Grosvenor Hart Homes: Income Management Policy

GROSVENOR

Grosvenor Hart Homes

Income Management Policy

1. Introduction

1.1 This policy outlines the approach to the collection of income due to Grosvenor Hart Homes (GHH), in order, to:

- maximise rent collection
- minimise debt
- enable our tenants to maintain their tenancy
- maximise the collection of service charge arrears, former tenant arrears and sundry debts owed to Grosvenor Hart Homes.

1.2 In order to maintain the financial stability of our organisation and continue to provide high-quality services to our tenants, it is essential that we collect payments in a timely and efficient manner and provide transparency and accountability in the income collection process. GHH sets targets to achieve on an annual basis and provides regular feedback about progress in meeting these targets.

1.3 The income collection service is delivered by GHH and is done so within the context of our legal and regulatory obligations and other related policies and procedures.

1.5 GHH has a person-centred, trauma informed approach to income collection. GHH is proactive in engaging with tenants to enable us to provide support for people to pay their rent, sustain their tenancy and ensure that legal routes are an absolute last resort only when all avenues have failed.

1.6 This policy aligns to 2022 - 2023 pledge of the National Housing Federation: "No one will be evicted from a housing association home as a result of financial hardship, where they are working with their housing association to get their payments back on track."

2. Scope of the policy

2.1 This policy covers all GHH's tenures (i.e. all social and affordable and market housing) and both current and former tenants. For the purpose of this policy 'arrears' includes all rent arrears and sundry debts including current rent arrears, service charge arrears, former tenant arrears and housing management sundry debts including associated costs and legal fees arising from the above.

2.2 This policy is not designed to cover the technical details of specific service delivery but to present the overall approach and methodology of income management.

2.3 Generally, the same approach is taken for both GHH social and affordable housing owned by our Registered Provider entity Grosvenor Hart Homes Limited (GHH Limited) and our market rent housing owned by GHH Properties North-West Limited. Any differences in approach are highlighted in the policy and the appended procedures.

2.4 This policy outlines the framework and guidelines for collecting income in a compassionate, fair, transparent, and efficient manner. The application of this policy in practice can be found in the procedures at Appendix 1 and Appendix 2.

3. Key Aims and Objectives

3.1 The key aims of this Policy are as follows:

- To deliver a fair, person-centred approach to income management by working collaboratively with tenants to establish trusting relationships
- To maximise cash collection so that payments are received on time and in full. This will help to reduce the risk of non-payment and improve the organisation's overall financial viability
- To make it easier for tenants to pay rent and to access tenancy support initiatives to maximise income and prevent debt
- To ensure a compassionate, fair, professional, consistent and timely approach to debt recovery by providing clear and consistent communication with tenants about their outstanding balances
- To work together and share information at an early stage, where it is appropriate and lawful, to help prevent tenants' debts from escalating.
- To work in partnership with external agencies/partners to ensure that debt is managed in accordance with legislative provisions and best practice

3.2 These aims will be delivered through the following approach:

- A Rent First Culture: Rent is due in advance of the commencement of a tenancy and throughout the lifetime of the tenancy. It is the tenant's responsibility to pay the rent in line with the terms set out in their tenancy agreement.

- All tenants are expected to pay a month in advance on the 1st of every month. If a tenant moves in part way through the month, this amount will be pro-rated. Where a tenant receives the housing element of universal credit, we will work with the tenant to look at options to source the advanced rent, if required. This may be from universal credit, or the local authority, for example through a referring service or Discretionary Housing Payment.
- Early intervention and prevention are key to our person-centred approach. By actively monitoring rent accounts and through close collaboration between our housing and support teams, we can identify tenants that need additional advice and support efficiently and effectively.
- Undertaking detailed affordability checks prior to a tenant moving in to ensure they can afford a GHH home
- Promoting a debt prevention and easy payment culture.
- Tenant First Culture: GHH will know all its tenants' relevant needs and have an in depth understanding of their relevant personal circumstances meaning we can take a considered and fair approach as appropriate.
- Short wellbeing breaks can be put in place in exceptional circumstances where the tenant is unable to make payment for health reasons e.g. where a tenant is in hospital.
- GHH will provide a clear payment plan for tenants in arrears setting out what they owe and when they will pay it to GHH to promote transparency and support tenants in clear their debts efficiently.
- Work closely with the DWP by supporting tenants to set up Alternative Payment Arrangements (APAs) when beneficial and applying directly for APAs or Direct Payments towards arrears if tenants repeatedly miss rent or arrears payments.
- GHH has a clear and transparent procedure and process for escalation to the Heads of Functions where efforts to recoup arrears by the operational housing team have been unsuccessful
- Correspondence will be sent to tenants clarifying in-person discussions or where attempts to meet tenants have not been successful.
- Where required GHH will endeavour to support tenants to access an interpretation service.
- On request, GHH will endeavour to provide translations of all documents, policies and procedures into another language or format.

