



Income Management Policy

In response to the Government guidance and restrictions relating to the Coronavirus pandemic, Irwell Valley Homes reserve the right to amend any affected procedures to ensure that we are following safe ways of working to ensure the continued safety of both customers and colleagues,

Policy:

1.0 introduction

- 1.1 This policy sets out to ensure that Irwell valley homes (IVH's) rental income is maximised to its full potential whilst at the same time tackling financial exclusion within our communities. It underpins a debt recovery procedure that is efficient, effective and gives value for money.
- 1.2 It is recognised that Income Management (IM) is an emotive area of work and IVH's is committed to treating all customers fairly whilst reminding them of their responsibility to pay their rent and/or service charge/s. Whilst a serious view is taken of outstanding debt, it is recognised that some customers are financially or otherwise disadvantaged; therefore, a preventative and supportive approach will be adopted by IVH's.

2.0 aim

- 2.1 The Rents team aims to implement an innovative approach to rent collection and debt reduction without compromising customer care through a combination of:
 - Prevention - to implement preventative measures that help to minimise the risk of debt occurring
 - Early Intervention – to ensure that there are a range of effective intervention measures available to address debt issues
 - Enforcement - to effectively utilise the range of enforcement powers available
- 2.2 The Rents team aim to ensure that all customers receive their maximum and correct entitlement to benefits. Customers will be encouraged to communicate with IVH's at all times especially when difficulties arise and will be given informal welfare benefits guidance and referred to specialist agencies as and when appropriate.
- 2.3 The Rents team will ensure that any applicable legislative and welfare benefit changes are reviewed and the impact on customers is considered. In particular the transition from legacy benefits to universal credit due to a change in a customer's circumstances or by the future managed migration. This will be closely monitored assessing both organisational and customer impact.

Title of the policy / procedure Income Management Policy	Responsible Director: Customer Experience Director	Author: Rents and Enforcement Manager	Page 1 of 4
Approved by/when: Head of Tenancy Services July 2021		Next Review Date: July 2023	

- 2.4 This policy will reflect good practice and meet legal and regulatory requirements at all times. We will continually monitor good practice and statutory and regulatory requirements.
- 2.5 Our procedures will take account of the Pre-Action Protocol for Possession Claims brought about by social landlords (issued under the Civil Procedure Rules in April 2015 and updated January 2020) and the Coronavirus Act 2020.

3.0 prevention

- 3.1 The Rents team will work alongside other key internal departments to include Lettings, Tenancy Management, Tenancy Sustainment, Customer Service and Support team, Finance and external agencies to ensure that we set customers up to succeed in their tenancy, not fail.

New customers are:

- advised of how much rent they should pay;
- Assisted with a benefit calculation, if required
- Advised of any shortfalls of rent if applicable for benefits
- Supported with a housing benefit or universal credit applications, if required
- Referred directly to our Tenancy Sustainment team (TST) if they meet the qualifying criteria
- required to make an advanced payment;
- advised of all payment methods;
- encouraged to make use of Direct Debits (our preferred payment method) to manage their money more effectively.
- Signposted for furniture provision, if required

4.0 early intervention

- 4.1 IVH's takes debt recovery seriously but recognises that the most effective and economic way of tackling it is through early intervention. We therefore place a great deal of emphasis on providing support, guidance and assistance in several ways.
- 4.2 Customers who meet the qualifying criteria will be referred into the TST and our Tenancy Sustainment Coaches will provide the right support tailored to the customers needs to help them live in their home independently and successfully.
- 4.3 The Rents team will check if customers qualify for benefits, and support will be provided to ensure income is maximised. The Rents team will ensure they advise customers of the process of how to claim housing benefit and universal credit should a change in circumstances occur, assisting them with this if necessary, in doing so reducing the likelihood of arrears accruing.
- 4.4 The Rents team where necessary will complete income and expenditure checks to ensure that where an agreement is made by a customer to repay a debt it is practical and can be adhered to.

