



Providing Choice



Addressing Inequalities



Improving Life Opportunities



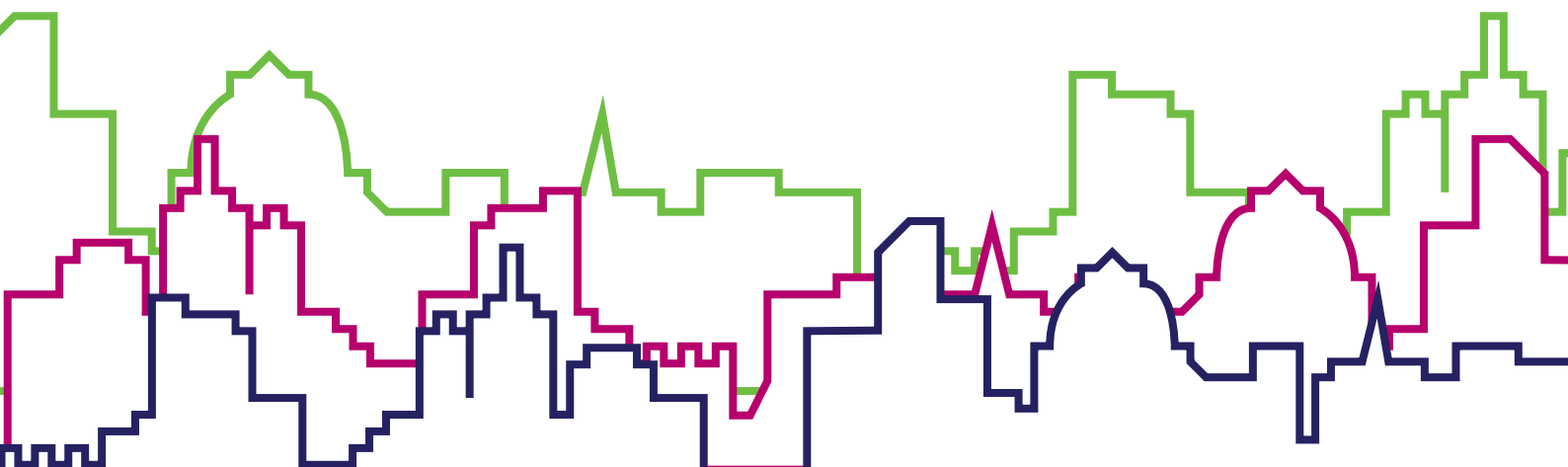
## Income Recovery Policy

2013

**Type of document:** Policy Statement

**Document group:** Income Management

The purpose of this policy is to set out our approach to the management of arrears of rent, occupancy and service charges for rented properties.



## 1. Purpose & Scope

1.1 The purpose of this policy is to set out our approach to the management of arrears of rent, occupancy and service charges for rented properties.

1.2 This policy covers the framework for collecting charges, for the prevention of arrears and for any action taken against customers who fall into arrears. A set of detailed income recovery procedures will ensure the practical implementation of this policy.

1.3 This policy does not cover our approach to the recovery of former tenant debts or shared ownership arrears.

## 2. Policy Objectives

2.1 Our aim in relation to arrears recovery is to minimise any loss of income from missed or unpaid rent or other charges from customers. By doing this we will help our customers and secure the future of the business by enabling the association to continue to provide services and invest in our homes.

2.2 The policy expects all customers to pay their rent and other charges. However Unity recognises that for a variety of reasons, customers do sometimes fall into debt and arrears.

## 3. Service Standards

3.1 We aim to provide a high quality income recovery service that is effective and culturally sensitive. We will:

- Offer a wide range of payment options to make it as easy as possible to make a rent payment
- Assist customers in the completion of claims for housing benefit
- Send all customers a rent statement every 3 months
- Provide confidential benefits advice and assistance including directing customers to any appropriate agency
- Develop links with local agencies that will assist customers with managing their debts and finding employment

- Give customers at least 4 weeks' notice of any rent review
- Consult with customers on any proposed changes to the way we collect rent
- Tell customers straightaway about any debts they may have and agree a payment plan
- Respond to specific enquiries about rent accounts within 10 working days
- Deal with complaints at the first point of contact or through our formal complaints procedure

## 4. Legislation & Regulation

4.1 In recovering arrears Unity Housing Association will have regard to all relevant legislation, regulation and good practice. In particular we will have regard to:

### The HCA Tenancy Standard:

We shall develop and provide services that will support tenants to maintain their tenancy and prevent unnecessary evictions.

and the Pre-action Protocol for Possession Claims based on Rent Arrears issued under the Civil Procedure Rules.

## 5. Unity's approach to income recovery

### 5.1 General principles

Unity will work with customers and partners to promote a culture where customers appreciate the importance of ensuring their rent is paid regularly. We will ensure that new and existing customers are aware of the obligation under their tenancy agreements to pay rent and the payment methods available. We will encourage customers to tell us before they get into difficulty with their payments.

Unity will approach customers in a firm but fair way when they owe us money and will always act in a sensitive manner appropriate to customer's individual circumstances.



### 5.2 Early intervention

We will be proactive in preventing arrears occurring where possible by taking early steps to avoid and minimise the build up of arrears. We will contact our customers as soon as their rent account goes into arrears and we will make every effort to have personal contact with customers to identify potential problems at an early stage.

Unity will send out rent statements and details of other debts to customers every 3 months.

### 5.3 Information and support

We recognise that some customers will need help and support to maintain their rental obligations. Assistance and guidance will be given to customers on the range of benefits available to them. We will develop and maintain good links with the

housing benefit services in the areas that we work in order to assist customers resolve their respective claims as quickly as possible.

