



## Income Management Policy

### 1. Purpose and scope

- 1.1 This Policy sets out how Irwell Valley Homes (IVH) will manage rent and service charge income in a fair, consistent and customer-focused way. Our priority is to support customers to pay their rent and service charges, sustain their tenancy and access help at the earliest opportunity where they may be experiencing financial difficulty. Rent and service charge income is essential to maintaining, repairing and investing in our homes and services. Where arrears arise, we take proportionate action to prevent debt from increasing, agree affordable repayment arrangements wherever possible, and recover money owed to us in line with this Policy, our procedures and legal and regulatory requirements.
- 1.2 We are committed to treating all customers with fairness, respect, and empathy. We communicate clearly, make reasonable adjustments where needed, and take account of individual circumstances, including vulnerability, protected characteristics, language barriers, financial hardship, and additional support needs. We balance our responsibility to collect rent and service charges with our commitment to prevention, early intervention and tenancy sustainment.
- 1.3 The Policy applies to the prevention and recovery of rent, service charge and related account arrears for current and former customers, including general needs, independent living, shared ownership, leasehold, market rent, intermediate market rent and rent to buy customers, where relevant to the customer's tenancy, lease, license or other agreement. Different recovery routes, legal remedies and procedural requirements may apply depending on tenure type and the terms of the customer's agreement. The Pre-Action Protocol for Possession Claims by Social Landlords applies where IVH is pursuing possession claims to which the Protocol applies; it does not apply to claims in respect of long leases. For shared owners, leaseholders and customers with long leases, IVH will follow the relevant lease terms, statutory requirements and appropriate legal route rather than applying the same arrears process in every case.
- 1.4 We provide regular information about rent, service charges, arrears, support options, and recovery action in a clear, timely and accessible way. We make reasonable adjustments, offer alternative communication methods where needed, and support customers to understand their responsibilities, options and rights. This includes taking account of language needs, digital exclusion, disability, vulnerability, and other individual circumstances that may affect a customer's ability to access or respond to information.

## 2. Policy aims

### 2.1 IVH's main aims within this Policy are:

1. **Prevention** - implementing preventative measures to minimise the risk of debt.
2. **Early Intervention** – providing a range of effective intervention measures available to address debt when it occurs.
3. **Escalation and recovery action** – using appropriate recovery options only where they are reasonable, proportionate and necessary, and where earlier support or engagement has not resolved the arrears.

2.2 IVH reviews all applicable legislative and welfare benefit changes to ensure the impact on customers and IVH income is considered. This includes considering the impact of customers moving from legacy benefits to Universal Credit, whether due to a change in circumstances or managed migration as well as new customers moving in where benefit claims are pending. Key information will be communicated to customers, and support will be offered to those experiencing financial difficulty.

2.3 IVH makes reasonable and proactive efforts to engage customers at every stage of our income management process to avoid escalation by agreeing affordable and sustainable payment plans based on the customer's individual circumstances and/or providing specialist financial inclusion support.

2.4 We support customers to understand and access welfare benefits and financial support they may be entitled to, including signposting to or using benefit calculators where appropriate. We provide financial inclusion support and tenancy sustainment support for people who need more intensive support due to either their financial circumstances or wider support needs.

2.5 The Rents team works collaboratively with other key internal teams, including Home Move, Neighbourhoods, the Tenancy Sustainment Team and the Customer Service Team (CST), as well as external agencies. This partnership approach supports customers to sustain their tenancy and prevent rent arrears from becoming a barrier to living well in their home and community. This supports our overall corporate aim *'to enable people to live well in their home and in their community.'*

### 3.0 Prevention

3.1 We clearly communicate the rent and/or service charges a customer needs to pay. This information is included when vacant properties are listed on the Choice Based Lettings system and confirmed when we offer a property.

3.2 We write to customers each year to confirm their rent and/or service charges for the coming year. We provide this information in a clear and accessible way and will make reasonable adjustments where required to meet individual communication or support needs. We encourage customers to tell us about any reasonable adjustments they require so we can meet their communication and support needs.