Title of the policy / procedure Income Management Policy	Responsible Director: Customer Experience Director	Author: Rents and Enforcement Manager	Page 2 of 4
Approved by/when: Head of Tenancy Services July 2021		Next Review Date: July 2023	

- 4.5 Where available and customers are eligible the Rents team will promote/signpost to external grant funding to assist customers in dealing with debt. Where required the Rents team will support customers in their application.
- 4.6 Research has shown that low income, intermittent work and other financial pressures remain key causes of financial exclusion which can subsequently lead to financial hardship. In recognition of this –the TST lead on financial inclusion projects in conjunction with other teams across the business to include the Rents team using our customers data to deliver services specific to their needs.
- 4.7 The Rents team promotes affordable sources of credit to our customers through IVH’s partnership with Manchester Credit Union as an alternative to high interest and illegal lenders.
- 4.8 Customers requiring specialist debt advice are signposted and/or referred to external debt advice agencies such as Step Change Debt Charity and National Debtline. IVH’s also funds an advice surgery in Sale and the Irwell valley foundation also funds an advice surgery in Haughton Green which are both delivered by Citizens Advice. Furthermore, the Rents team will provide general money and budgetting guidance to new and existing customers. In addition, IVH’s continued membership of various forums across Greater Manchester provides us with a platform to share and learn from best practice and access specialist money and debt advice across Greater Manchester.
- 4.9 Housing benefit and universal credit overpayments where notification is provided are fully investigated by the Rents team before monies are deducted from our customers rent accounts, unless recovered by schedule.
- 4.10 The Rents team will provide a dedicated and proactive service, which concentrates on reducing financial exclusion, arrears prevention and the recovery of all aspects of debt which will include current, former, shared owners, leaseholders, market rent, intermediate market rent, and garages
- 4.11 Personal contact with any customer in debt is critical for effective debt control and reduction. Where customers do not co-operate, or respond to action to recover debt, the Rents team will pursue the debt via the arrears process, and in the case of rent debt, this could ultimately result in the loss of a customer’s home (eviction).
- 4.12 When a customer makes a payment, if the customer is charged both a service charge/s and rent, IVH’s will apportion the payment accordingly and will credit the service charge account first followed by the rent account with all payments being apportioned in date order i.e. the oldest debt being paid first.

5.0 enforcement:

- 5.1 Providing that arrangements are made and maintained, no further legal action will be taken, however, in the event of non-payment further legal action will commence. The Rents team has a duty to all customers to keep costs to a minimum but will not hesitate to take legal action if the customer refuses to cooperate or give priority to payment of their current rent and/or service charge/s. Legal action, in particular eviction proceedings, will only be taken as a last resort.

Responsibility:

Title of the policy / procedure Income Management Policy	Responsible Director: Customer Experience Director	Author: Rents and Enforcement Manager	Page 3 of 4
Approved by/when: Head of Tenancy Services July 2021		Next Review Date: July 2023	

6.0 The Head of Tenancy Management is responsible for the effective implementation of this policy. This Policy will be monitored via several channels including the Rents and Enforcement Manager and from time to time our Internal Auditors.

Equality and Diversity Implications:

7.0 equal opportunities:

7.1 IVH's is committed to treating people with honesty, dignity, respect and trust. This applies to colleagues, customers and Board Members; all of whom undertake not to discriminate directly or indirectly or victimise because of race, gender, gender reassignment, disability, sexual orientation, age or religion and belief.

7.2 All information/literature can be made available in other formats or translated on request.

Cross Reference Documents:

8.0 this document is to be read in conjunction with the following documents:

- Income Management, Former Tenant, Shared Ownership and Garage Arrears Procedures
- Equality Impact Assessment for Income Management
- Tenancy Policy
- Tenancy Agreements
- Equality and Diversity Framework
- Complaints Policy
- Financial Inclusion Strategy, Action Plan

Title of the policy / procedure Income Management Policy	Responsible Director: Customer Experience Director	Author: Rents and Enforcement Manager	Page 4 of 4
Approved by/when: Head of Tenancy Services July 2021		Next Review Date: July 2023	