



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

Executive 24 September 2025

Wards affected: All Wards

Council House Service Rent Policy

Report of [Director (Community Services)]

1. Purpose of report

- 1.1 To present the revised draft Council Housing Rent Collection policy.
- 1.2 To seek support to consult with tenants regarding the revised policy.
- 1.3 To seek support for the implementation of the policy following and subject to tenant consultation.

2. Recommendation

- 2.1 That the Executive notes the report and accompanying policy.
- 2.2 That the Executive endorses a period of tenant consultation.
- 2.3 That the Executive supports delegation of authority to the Interim Director of Community Services and the Executive Member for Housing and Community Safety to make any amendments to the policy arising from the consultation and to agree an implementation date, following tenant consultation.

3. Background to the report

- 3.1 Hinckley and Bosworth Borough Council's Housing Service is committed to ensuring that rent and service charges for council housing remain fair, affordable, and accessible while maintaining compliance with all legal and regulatory requirements. The updated Rent Policy outlines how rents are set, collected, and recovered to ensure financial stability for the Housing Revenue Account (HRA) and to support tenants who may face financial difficulties.

3.2 Purpose of the Policy

The key objectives of this policy are to:

- Ensure rents and service charges comply with statutory regulations.
- Maximise rental income efficiently to prevent the HRA from falling into deficit.
- Identify and support tenants in financial hardship.
- Provide repayment plan options as an alternative to legal action.
- Collaborate with internal teams and external partners to support tenants.
- Comply with the Pre-Action Court Protocol to ensure fair debt recovery practices.
- Ensure tenants are not charged for costs they are not responsible for.

3.3 Key Policy Areas

3.4 Rent Setting

- Rent increases are limited to CPI + 1% as per government policy.
- The Council primarily offers social rents, with affordable rents only considered for new housing on a site-by-site basis.
- Affordable rents will generally be capped at Local Housing Allowance (LHA) rates to maintain affordability.
- Rent flexibility allows the Council to increase rents by up to 5% above formula rent (10% for supported housing) in specific circumstances. Currently it is proposed that this will be limited to accommodation used as temporary accommodation only, including the hostels and dispersed housing stock, where a property is let at EPC band B or above, has significant adaptation or is less than 3 years old and not subject to affordable rent levels.

3.5 Service Charges

- Service charges are based on actual costs incurred and are reviewed annually.
- Tenants will receive clear and transparent information about how service charges are calculated.
- Increases will be kept within CPI + 1% where possible to ensure affordability, or in accordance with government rent policy.

3.6 Rent Collection and Arrears Management

- Rent is payable weekly in advance, with multiple payment options available.
- Tenants will receive written notice four weeks in advance of any rent changes.
- Debt recovery follows an incremental approach, with early intervention and support offered to tenants in arrears.

- The Council will work with external agencies (e.g. Citizens Advice, Department for Work and Pensions) to provide financial advice and assistance.
- Eviction is a last resort, with alternative repayment plans encouraged wherever possible.

3.7 Former Tenant Arrears Recovery

- The Council will pursue former tenant arrears where it is economically viable.
- Recovery methods may include Money Judgment Orders, tracing agents, or external collection agencies already employed by the Council. This will be done in a sensitive way, in accordance with the Council's existing approach to debt recovery via a third party as utilised by the Revenues and Benefits service.
- In cases of financial hardship, the Council may consider writing off debt.

3.8 Monitoring and Reporting

- Weekly monitoring of rent arrears across the borough.
- Quarterly performance tracking on arrears recovery.
- Annual benchmarking against comparable councils to drive improvements.
- Review of eviction rates to ensure the policy supports sustainable tenancies.

3.9 Tenant Engagement

A workshop was recently held with tenants on the 18 June 2025, supported by TPAS, to shape the updated Rent Policy and ensure it is fair, transparent, and responsive to tenant needs. Key feedback included a strong focus on affordability, repair quality, security, and clear communication. Tenants valued transparency on service charges, preferred monthly payments, and requested improvements like opt-in reminders, clearer arrears processes, and better access to support. Suggestions included introducing a handyperson service and improving contact with the council. The engagement has directly informed refinements to the proposed Rent Policy and a summary of the workshop session is found in Appendix A.

3.10 Policy Review

This policy will be reviewed every three years or in response to any changes in legislation to ensure it remains effective and compliant.

3.11 Recommendations

The introduction of this Rent Policy will ensure financial sustainability whilst supporting tenants who experience financial hardship. The Executive is recommended to approve the policy to ensure fair and transparent rent-

setting, collection, and arrears management processes that balance affordability with financial responsibility.

- 3.12 A wider tenant consultation is now required, to allow all Council tenants and opportunity to comment on the revised policy.

4. Exemptions in accordance with the Access to Information procedure rules

- 4.1 Open

5. Financial implications [CS]

- 5.1 A one per cent loss in rent amounts to around £157,000. If rent is not maximised , for every one per cent lost, the 3 year cumulative impact on the HRA will be around £490,000.

6. Legal implications [ST]

- 6.1 None

7. Corporate Plan implications

- 7.1 The report and accompanying policy aligns to the following corporate objectives.

People- Help people to stay safe, healthy, active and in employment.

8. Consultation

- 8.1 Initial tenant engagement has been undertaken to inform this policy. Additional tenant consultation will be undertaken following approval by the Executive to provide all HBBC tenants to have an opportunity to respond.

9. Risk implications

Management of significant (Net Red) risks

Risk description	Mitigating actions	Owner
Failure to have adequate controls in place in relation to rent collection.	The policy provides a robust framework to ensure rent collection processes are effective.	Head of Housing/Rent Manager

10. Knowing your community – equality and rural implications

- 10.1 The policy provides a flexible approach to debt recovery informed by a person's circumstances.

11. Climate implications

- 11.1 The Housing Service strives to delivery its services with climate change implications in mind. The policy outlines rent collection process that minimise carbon emissions.

12. Corporate implications

- 12.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications
- Planning implications
- Data protection implications
- Voluntary sector

Background papers: Proposed Rent Policy

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