could be stressful, failure to pay rent could lead to Court Orders that damage their credit history and ultimately could render them homeless.	tenants. With these alternatives available, the situation for new tenants is in practice unchanged, although they will have been encouraged to access appropriate mainstream financial services, steering them away from expensive doorstep, online and predatory lenders.
<b>Disability</b>	People with learning disabilities or mental health issues may find it difficult to budget effectively, especially in the transition onto Universal Credits. They may find it hard to manage a fully transactional bank account.	Trying to budget for monthly or even weekly DD payments could be stressful, failure to pay rent could lead to Court Orders that damage their credit history and ultimately could render them homeless.	The CU Rent Payment Account automatically deducts the rent before making monies available to the account holder to spend. In this way it helps prioritise and support budgeting skills. Other priority bills – e.g. gas, electric, water – can be included, thus further supporting budgeting. The CU will levy a small charge to administer other bills.
<b>Gender Reassignment</b>	During and after gender re-assignment, this group may find it more difficult to establish and prove their identity	Any problem with proving identity could make it harder to open or maintain a suitable bank account, and thus comply with the requirement. This could lead to increased stress.	The close partnership between LCC and ClockWise C.U. should help to overcome such obstacles
<b>Marriage and Civil Partnership</b>	If a couple do not have a joint, transactional bank account, one partner could be left in a position of fiscal dominance over the other.	When one partner has sole control of the household finances, relationships can become abusive.	Encourage the uptake and use of joint accounts, especially with our partner C.U.
<b>Pregnancy and Maternity</b>	Pregnant women and recent mothers would feel under great stress to move into accommodation better suited to	Particular difficulty could be experienced by new, young and inexperienced tenants/parents.	Budgetary advice and making full use of a C.U. account would help.

	the needs of their growing households		
<b>Race</b>	Recent immigrants from less developed countries are less likely to have knowledge and experience of managing a bank account.	Not having a suitable bank account would make it harder to access Council housing, increasing their stress and forcing them to remain in more expensive and less suitable accommodation,	
<b>Religion or Belief</b>	Islam prohibits 'usury,' the payment or receipt of interest on money loaned.	In order to maintain their religious obligations, Muslims will need to be assured that any bank account they operate complies with the usury stipulations.	The C.U. account offered free to tenants is fully compliant.
<b>Sex</b>	No obvious impact, although there are more female tenants (59%) than male.		
<b>Sexual Orientation</b>	No obvious impact. No information held on the sexual orientation of tenants.		

**Summarise why the protected characteristics you have commented on, are relevant to the proposal?**  
The characteristics commented on may impact on the ability of tenants to obtain and/or maintain a suitable bank account, or impact on their budgetary skills.

**Summarise why the protected characteristics you have not commented on, are not relevant to the proposal?**  
It is difficult to see how gender or sexual orientation could have any impact on the ability to pay rent by direct debit.

	<b>Impact of proposal:</b> Describe the likely impact of the	<b>Risk of negative impact:</b> How likely is it that this group of	<b>Mitigating actions:</b> For negative impacts, what
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<b>Other groups</b>	proposal on children in poverty or any other people who we consider to be vulnerable. List any vulnerable groups likely to be affected. Will their needs continue to be met? What issues will affect their take up of services/other opportunities that meet their needs/address inequalities they face?	people will be negatively affected? How great will that impact be on their well-being? What will determine who will be negatively affected?	mitigating actions can be taken to reduce or remove this impact for this vulnerable group of people? These should be included in the action plan at the end of this EIA.
<b>Children in poverty</b>	The proposal will help parents/carers of children to prioritise rent payments. This will help to sustain suitable accommodation for children in low income households.	Low uptake of Direct Debits following Universal Credit implementation would increase the risk of children experiencing eviction, with disruption to family life and education.	Promote and encourage maximal uptake of Direct Debits & other budgeting tools.
<b>Other vulnerable groups</b>			
<b>Other types of groups (ie. mobile phone users)</b>	Mobile 'phone users on a 'pay as you go' service may find it more expensive to make enquiries relating to their DD payments. However, they would be less disadvantaged than someone with no access to a 'phone.	It is probable that some service users will need to contact to stop or change their DD arrangement e.g. if they are off work sick and will not have sufficient funds in their account.	Ensure alternative methods to contact LCC are available – e.g. courtesy 'phones in all LCC buildings.

### 7. Monitoring Impact

You will need to ensure that monitoring systems are established to check for impact on the protected characteristics and human rights after the decision has been implemented. Describe the systems which are set up to:

- monitor impact (positive and negative, intended and unintended) for different groups
- monitor barriers for different groups
- enable open feedback and suggestions from different communities



- ensure that the EIA action plan (below) is delivered.