3.3 The Home Move team assesses affordability for all new customers at interview stage using the Entitledto affordability calculator. Where

affordability concerns are identified, we discuss these with the customer, consider their individual circumstances and agree appropriate support or referrals before the tenancy starts wherever possible. This could include a referral to the Housing Officer or, where appropriate, a referral to our Financial Inclusion Officer or to the Tenancy Sustainment Team with the customer's consent.

- 3.4 Customers are given informal benefits guidance using the Entitledto benefits calculator. Customers are also encouraged and supported, where needed, to use the free benefits calculator regularly through our website to help check that they are receiving the income and support they may be entitled to. This is promoted via the rent statements and information sent to those in arrears.
- 3.5 We help customers to understand and access welfare benefits and financial support they may be entitled to, including assistance with benefit applications where needed. We also signpost, refer, or assist customers with wider support where appropriate, such as help with essential household items.
- 3.6 All new customers receive a welcome pack with a dedicated section on *paying rent and support with money*. This explains the help and support available, and customers' responsibilities.
- 3.7 New customers are asked to make a minimum payment of one week's rent in advance at sign-up. Where this may cause difficulty, we consider the customer's individual circumstances and affordability assessment. This requirement does not automatically prevent a property from being let.
- 3.8 Customers are issued a Payment Reference Number before signing up to enable them to make payments through Allpay. Customers are told about the different ways they can pay their rent and/or service charges, including Direct Debit, and supported to choose a payment method that is suitable and accessible for them. Customers will also be advised of any rent shortfall they are responsible for paying, such as an under-occupation deduction. We offer a wide range of accessible ways to pay and regularly publish this in the rent statements and rent notifications.
- 3.9 Where customers meet the qualifying criteria for an Alternative Payment Arrangement, IVH may apply for the housing element of Universal Credit to be paid directly to IVH, in line with Department for Work and Pensions criteria and the customer's circumstances.
- 3.10 Customers can access our customer portal to manage their home and tenancy online at any time. This includes reviewing their latest statements and transactions and making payments through Allpay. Customers who are unable to access online services are offered alternative ways to access account information and make payments.
- 3.11 Customers in arrears receive a quarterly rent statement, and customers not in arrears receive a rent statement every six months. Statements include information about the Rents team, Tenancy Sustainment Team, financial inclusion support and other initiatives available to help customers manage their rent account. Rent statements include a link to the website where customers can use the accessibility tool.

- 3.12 IVH uses social media, alongside other communication channels, to share key benefit messages and information about financial inclusion support and other initiatives available to help customers manage their rent account effectively.
- 3.13 Where referrals are made, we handle customer information appropriately and seek consent where required, unless there is a safeguarding or legal reason to share information.
- 3.14 Where customers are eligible, the Rents team promotes, signposts or refers customers to external grant funding and statutory support. This can help customers manage rent arrears or shortfalls.

#### 4.0 Early Intervention

- 4.1 We recognise that early intervention is the most effective way to support customers, prevent arrears from increasing and reduce the need for escalation. We therefore provide support, guidance and assistance at the earliest appropriate opportunity, with customers being notified by text when their account is in arrears by £5 or over.
- 4.2 Customers who meet the qualifying criteria are referred to our Tenancy Sustainment Team or Financial Inclusion Officer. A Tenancy Sustainment Coach will provide tailored support to help customers manage their rent payments and sustain their tenancy. Customers can self-refer to this service using an online form on our website or by calling us.
- 4.3 The Rents team offers money guidance, checks whether customers are entitled to welfare benefits or other financial support, and supports customers to maximise their income where appropriate. This includes explaining how to claim Housing Benefit or Universal Credit following a change in circumstances and assisting with the claim where needed.
- 4.4 Where necessary, the Rents team complete income and expenditure checks to help agree repayment arrangements that are affordable, realistic and sustainable for the customer.
- 4.5 Where customers meet the qualifying criteria for an Alternative Payment Arrangement, IVH may apply for the housing element of Universal Credit to be paid directly to IVH, in line with Department for Work and Pensions criteria and the customer's circumstances.
- 4.6 Customers who require specialist or regulated debt advice will be signposted or referred, where appropriate, to free and independent debt advice agencies, such as StepChange Debt Charity and National Debtline. IVH also fund free money advice sessions which we refer customers into. The Rents team provide general money guidance, budget support, income maximisation support and help customers understand their rent account, but colleagues do not provide regulated debt advice in-house. Where appropriate, we signpost customers to affordable credit options, such as Manchester Credit Union, as an alternative to high-cost or illegal lending.
- 4.7 Where IVH receives notification of Housing Benefit or Universal Credit overpayments, the Rents team reviews the notification before any money is deducted from a customer's rent account, unless recovery is required through an agreed recovery schedule.

