

INCOME AND DEBT MANAGEMENT POLICY



MONITORING INFORMATION:

POLICY/PROCEDURE/STRATEGY:	INCOME AND DEBT MANAGEMENT POLICY
DATE APPROVED:	MAY 2024
EXPIRY DATE:	MAY 2027
OWNER:	INCOME & LETTINGS MANAGER
APPROVAL ROUTE:	EMT

Income and Debt Management Policy

Introduction:

This policy covers the framework for collecting rents and charges; for the prevention of arrears and for action taken against customers who fall into arrears. It applies to all the company's sources of income.

Teign Housing is committed to keeping rent and other debts at the lowest possible level, to maximise income and to demonstrate good financial management.

The company expects all customers to pay their charges or, to ensure that payments are made on their behalf, in accordance with their tenancy agreement or lease. However, Teign Housing also recognises that, for a variety of reasons, customers do sometimes fall into debt.

Teign Housing's approach on the recovery of income is to offer all relevant support and advice to customers, ensuring they understand their responsibilities and entitlement to benefits, or other sources of financial assistance. When debts do arise, Teign Housing will take prompt action in line with this policy and associated procedures.

This policy is supported by the Financial Regulations and detailed procedures, which provide guidance for staff.

Policy Statement:

- Teign Housing will comply with all legal and regulatory requirements in relation to debt and arrears recovery.
- We will place the emphasis on effective prevention of debt and take a firm yet fair approach to help customers pay their charges, to minimise debt and to sustain tenancies.
- We will offer the service of our Head Start advisors to tenants who may need support with their finances or benefit claims.
- We will keep tenants and leaseholders informed about benefits and other financial help which may be available to them.

- We will work in partnership with the various agencies to ensure we provide an efficient service to our customers.
- We will 'make every contact count always' helping customers to manage their accounts effectively, minimising the chances of debts occurring and the need to take formal action for recovery.
- We will offer a wide range of payment methods to our customers.
- We will encourage payment by direct debit and offer an any day collection option to provide flexibility for the tenant.
- We will act promptly to contact customers who fall into debt.
- When debts cannot be cleared in full, we will agree, a suitable payment plan.
- Rent and service charges will be treated as a single debt and subject to the same recovery action. All payments received will firstly be allocated to rent debt. Payments will only be all allocated to other debt when there is no debt on a customer's rent account.
- Applying to the court to evict a customer should be considered as a last resort and only used when all other efforts to prevent rent arrears accruing have been exhausted, in line with the Pre-Eviction Protocol as set out by the Ministry of Justice, and only when approved by the Director of Customers & Communities and Chair of the Board of Teign Housing
- We will not take possession of a tenant's home when a repayment agreement has been made and is being adhered to.
- In line with our Standing Orders and Financial Regulations, debts which are agreed as unrecoverable may be written off by the Chief Executive, or the Board as appropriate.
- The Board will approve all rent and service charge increases in accordance with the company's standing orders and Financial Regulations.
- We will treat all customers in a fair and non-discriminatory way in accordance with our Equality and Diversity Policy.
- We will ensure consistency with all other Teign Housing Policies.

Performance Standards:

- The Scorecard shows the level of current tenant arrears, rent collection rate, Teigncare arrears, former tenant arrears and recharge debt and is reported on a monthly basis.

Linked Procedures:

- Income collection procedure
- Credit control procedure