

Income Recovery Policy - Current Accounts

Policy ref:

Policy author / holder Income Operations Manager

Date approved: November 2022

Approved by: Head of Income and Service Charges

Effective date: November 2022

Review date: November 2025

1 Purpose and anticipated outcomes

1.1 This policy concentrates on the main areas which will enable customers to sustain their tenancies:

- Managing rent arrears
- Confidentiality and sensitivity
- Welfare and financial advice

2 Scope and definitions

- This policy sets out our principles for the collection of income from customers. Our principal form of income is rent, but this policy also includes service charges, court costs, support charges and recharges.
- Where the word tenant/customer is used it can be taken to mean any occupant or former occupant of a property who owes any member of LiveWest or its agents either rent, service charges or other legally due sum either for occupation, maintenance, repair or improvement of the property or its common parts, or costs resulting from legal action required to pursue recovery.
- In the policy the word customer is used to include any assured, assured shorthold, affordable rent or secure (fair rent) customer. It also includes shared owner, right to buy leaseholder or freeholder.
- The policy recognises the significance of payment methods, the support and advice we give, our prevention and early intervention in the recovery of income. Where payments are not made, it sets out the action we take.
- In the recovery of income, we will pursue recovery in compliance with our procedures, legislative and statutory requirements, including the Pre-Action Protocol contained in the Civil Procedures Rules.

3 Managing Rent Arrears

3.1 LiveWest recognises the importance of the effective and efficient collection of rent and all other charges, including the prevention and recovery of arrears. We will maximise our income by ensuring customers understand and fulfil their payment obligations and are supported to do so.

We will:

- Ensure our customers and colleagues are treated with respect at all times
- Only ever use legal action and eviction as a last resort where tenants refuse to engage or co-operate in reducing their arrears
- Seek out opportunities to provide value for money for the business and our customers
- Adopt a firm but fair approach to the recovery of rent and tenure related charges
- Endeavour to review and action all accounts as soon as they fall into arrears
- Place emphasis on preventing customers falling into arrears and help those that do so as early as possible to minimise the problem
- Encourage payment by Direct Debit where possible and promote a self-service culture by directing customers to their online portal account
- Take time to understand the cause of any arrears and seek to help remedy underlying issues where appropriate
- Provide customers with the appropriate support making best use of the services offered by Tenancy Sustainment colleagues and relevant external agencies
- Ensure that customers are directed to good quality advice on benefits and managing debt
- Provide cost effective and convenient collection methods that take account of customer preferences
- Ensure that all our communications are clear, customer friendly and encourage contact and engagement
- Prioritise contact by telephone, when possible, in order to avoid unnecessary delays
- Use all alternative contact methods including text messaging and e-mail communications before sending letters
- In adherence with Data Protection regulations, send letters and other relevant documentation electronically where possible
- Be aware of language differences and literacy difficulties, and utilise appropriate methods and services accordingly (i.e., use of translating services, interpreters, large print letters etc.)
- Record all communications and relevant account information within the housing management system
- Follow the arrears escalation procedure and take appropriate action in a timely manner
- Allow the customer the opportunity to rectify the arrears at each stage of escalation and ensuring that the customer is aware of the consequences of non-payment
- Maintain good relationships with Local Authorities and other agencies to prevent homelessness
- Make use of all available remedies in order to manage and reduce rent arrears

4 Confidentiality and Sensitivity

- 4.1 In the recovery of debt, we will pursue recovery in compliance with our procedures, legislative and statutory requirements, including the Pre-Action Protocol contained in the Civil Procedures Rules
- 4.2 We will only process customer's personal information in the lawful manner set out in the Data Protection Act 2018 and the EU General Data Protection Regulation
- 4.3 Care will be taken when dealing with vulnerable customers. We will endeavour to foster professional relationships with colleagues, Social Services, and other relevant agencies so that their help and advice may be easily obtained

5 Welfare and Financial Advice

- 5.1 We recognise the role that income maximisation and daily budgeting has in preventing and tackling rent arrears and actively promote this approach. We will be prepared to offer simple advice on managing day-to-day finances
- 5.2 We will undertake to gain a broad understanding of the welfare system. We will make use of this and other information available to offer basic welfare advice to residents, and to assist in completing claims for benefits. Where appropriate, we will signpost customers to external or internal services where further advice can be offered
- 5.3 We will keep informed of any changes in welfare regulations in order to provide accurate and effective advice to our customers
- 5.4 We will carry out prevention work to raise awareness of changes to welfare benefits, offer support and implement initiatives to enable rent to be paid now and in the future
- 5.5 Where eviction is a possibility, appropriate notice will be given to relevant agencies and organisations with a view to expediting any payment of funds which may be forthcoming and will prevent the eviction taking place

6 Service Standards, Monitoring and Review

- 6.1 The monitoring of outcomes is essential for LiveWest to track the impact of our approach to arrears management. Measuring the success of the Income Recovery Policy and the associated procedures will include:
- The current policy adhering to legislative and regulatory requirements, and reflecting current good practice
 - Customers being aware of and understand the policy and believing it to be consistent and fair

- How easily customers can access advice, support and assistance in managing their rent arrears
- The performance of the Income department against key performance indicators and service standards
- The service offering value for money
- Customer satisfaction and the level of complaints, reviews and appeals

7 Linked / associated policies and other references

7.1 We recognise our duty to comply with current legislation and will operate this policy within the current statutory framework and specifically with reference to:

- The Housing Act 1988 (amended 1996/2004/2008)
- The Localism Act 2011
- The Protection from Eviction Act 1977
- Welfare Reform Act 2012
- Equality Act 2010
- Human Rights Act 1998 – Article 8
- Data Protection Act 1998
- Safeguarding Vulnerable Groups Act 2006

7.2 Associated Policies

- Allocations and Lettings Policy
- Code of Conduct
- Data Protection Compliance Policy
- Equality Diversity and Inclusion Policy
- Health and Safety Policy
- Service Charge Policy
- Vulnerable Customers Policy

7.3 Associated Procedures

- Lettings Procedure
- Lone Working Procedure
- Income Recovery Procedure