We will work with our partners and other agencies to provide good financial counselling to customers by offering debt advice and if appropriate signposting routes into employment. We will run campaigns from time to time promoting the payment of rent and targeting customers in arrears.

### 5.4 Vulnerable customers

Any action to recover arrears will take account of a customer's personal circumstances. Where a customer may be vulnerable and their circumstances make it difficult to pay rent Unity will assist them to access appropriate support services to help them sustain their tenancies.

Unity will use the information gathered through the collection of customer profiles to target support and intervention where a customer may be at risk of falling into arrears. We will work within a multi agency framework to support customers who are experiencing a period of financial difficulty to prevent them losing their home.

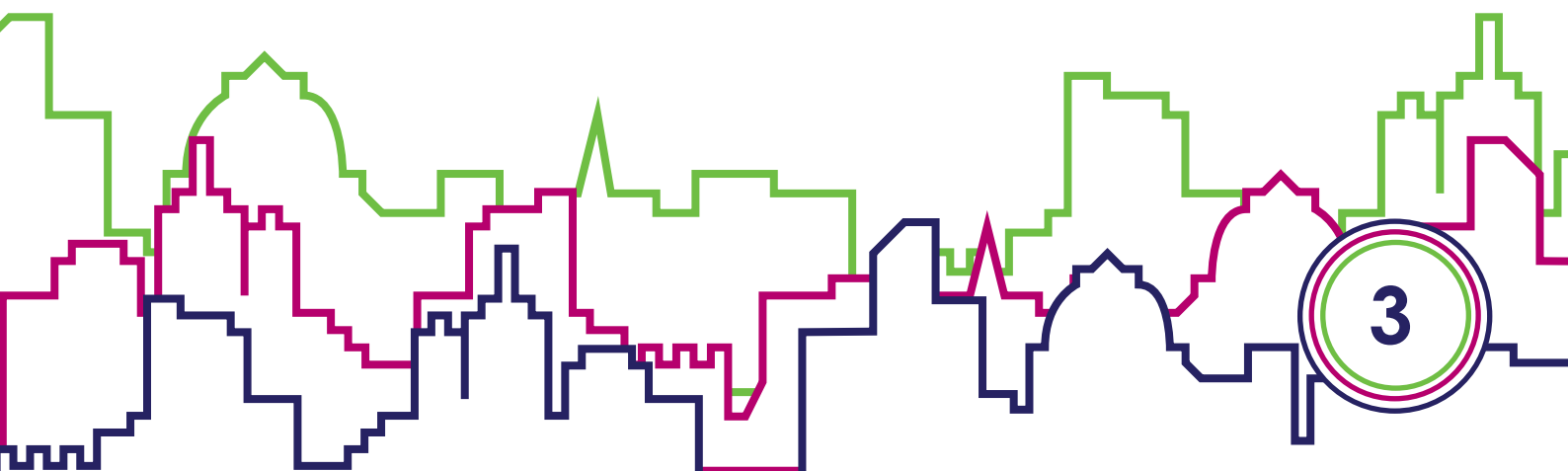
### 5.5 Enforcement

Unity will attempt to reach agreements with individual customers to repay arrears and other debts which are both manageable for the customer and acceptable to the association.

If arrears persist or a customer is unwilling to make an agreement Unity may take legal action to repossess a property using the statutory grounds for possession including Ground 8 which is a mandatory ground for possession for assured tenancies.

## 6. Consultation

Unity recognises the importance of working in partnership with our customers to develop and continuously improve our services. We will consult with customers and key partners from time to time on the content and operation of this policy.



## 7. Complaints

Unity will seek to resolve any complaint from customers over the operation of this policy at the first point of contact. If this cannot be done complaints will be dealt with through our formal complaints procedure.

## 8. Responsibility

Overall responsibility for this policy and its implementation rests with the Housing Manger. The Housing Manger will ensure that staff receive the appropriate training and support to effectively achieve the objectives of this policy.

## 9. Monitoring and Performance

9.1 Monitoring of the implementation of this policy will be the responsibility of the Board.

9.2 The association have set targets for the reduction of debt. Progress against these targets will be reported to the Board and Executive Team. Unity will benchmark our performance against comparable housing associations and continue to learn from best practice in the area of income recovery.

9.3 There are no specific Business Plan objectives relating to this policy.

## 10. Equality and Diversity

10.1 Unity acknowledges that our customers may have individual circumstances that could impact on their ability to pay their rent. We will work with our customers to try to identify any problems and where appropriate we will refer customers to a specialist agency to reduce the risk of them losing their home. We will have regard to our Equality and Diversity Policy and take into account the language, translation and other personal needs of our customers.

10.2 An Equality Impact Assessment was carried out in respect of this policy on August 2013. The EIA concluded that this policy is not directly or indirectly discriminatory

## 11 Associated documents

- Income Recovery Procedures
- Former Tenancy Arrears Policy
- Recharges Policy
- Customer Handbook
- Financial Inclusion Strategy
- Resident Involvement Strategy
- Complaints Policy and Procedure
- Equality and Diversity Policy

## 12. Policy review summary

Policy title	Income Recovery Policy
Policy group	Income Management
Date created	August 2013
Person responsible	Housing Manager
Version	1.0
Approved by	Senior Management Team on: August 2013
Authorised by	Board on: August 2013
Review period	3 years unless required sooner
Review committee	Operations Committee
Date of last review	n/a
Date of next review	August 2016

