

## ABERDEEN CITY COUNCIL

---

|                           |  |
|---------------------------|--|
| <b>COMMITTEE</b>          | Communities, Housing and Public Protection |
| <b>DATE</b>               | 28 March 2024                              |
| <b>EXEMPT</b>             | No   |
| <b>CONFIDENTIAL</b>       | No   |
| <b>REPORT TITLE</b>       | Rent Assistance Fund 2024/25               |
| <b>REPORT NUMBER</b>      | RES/24/100                                 |
| <b>DIRECTOR</b>           | Steven Whyte, Andy MacDonald               |
| <b>CHIEF OFFICER</b>      | Jonathan Belford, Jacqui McKenzie          |
| <b>REPORT AUTHOR</b>      | Helen Sherrit, Angela Kazmierczak          |
| <b>TERMS OF REFERENCE</b> | 1.1.1                                      |

---

### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek committee approval for the criteria and management of a £500k Rent Assistance Fund pilot funded from the 2024/25 Housing Revenue Account (HRA) Budget.

### 2. RECOMMENDATIONS

That the Committee:

- 2.1 Approve the criteria and management procedure of the Pilot Rent Assistance Fund detailed in Appendix 1;
- 2.2 Instruct the Chief Officer – Early Intervention and Community Empowerment to make any changes to the criteria and management procedure of the Pilot Rent Assistance Fund as appropriate during the pilot phase and inform Members of any such changes through a Service Update;
- 2.3 Instruct the Chief Officer – Finance to present an evaluation of the impact of the Pilot Rent Assistance Fund as part of the 2025/26 HRA Budget Report to Council in December 2024; and
- 2.4 Instruct the Chief Officer – Finance to present a further evaluation covering the full 12 months of the pilot to be presented to the Communities, Housing and Public Protection Committee after one full year of operation.

### 3. CURRENT SITUATION

- 3.1 On 14 December 2023 Council approved the creation of a £500k Rent Assistance Fund pilot as part of the HRA Budget 2024/25. Council instructed the Chief Officer – Early Intervention and Community Empowerment, in consultation with the Chief Officer – Finance, to present a proposed criteria and

documented arrangements for managing the fund to the Communities, Housing and Public Protection Committee on 28<sup>th</sup> March 2024 for approval.

- 3.2 The Pilot has been requested to respond positively to tenants who, through no fault of their own, cannot afford an increase in Council rent. The aim of the Pilot Rent Assistance Fund is therefore to assist Council tenants facing financial hardship where it has been identified that their tenancies may be at risk.
- 3.3 It is proposed that a multi-disciplinary panel be established to consider all referrals so that wider supports can be afforded to tenants where appropriate. The panel will consider the information provided as part of a referral process and make recommendations to Officers as detailed in Appendix 1. Panel recommendations for awards above £3,000 will be made to the Chief Officer Early Intervention and Community Empowerment and Chief Officer People and Organisation with awards above £10,000 requiring the approval of both the Chief Officer Early Intervention and Community Empowerment, Chief Officer of People and Organisation and the Chief Officer – Finance.
- 3.4 It is proposed that a test and learn approach be taken and as such, a degree of flexibility is required to adjust the eligibility criteria throughout the pilot stage. This flexibility is crucial to prevent any unanticipated and unintended barriers that might hinder a tenant in need from accessing the Pilot Rent Assistance Fund. It is therefore recommended that the Chief Officer - Early Intervention and Community Empowerment is able to make any necessary changes to ensure the smooth running of the scheme. Any changes to the criteria for the Fund made by the Chief Officer - Early Intervention and Community Empowerment will be reported to the Committee through a Service Update over the lifetime of the pilot.
- 3.5 The Fund is intended to help build trust and better relationships with tenants in need, bring more meaningful tenant engagement around arrears repayment, and reduce our need for legal actions, subsequent evictions, dealing with resulting homelessness, and promoting earlier intervention.
- 3.6 Many other local authorities already have established Rent Assistance Funds and have reported success. The 2024-25 HRA Budget report to Council on 14 December 2023 detailed the experience of North Lanarkshire Council.
- 3.7 Officers will present an evaluation of the impact of the fund as part of the HRA Budget papers for 2025/26 in December 2024 to full Council.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 There are no direct financial implications arising from this report.
- 4.2 The funding of the £500k Rent Assistance Fund pilot will be from the existing Bad Debt provision budget of the HRA Budget in 2024/25.

