

Policy

Title: Income Management Policy

Author:	Income Services Manager
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This document relates to:



Policy

1. Introduction

1.1 Income management and arrears recovery is a priority as rent is our main source of revenue income. This policy sets out how Calico will manage this and the effects of the Welfare Reform Act 2012.

2. Context

- 2.1 This policy outlines Calico Home's approach to income management to effectively collect revenue and keep debts to a minimum.
- 2.2 The cost-of-living crisis is having an impact on many customers; this policy seeks to reinforce the importance of maintaining a well-managed rent account whilst offering support to customers having trouble in paying for their housing costs. The Tenancy Sustainment service provides an extra avenue of support for some of our most vulnerable customers.
- 2.3 The current economic climate, Welfare Reform agenda and operating environment pose considerable challenges for effective income management.

3. Policy Aims and Objectives

3.1 An effective income management ethic, not only prevents customers from falling into debt but ensures that they can sustain tenancies and reduce their chances of becoming homeless.

3.2 To collect all rent, service charges and tenancy related debt due and proactively prevent and minimise arrears.

3.3 To promote a positive payment culture to all customers with easy and convenient ways to pay and manage their accounts.

3.4 To promote a rent first culture across the business

3.5 Our aim is to support customers, affected by welfare reform, to help them make informed choices about their accommodation and budgeting.

3.6 This policy outlines our approach to Income Management, Financial Inclusion, Sundry Debts and Welfare Reform with our aim of collecting all monies owed to Calico.

We will:

- Ensure customers are aware of their responsibility to pay any monies owed in a timely manner.
- Provide a proactive service that reacts to changes in a swift and well-prepared manner.
- Ensure that we communicate with customers in a range of ways that are appropriate to the customers' needs and requirements.
- Provide an effective advice and support service to assist customers in maximising income
- Work closely with internal and external partners to ensure income streams are maintained effectively.
- Offer a wide range of payment methods which customers can access.
- Work closely with internal and external partners to successfully integrate Financial Inclusion initiatives throughout the communities we serve.
- Ensure multiple debts are addressed through effective budgeting and customers are signposted for advice to partner agencies, including Step change Debt Charity, and CAB.

The Calico Homes Vision

"Going one step further with customers and local communities to provide affordable, safe and quality homes and personalised services; supporting customers to live their best lives in challenging times."

The Calico Homes objectives:

- To provide safe and well-maintained homes through investment in existing and new properties.
- To support customers to sustain tenancies.
- To provide good quality and personalised repairs, customer, and neighbourhood services.
- To develop trusting relationships and to empower customers and communities to take the lead on the things that matter most.
- To strengthen the business so it is strong, well-governed, environmentally friendly and provides value for money customers.
- To create a place where people want to work now and in the future.

4. Customer Scrutiny, Oversight and Monitoring

4.1 Calico Homes values transparency and accountability in our tenancy offer and management processes. We will report the income collected on Calico Home's website. Our overall performance includes current arrears, former arrears and write offs / bad debt.

4.2 We encourage customers to provide feedback on their experience of being supported by our service. Whether positive or negative, customers input helps us continuously improve our services.

5.0 Income Management Policy Statement

5.1 We will make sure that there are strong, structured processes in place to identify, manage, lower, and collect outstanding debts. The income management solution Mobyssoft (RentSense) has been implemented in June 2024 to transform the way in which we collect income

5.2 Pre-tenancy checks are being completed on Entitled-to for a fair, consistent approach and highlighting support required at the earliest opportunity to ensure tenancies are both affordable and sustainable.

5.3 The personalisation fund was introduced in April 2022, to support the most vulnerable customers throughout the cost-of-living crisis.

5.4 A dedicated Former Tenant Arrears Officer has been introduced, to bring additional income into the business.

5.5 We will comply with Breathing Space, Bankruptcy, Debt Management Orders (DROs) and Individual Voluntary Agreements (IVAs) when customers apply for these via third parties. These can lead to writing off their rent debts

5.6 Regular training will be provided to staff to enable supporting our customers with continued welfare reform and the managed migration of Universal credit.

5.7 We will issue a Notice of intention to begin proceedings for possession, also referred to as a Notice of Seeking Possession (NSPs), which is the first step in the legal process notifying customers with arrears of 4 weeks or more that we have initiated a legal process to recover arrears. Where arrears

increase after this has been served, we can make an application for the case to be listed at the County Court.

5.8 Enforcement action is only taken as a last resort, and where all support has been exhausted.

6. Income Management priorities and definitions

6.1

Definitions

Welfare Reform Act 2012	A UK law that makes changes to the rules of several benefits offered within the British social security system.
Former Tenant	A previous Calico customer
Pre-Tenancy Check	A task carried out to ensure that tenancies granted are affordable and sustainable and support required is place at the earliest opportunity.
Universal Credit	A single benefit payment for working aged people with a low income or out of work.
Managed migration	The formal process used by the DWP (Department for Work and Pensions), to move existing legacy benefit claimants to Universal Credit.
Notice of intention to begin proceedings for possession.	The first step in the legal process. A legal document initiating the legal process to recover arrears
Vulnerability	Capable of being physically or emotionally at risk
Disability	Physical or mental impairment that has a substantial and long-term effect on a person's ability to carry out normal day to day activities.

7. Reasonable Adjustments

7.1 It is our policy to ensure that discretion is used in cases of identified vulnerabilities such as disability, vulnerability, domestic abuse, concern for welfare or any other identified need. Calico will use information provided by customers and held in our systems to assist in identifying responsibilities. More information can be found in the Reasonable Adjustments Policy.

7.2 In cases where abuse is identified or suspected a safeguarding notification will be made. More details can be found in the Safeguarding Policy.

8. Monitoring

8.1 Income Management performance is monitored under through the production of statistical performance data of rent collection. This will be recorded and provided to Calico Homes SLT and published on our website. Customer case studies will be shared on social media and in the Customer Experience Newsletter.

9. Regulatory and Legal Compliance

- Social Housing (Regulation) Act 2023
- Landlord and Tenant Act 1985
- Housing Act 2004
- Equality Act 2010
- Limitations Act 1980
- Welfare Reform Act 2012
- Coronavirus Act 2020
- Insolvency Act 1986

11. Links with other Calico Strategies, Policies and Procedures

- The Humanitarian Offer – Calico Group Customer Strategy
- Tenancy Sustainment Policy
- Starter Tenancy Procedure
- Lettings and Allocations Policy
- Complaints Policy and Procedures
- Reasonable Adjustments Policy
- Tenancy Policy
- Mutual Exchange Policy
- Succession Policy
- Extra Care Policy
- Decant Procedure
- Current Tenant Arrears Policy
- Former Tenant Arrears Policy
- Rechargeable Repairs Policy