#### 5.0 Escalation and recovery action

- 5.1 Personal contact with customers who have arrears is an important part of understanding their circumstances, offering support and agreeing a way forward. Where customers do not engage, where agreed arrangements are not maintained, or where arrears continue to increase despite appropriate support and contact, the Rents team may progress the case through the arrears process. This takes account of the customer's circumstances, affordability, any known vulnerability or support needs, reasonable adjustments, communication preferences and the support already offered.
- 5.2 Where affordable repayment arrangements are made and maintained, no further escalation or legal action will normally be taken. If arrangements are not maintained, IVH may consider further action in line with this Policy, our procedures and relevant legal requirements. Legal action is only considered where it is reasonable and proportionate, and after appropriate attempts have been made to engage with and support the customer. Before possession action is pursued, customers will be advised to seek independent housing, debt and welfare benefits advice as early as possible, including free legal advice where this is available, so they can understand their rights, options and any support that may help them prevent the loss of their home.
- 5.3 Before taking legal action, IVH considers whether adequate contact has been attempted using appropriate methods, whether reasonable adjustments or additional support have been given, whether the customer's circumstances and affordability have been considered, whether referrals or signposting have been offered where appropriate, and whether the requirements of the Pre-Action Protocol have been met.
- 5.4 Where a customer is responsible for both rent and service charges, IVH allocates payments in line with the tenancy, lease or other relevant agreement and its procedures. Unless otherwise required, payments will be made in date order, with the oldest outstanding balance being paid first.
- 5.5 This Policy is supported by our Income Management procedure, which reflects the current Pre-Action Protocol for Possession Claims by Social Landlords where that Protocol applies. Different recovery routes may apply depending on tenure type, agreement terms and legal requirements, including for shared owners, leaseholders, customers with long leases, market rent, intermediate market rent, rent to buy and former tenant arrears. IVH will not apply a single process where the legal framework requires a different approach.

## 6.0 Former Tenants

- 6.1 IVH's approach to former tenant arrears collection is detailed in the Former Tenant Procedure. Former tenant arrears will be managed fairly and proportionately, taking account of affordability, vulnerability, former tenant credits and any relevant legal or procedural requirements.
- 6.3 IVH may consider using a debt recovery agency to pursue former tenant arrears where appropriate. IVH recognise that, once a customer has left their tenancy, recovery can become more difficult as the debt may be treated as a non-priority debt by the customer.
- 6.2 Outstanding former tenant debt may be considered when assessing future housing applications or rehousing requests, as unresolved debt may affect a customer's eligibility or priority. Before deciding, IVH will consider the customer's individual circumstances, including

affordability, vulnerability, and whether a repayment arrangement is in place and being maintained.

## 7.0 Vulnerability

- 7.1 IVH takes account of any known vulnerability, support need, communication preference or reasonable adjustment when managing rent and service charge arrears. Vulnerability may be temporary, long-term or change over time, and may include health, disability, financial hardship, language needs, digital exclusion, domestic abuse, financial abuse or other circumstances affecting a customer's ability to engage. Customers experiencing financial hardship may be able to access IVH's customer hardship fund, where appropriate.
- 7.2 Where appropriate, IVH will ask customers about support needs and reasonable adjustments, record these appropriately, and consider them before escalation or legal action. We recognise that financial hardship can increase a customer's vulnerability and may affect their ability to sustain a tenancy. Where such circumstances are identified, we will seek to provide appropriate support, which may include access to our Customer Hardship Fund, assistance with food and energy costs, budgeting advice, welfare benefits support, and referrals to relevant support services. We may also offer referrals to internal support services, safeguarding processes or external agencies, with the customer's consent where required, unless there is a safeguarding, legal or other lawful reason to share information.