3. Support for Tenants

3.1 GHH's social and affordable housing tenants will be able to access and benefit from a comprehensive support package including:

- One-to-one support for tenants and members of their households to help them to achieve their goals, whether it be into training, education or employment
- Access to life skills training, welfare benefits advice, maximising income, budgeting advice and job brokerage/career mentoring
- Priority Group tenants with support needs will be able to access the GHH Children, Young People and Family service, the mental health and wellbeing service and have an individual bespoke 'My Plan' which sets out their specific needs, goals and actions for the tenant and GHH team.

3.2 GHH's market rent tenants will be signposted to support from our partners where appropriate but will not be eligible to access the comprehensive support package available to GHH's social and affordable housing unless in exceptional circumstances.

4. Partnership Working

4.1 We will work in partnership with external support agencies to maximise income for our tenants all whilst reducing debt and sustaining their tenancy.

4.2 This includes but is not limited to, local authorities, DWP, Raise, Pennysmart, Citizens Advice Bureau and debt counselling charities.

5. Legal Action

5.1 Our person-centred approach means we will proactively encourage engagement with tenants to enable us to provide the right advice and support, to be able to pay their rent and sustain their tenancy.

5.2 We will communicate with the tenants using home visits, telephone calls, emails, text messages, letters and in person meetings.

5.3 Legal action to recover debt will always be a last resort, however, there will be instances where there is no other sustainable option and legal proceedings may be issued.

4. Former tenant arrears

4.1 Where a tenant moves out of a GHH property and remains in arrears, GHH will attempt to recover income through an approach which is fair, proportionate and sensitive to the individual circumstances.

4.2 GHH will proactively liaise with tenants to recover outstanding arrears and where this has not been possible, GHH will issue up to three written letters to secure payment of any outstanding balance or put in place a payment plan with the former tenant.

4.3 For our market tenants who provide GHH with a deposit on move in, any outstanding debt at the end of the tenancy will be taken off the deposit in the first instance.

4.4 Where attempts to contact the tenant and/or recover the debt for a prolonged period have failed, GHH will refer the case internally for a decision by the GHH Management Board on proportionate next steps.

5. Performance and Quality Monitoring

5.1 The key performance indicators reported on are current tenant arrears, former tenant arrears and rent debit written off as bad debt.

5.2 The Board receives arrears performance on the monthly performance dashboard.

6. Legislation

- Housing Act 1985, 1988 and 1996
- Equality Act 2010
- Localism Act 2011
- Welfare Reform Act 2012
- Landlord and Tenant Act 1985
- Homelessness Reduction Act 2017
- General Data Protection Regulation (GDPR)
- Civil Procedure Rules
- Pre-action Protocol for Possession Claims for Social Landlords 2020
- Protection from Eviction Act 1977

7. Links to other GHH Policies

7.1 This policy should be viewed in the context of other GHH policies including:

- GHH Rent Setting Policy
- GHH Equality, Diversity and Inclusion Policy

8. Review schedule

8.1 This Policy will be reviewed every three years or more frequently as a result of feedback obtained, internal/external audits and change in legislation or regulatory requirements. This process ensures the policy's continuing suitability, adequacy, and effectiveness.

8.2 The Chief Operating Officer and Deputy CEO has responsibility for the delivery this policy, and ultimate responsibility for performance and compliance sits with the board.

Version	**Date approved**	**Date for review**	**Document owner**
1.1	27.10.23	27.10.26	Karl Dean
1.2	04.07.24	04.07.27	Karl Dean
1.3	27.05.26	27.05.29	Karl Dean

Appendix 1 – GHH Arrears Management Procedure

Appendix 2 – GHH Former Tenant Arrears Management Procedure