Methods of Payment details are stored on all Council tenants. Analysis of this will reveal any difference in uptake of Direct Debits on the basis of age, gender, ethnicity, and known disability.

All new tenants have an in-depth Exchange of Contracts meeting at the start of their tenancy. A simple monitoring & feedback form will be introduced as part of the proposal, and an opportunity to feedback provided pre-tenancy by correspondence as part of the consultation exercise, and ongoing thereafter.

### 8. EIA action plan

Please list all the equality objectives, actions and targets that result from this Assessment (continue on separate sheets as necessary). These now need to be included in the relevant service plan for mainstreaming and performance management purposes.

<b>Equality Outcome</b>	<b>Action</b>	<b>Officer Responsible</b>	<b>Completion date</b>
Objective: Improve sustainment of tenancy among all affected groups	Implement Mandatory Direct Debits for all NEW tenants.	Head of Service (Vijay Desor)	Ongoing
Monitor uptake of ClockWise Credit Union accounts	Maintain spreadsheet recording system for all tenants signed up to the account	Income Collection Manger (Mike Watson)	Ongoing
Monitor uptake of Direct Debits among new tenants by age, ethnicity, gender and known disability	Run monthly reports on new tenants, comparing method of Payment data with Equalities information.	Income Collection Manager (Mike Watson)	Ongoing

Implement monitoring feedback form at Exchange of Contracts & Pre Tenancy	Design EoC form & any pro-forma letters for housing letters. Collate information on monthly basis & respond to any issues identified.	Income Collection Manager (Mike Watson)	Prior to implementation

**Step 3: The recommendation (the recommended decision on how to change the service)**

**Question 1:**

Has your recommended proposal changed from the proposal in Step 1 as a result of consultation and further consideration?

N/A If 'no', go to Question 2.

<b>If yes, describe the revised proposal and how it will affect current service users?</b>
<b>What are the equality implications of these changes? Identify the likely positive and negative impacts of the final proposal and the protected characteristic affected.</b>
<b>How can any negative impacts be reduced or removed?</b>

**Question 2:**

Are there any actions<sup>1</sup> required as a result of this EIA?

No

If yes, complete the action plan on the next page.

<sup>1</sup> Actions could include improving equality information collected or identifying the actions required to mitigate adverse impacts identified in the EIA.

Date completed .....

#### Step 4: Sign-off

This EIA completed by	Name	Signature	Date
Lead officer			
<b>Countersigned by</b> Equalities Officer			
<b>Signed off by</b> Divisional Director			

**Completion** - Keep a copy for your records, and **send an electronic copy** of the completed and signed form to the Corporate Equalities Lefor audit purposes

#### EIA Action Plan

Please list all the equality objectives, actions and targets that result from the Equality Impact Assessment. These should be included in the relevant service plan for performance management purposes.

Equality Objective	Action required	Target	Officer responsible	By when?
Example: To know equality profile of all service users.	Example: collect monitoring data on disabled users (currently not being provided)	Example: To have data for first performance review	Example: Joe Smith	Example: Start collection of data in April 2013
Objective: Improve sustainment of tenancy among all affected groups	Implement Mandatory Direct Debits for all NEW tenants.	Maintain existing level of tenancy sustainment after the introduction of Universal Credit	Head of Service (Vijay Desor)	TBA
Monitor uptake of	Maintain spreadsheet	Maximise the uptake of	Income Collection	Ongoing

ClockWise Credit Union accounts	recording system for all tenants signed up to the account	Clockwise Credit Union rent payment accounts	Manger (Mike Watson)	
Monitor uptake of Direct Debits among new tenants by age, ethnicity, gender and known disability	Run monthly reports on new tenants, comparing method of Payment data with Equalities information.	Maximise the uptake of Direct Debits	Income Collection Manager (Mike Watson)	Ongoing
Implement monitoring feedback form at Exchange of Contracts & Pre Tenancy	Design EoC form & any pro-forma letters for housing letters. Collate information on monthly basis & respond to any issues identified.	All Exchange of Contracts meetings	Income Collection Manager (Mike Watson)	Prior to implementation

### What to do next?

If this EIA has identified any issues that need to be addressed (such as plugging a data gap, or carrying out a specific action that reduces or removes any negative impacts identified), complete the attached EIA Action Plan to set out what action is required, who will carry it out, and when it will be carried out/completed.

Once your EIA has been completed, (countersigned by the equalities officer/finance officer **and signed off by your Director**) the equality officer will work with you to monitor this action plan.

**Officers to contact:** Corporate Equalities Lead/Corporate Resources and Support: Irene Kszyk 296303