## 8.0 Performance and Reporting

- 8.1 Income management performance is monitored through the Vital Few performance metrics, and information is reviewed monthly and quarterly and is made available to all colleagues through the IVH HIVE Teams channel.
- 8.2 Performance is monitored against IVH risk appetite triggers that change annually. Where risk appetite triggers are out of target, this is reported to Audit & Risk Committee via the Control Assurance Framework report. This helps identify emerging risks and areas where further action may be required.
- 8.3 Income management performance information is reported to the Board on a quarterly basis.
- 8.4 Monthly performance information is reviewed by the internal Rent Recovery group, which provides oversight of income management performance, arrears trends, customer engagement, support activity and recovery action. The group includes the Chief Operations Officer, Head of Customers and Communities, Head of Independent and Community Living, Neighborhood Manager, Rents Manager, Finance and Comms Teams.
- 8.5 Performance monitoring is used to support service improvement, inform decision-making and ensure the Policy remains effective and responsive to customer needs.
- 8.6 IVH participates in benchmarking with other housing providers to compare performance, share learning and identify opportunities for service improvement.

## 9.0 Roles and responsibilities

9.1 The following roles are responsible for the ownership, oversight and delivery of this Policy:

- The Chief Operations Officer owns this Policy and is responsible for overall performance, including reporting to the Board where required.
- The Head of Customers and Communities has overall responsibility for ensuring this Policy and process are implemented consistently by relevant colleagues.
- The Rents and Complaints Manager is responsible for oversight of the Rents and Complaints Team and for supporting consistent delivery of the income management approach.
- The Rents Team Leader oversees the day-to-day management of Rent Support Officers and Advisors.
- Rent Support Officers are responsible for managing neighbourhood arrears across designated areas, including North, South, Sale, Haughton Green and Independent Living.
- Our Rent Support Advisors take all incoming calls to the Rents team, dealing with low-level arrears, setting affordable repayment agreements, taking payments and monitoring garage accounts.
- The Specialist Recovery Officer is responsible for managing arrears for shared owners, leaseholders, market rent, intermediate market rent, rent to buy customers and former tenants.
- The Supported Services Manager and Independent Living Manager are responsible for the oversight of supported arrears and Independent Living arrears.
- Our Finance Team processes all payments that come in from Housing Benefit, Universal Credit and directly from customers and third-party agencies, including the processing of overpayments and BACS refunds to customers.
- Our Communications and Engagement Team provides support with arrears-targeting campaigns and arrears communications, including rent statements and social media.
- All colleagues involved in income management are expected to apply this Policy fairly, consistently and in a customer-focused way, taking account of individual circumstances and support needs.

## 10.0 Review of income management decisions

10.1 Customers can ask IVH to review an income management decision where they believe relevant information has not been considered, their circumstances have changed, or they need a different support arrangement. Requests for review will be considered fairly and promptly and will not affect the customer's right to make a complaint. Any reasons why this is or isn't accepted will be clearly explained.

## 11.0 Complaints

- 11.1 We always aim to deal with issues at the first point of contact, but customers may raise a complaint at any point if they are dissatisfied with how this Policy has been applied, the service they have received, communication, decisions made, or support offered. Complaints will be handled in line with IVH's Complaints Policy and the Housing Ombudsman Complaint Handling Code. Raising a complaint does not automatically stop recovery or legal action; however, where the complaint raises concerns that are directly relevant to the arrears, proposed recovery action, customer vulnerability, affordability, communication or support provided, IVH will review whether recovery action should be paused, amended or otherwise reconsidered while the matter is investigated.
- 11.2 IVH will use learning from complaints to identify themes, understand the root causes of service failure, improve communication and processes, and strengthen the support offered to customers. Complaint outcomes and learning will be reviewed as part of our commitment to continual service improvement and to ensure the income management service remains fair, responsive and customer focused.

