

Policy	Income policy
Date adopted	April 2024
Date of next review	April 2027
Version	1
Responsible board	Homes board
Responsible officer	Head of income

Our promise to you

We are committed to providing excellent customer service so that every time you contact us you have a good experience. Our income collection policy has been developed to give you a clear understanding of how Homes Plus collects rent and service charges, manages income and supports tenants to help them maximise their household income.

We will:

- ◆ Aim to take a fair and rounded approach to managing Housing Plus Group's income, abiding by legislation, and taking customers' circumstances into account.
- ◆ Offer suitable income advice and support to customers to help them sustain their tenancies.
- ◆ Look to maximise income, ensure business viability, and meet Housing Plus Group's corporate targets and objectives.

1. Policy statement and purpose

This policy sets out how we collect rent and other charges and our approach to managing income effectively. We balance the need to maximise income collection with advice and support for our customers.

2. What the policy covers

This policy applies to all rented homes, garages, and commercial units where the landlord is Homes Plus or Severn Homes.

3. Definitions contained in the policy

Alternative Payment arrangements – For Universal Credit (UC) claimants who are unable to manage their monthly UC award and make payments towards their rent. The Department for Work and Pensions make sure the rental element is paid directly to Homes Plus.

County court – A court which deals with civil (non-criminal) matters in England and Wales including property re-possession cases. (We refer to the county court as the court throughout this document.)

Eviction – The removal of a tenant from the property where they live following an order from the court. Homes Plus will only look to evict a customer as a last resort.

Ground 8 application – Ground is the term used for a mandatory reason for possession. A Ground 8 application is used for serious arrears only. If a customer is at least 8 weeks behind with their rent when the notice seeking possession is served and the case goes to court, the court must order the eviction to take place.

Ground 11 application – The court can order possession based on ground 11 if the tenant has persistently paid their rent late. The court can order possession even if there are no arrears on the day of the court hearing.

Housing Benefit overpayment – If the local authority thinks that a customer has been awarded too much Housing Benefit, this is called an overpayment. The local authority will usually reduce or stop ongoing payments until the overpayment is recovered. In some cases, the local authority will recover the overpayment by taking a lump sum directly from the customer's rent account.

Mandatory grounds – Only applied in serious cases of rent arrears and other breaches of tenancy conditions. If mandatory grounds are used as a reason for possession, the court must make an order for the tenant to leave the property.

Notice seeking possession – written notice from the landlord informing the tenant that they intend to take the matter to court. The notice is served giving the reason, which can be referred to as the ground, we intend to use as part of the county court application.

Possession – The legal process where a landlord takes the property back from the tenant via a county court order. If a court order is granted, the tenant is required to leave the property.

4. The following statements apply to the Homes Plus income collection policy

4.1 We charge rent and service charges over 48 weekly installments per financial year for most of our customers. There are 4 non-chargeable weeks.

Shared Ownership and Market Rent customers are charged rent and Service Charges monthly.

The amount and frequency of rent and service charges are set out in a customer's Tenancy Agreement or Lease.

4.2 Although we offer several payment options, we promote Direct Debit to customers as it is the most cost-effective payment method we provide.

4.3 We only accept cash payments in exceptional circumstances. e.g. to pay off a large amount of rent arrears prior to an eviction.

4.4 We use an appropriate Housing Management system to manage rent and other charges with individual customer accounts showing rent balances, sub accounts and former tenant arrears. Customers can review their rent account balance and make payments via our customer portal.

4.5 In line with legislation, Service Charge statements and expenditure estimates are sent to customers annually. This is in accordance with Service Charge legislation.

4.6 We provide rent information to customers on request and via our customer portal.

4.7 We provide new customers with information about our payment options and help them to claim Housing Benefit or Universal Credit if needed as part of our tenancy sign-up process.

4.8 We will only apply to evict a customer who has either clearly left the property or has very high levels of arrears and is no longer engaging with the Income Team.

5. Income case management

- 5.1** We want to make sure that our customers receive all the income they are entitled to. We work with customers to maximize their income, helping them to sustain their tenancies.
- 5.2** We work with local authorities and the Department for Work and Pensions about payment of benefits for our customers. Local authority partners provide us with a Service Level Agreement for Housing Benefit payments.

The Service Level agreements cover:

- ◆ Timescales for claim processing and payments.
- ◆ Agreement of eligible rents and Service Charges.
- ◆ Information sharing.
- ◆ The process for recovering Housing Benefit overpayments.

We have access to the Department of Work and Pension's landlord portal which allows us to share information regarding our customer claims.

- 5.3** Our Employment and Money Advice team provides help and support for individual customers. This service is free and confidential and helps customers to claim the right benefits and any other income they are entitled to. Debt advice is also available, particularly for customers who are in arrears or at risk of being evicted.
- 5.4** We carry out an affordability assessment for all new customers. Our Employment and Money Advice team offers welfare benefit advice and assist customers to apply for Housing Benefit or Universal Credit.
- 5.5** We will work with customers at every stage of the rent and service charge collection process to encourage them to talk to us so that we can help and support our customers as appropriate.
- 5.6** We take a supportive but firm approach to rent arrears collection, using appropriate legal and economically viable methods for rent recovery. This includes direct payment of Housing Benefit to Homes Plus, Alternative Payment arrangements for Universal Credit claimants, direct deduction of other Department for Welfare and Pensions benefits, court action and ultimately for rent arrears, eviction.
- 5.7** For customers who are continually in rent arrears, we may consider serving a notice seeking possession under Ground 11 of the Housing Act 1988.
- 5.8** In exceptional circumstances, we may serve Ground 8 Notice Seeking Possession for rent arrears. As this is a mandatory ground for legal action, Ground 8 applications are subject to a sign-off process by the Homes Plus Income Manager and Head of Income.
- 5.9** We will keep customers informed at every stage of the arrears process, advising them of the reasons for any legal action being taken and the implications for the customer. As part of the legal process, we make every effort to contact our tenants personally.
- 5.10** When a customer receives an overpayment of Housing Benefit and we are satisfied that the overpayment has been correctly calculated by the local authority, we will repay the local authority and add this amount to the customer's rent account.
- 5.11** Universal Credit overpayments are recovered directly from the customer by the Department for Welfare and Pensions.
- 5.12** The costs of taking legal action are added to the customer's account and recovered as part of any court order repayment terms set out by the court.

5.13 We will not commence court action where we understand the customer is eligible for and has made a claim for either Housing Benefit or Universal Credit and has provided all the evidence required for the claim to be processed and put into payment.



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