#### **5. LEGAL IMPLICATIONS**

5.1 There are no direct legal implications arising from this report.

## 6. ENVIRONMENTAL IMPLICATIONS

6.1 There are no direct environmental implications arising from the recommendations in this report.

## 7. RISK

7.1 The assessment of risk contained within the table below is considered to be consistent with the Council's Risk Appetite.

| Category              | Risks   | Primary Controls/Control Actions to achieve Target Risk Level  | *Target Risk Level (L, M or H)<br><br>*taking into account controls/control actions | *Does Target Risk Level Match Appetite Set? |
|-----------------------|---|--|---|---|
| <b>Strategic Risk</b> | Management of the Rent Assistance Fund not achieving intended strategic objectives. | Through the panel of officers agreeing awards.                 | L   | <b>Yes</b>                                  |
| <b>Compliance</b>     | Non-compliance with the criteria and the management of the Rent Assistance Fund.    | Review process undertaken as part of the application process.  | L   | <b>Yes</b>                                  |
| <b>Operational</b>    | The Rent Assistance Fund should be the Best Value for the HRA.                      | Ensure Best Value is achieved for the 22,772 HRA tenancies.    | L   | <b>Yes</b>                                  |
| <b>Financial</b>      | Insufficient funding to meet demand from tenants                                    | The fund will be reviewed as part of the 25/26 budget process. | M   | <b>Yes</b>                                  |

|                              |  |   |     |            |
|------------------------------|--|---|-----|------------|
|                              | for assistance to pay rents.   |   |     |            |
| <b>Reputational</b>          | There is a risk of reputational damage if tenants' rents are wasted. | The criteria of the Rent Assistance Fund ensures that there is a proper system in place to ensure tenants funds are used appropriately. | L   | <b>Yes</b> |
| <b>Environment / Climate</b> | No significant risks identified.                                     | N/A   | N/A | Yes        |

## 8. OUTCOMES

| <u><a href="#">COUNCIL DELIVERY PLAN 2024-2025</a></u>                      |  |
|---|--|
| <b>Impact of Report</b>   |  |
| <b>Aberdeen City Council Policy Statement</b>                               | The Rent Assistance Fund will be effective in supporting people with the cost of living.   |
| <u><a href="#">Aberdeen City Local Outcome Improvement Plan 2016-26</a></u> |  |
| Prosperous Economy Stretch Outcomes   | The proposals within this report support the delivery of LOIP Stretch Outcome 1 No one will suffer due to poverty by 2026. The paper seeks approval of a Rent Assistance Fund which reduces financial hardship for tenants and supports tenancy sustainment therefore prevents homelessness. |
| Prosperous People Stretch Outcomes  | The proposals within this report support the delivery of LOIP Stretch Outcome 11 Healthy life expectancy (time lived in good health) is 5 years longer by 2026. The paper seeks approval of a Rent Assistance Fund which one of the aims is to reduce homeless.                              |
| <b>Regional and City Strategies</b>   | The Rent Assistance Fund is part of the HRA which is sustainable through the HRA business plan this delivers the sustainability of the 22,772 tenancies.   |

## 9. IMPACT ASSESSMENTS

| Assessment                        | Outcome   |
|-----------------------------------|---|
| Integrated Impact Assessment      | New Integrated Impact Assessment has been completed |
| Data Protection Impact Assessment | New Data Protection Assessment has been completed.  |
| Other                             | Not required.                                       |

## 10. BACKGROUND PAPERS

[Housing Revenue Account Budget 2024/25](#) Council 14 December 2023

## 11. APPENDICES

Appendix 1- Criteria and Management of the Rent Assistance Fund 2024/25

## 12. REPORT AUTHOR CONTACT DETAILS

|                      |  |
|----------------------|--|
| <b>Name</b>          | Helen Sherrit  |
| <b>Title</b>         | Finance Partner  |
| <b>Email Address</b> | <a href="mailto:hsherrit@aberdeencity.gov.uk">hsherrit@aberdeencity.gov.uk</a> |

|                      |  |
|----------------------|--|
| <b>Name</b>          | Angela Kazmierczak   |
| <b>Title</b>         | Financial Inclusion Team Leader  |
| <b>Email Address</b> | <a href="mailto:AKazmierczak@aberdeencity.gov.uk">AKazmierczak@aberdeencity.gov.uk</a> |