## 12.0 Service charge queries and disputes

- 12.1 Where a customer disputes a rent or service charge, IVH will explain the basis of the charge and provide relevant information where appropriate. Recovery action will be reviewed where the dispute is relevant to the arrears being pursued. Customers may be able to apply to the First-tier Tribunal where they remain dissatisfied with IVH's explanation or decision about certain service charge matters. If they are, information about how to do this will be provided.

## 13.0 Conclusion

- 13.1 This Policy provides a clear, fair and proportionate framework for preventing and recovering rent, service charge and related arrears. It supports tenancy sustainment, early intervention, affordability, vulnerability considerations, reasonable adjustments and customer access to support. It is intended to operate in line with current legislation, the Regulator of Social Housing's consumer standards, the Rent Standard where applicable, the Pre-Action Protocol for Possession Claims by Social Landlords and the Housing Ombudsman Complaint Handling Code. The Policy will be kept under review to ensure it remains legally compliant, customer-focused and responsive to regulatory expectations, good practice and organisational learning.

## 14.0 Associated documents

- Income Management procedure
- Former Tenant procedure
- Former Tenant Credit procedure
- Monthly Account procedure
- Equality Impact Assessment for Income Management
- Communities Tenancy Policy
- Bad Debt Policy
- Tenancy Agreements
- The Equality and Diversity Framework
- The Complaints Policy
- Pre-Action Protocol for Possession Claims by Social Landlords

- Inclusive Services Policy
- Safeguarding Policy

## 15.0 Legal and regulatory framework

- Housing Act 1985 / Housing Act 1988, depending on tenancy type;
- Equality Act 2010;
- Human Rights Act 1998, where possession action is considered;
- Civil Procedure Rules and the current Pre-Action Protocol for Possession Claims by Social Landlords;
- Data Protection Act 2018 / UK GDPR;
- Social Housing (Regulation) Act 2023, including the strengthened consumer regulation regime and requirements relating to transparency, accountability and tenant information;
- Regulator of Social Housing Rent Standard and associated government policy on rents for social housing, where applicable. This Policy supports income management activity once rent, service charges or other account charges have been set. Rent-setting, rent increases and service charge calculations are governed by separate policies, procedures, tenancy or lease terms and statutory or regulatory requirements where relevant, and are not determined by this Policy alone;
- Welfare Reform / Universal Credit arrangements;
- Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020, where IVH is notified that a qualifying debt is subject to a moratorium;
- Landlord and Tenant Act 1985, where relevant to service charge reasonableness, consultation, information rights and service charge disputes;
- Regulator of Social Housing consumer standards;
- Housing Ombudsman Complaint Handling Code, where complaints arise from income management activity.

### Version Control

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|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <b>Approval Date:</b>                                        | 1 <sup>st</sup> August 2026                                                                                                            |
| <b>Approval Body</b>                                         | Leadership Team                                                                                                                        |
| <b>Implementation Date:</b>                                  | Same day as approved                                                                                                                   |
| <b>Policy Author:</b>                                        | Emma Burke, Rents and Complaints Manager                                                                                               |
| <b>Policy Owner:</b>                                         | Ceris Esplen, Chief Operations Officer                                                                                                 |
| <b>Frequency of Review</b>                                   | Every three years, or sooner where required due to changes in legislation, regulation, good practice or organisational requirements.   |
| <b>Planned Review Date</b>                                   | Three years from approval, unless an earlier review is required due to changes in legislation, regulation, procedure or good practice. |
| <b>EIA (Equality Impact Assessment) Date and Link to EIA</b> | Equality Impact Assessment to be completed and linked before approval.                                                                 |

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|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Safeguarding Impact</b> | Potential safeguarding impacts include risk of homelessness, financial abuse, domestic abuse, mental health impacts and vulnerability linked to financial hardship. Colleagues should follow safeguarding procedures where concerns are identified. |
| <b>Lead Team</b>           | Communities                                                                                                                                                                                                                                         |

**The latest version of this Policy should be accessed through The Hub area of the IVH intranet. Printed copies may not be the most current version and should not be relied upon without checking the intranet versio**

