



Ongo Homes'

Income Collection Policy

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1. Our policy is...

- 1.1 Ongo Homes (OH) believes that it is vital that customers are able to pay rent and other charges relating to their accommodation in full, and on time, to enable them to sustain their tenancy and remain in their home. In turn, this will ensure the future viability of the organisation and the communities we work in.
- 1.2 To enable this, we will work to develop a payment culture to ensure that customers are offered a choice of payment methods, including assistance with benefits, and receive clear and timely information to help them keep up to date with their rent. If customers do fall behind with their payments we will work with them and other local agencies to resolve the situation.
- 1.3 In the minority of cases where we are unable to reach a satisfactory outcome, we will use the legal powers available to us to enforce the conditions of the tenancy, which may include the use of Tracing Agents and in certain circumstances Debt Collection Agencies, only using eviction as a last resort.
- 1.4 Where Former Tenant Arrears are uneconomical to pursue or there is no prospect of recovery, the debt will be written off in accordance with the Bad Debt Provisioning and Write Off Policy and the Former Tenant Arrears Procedures.

2. It applies to...

- 2.1 This policy covers debts owed to OH in respect of:
 - ✓ Rent Arrears;
 - ✓ Garage Arrears;
 - ✓ Recharges;
 - ✓ Service Charges;
 - ✓ Court Costs in relation to the above.
- 2.2 The collection of leasehold service charges levied by OH is covered in our Leasehold Service Charge Arrears Policy.



3. Because we want to...

- ✓ Maximise the income collected by OH;
- ✓ Create a payment culture amongst our customers;
- ✓ Ensure customers maintain their tenancy;
- ✓ Make it as easy as possible for customers to pay rent and other charges;
- ✓ Maximise customer income by providing access to relevant advice and support;
- ✓ Ensure that customers and staff work within the framework set out by relevant legislation and good practice set out in the Pre-action Court Protocol;
- ✓ Reduce financial exclusion by providing access to and advice on bank accounts, low-cost credit, budgeting and by linking tenants with providers of low-cost financial services;
- ✓ Reduce digital exclusion; and
- ✓ Ensure a consistent approach to the collection of debts owed.

4. We will...

4.1 Provide clear information to ensure customers understand the importance of paying rent and other charges and the payment options available to them

- 4.1.1 We will make our expectations of customers clear in our lettings and sign-up procedures, through our tenancy agreement and in our Tenant Handbook.
- 4.1.2 We will ensure all customers, including those applying for a home, are made aware of the importance of making rent and service charge payments on time and in full. We will ask all customers to pay rent and other charges in advance in line with their obligations within the tenancy agreement.
- 4.1.3 We will ensure that customers are given sufficient information and advice to ensure their rent and other charges are paid, e.g. the payment options available to them and their likely benefit entitlement.
- 4.1.4 Customers will be informed of the consequences of non-payment at the time of signing for their tenancy and throughout their tenancy. Should non-payment occur, action will be taken in line with the agreed arrears trigger levels and discussed fully with the customer.



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- 4.1.5 We will use all available opportunities to gather relevant information on customers and their income, and use this to assist us to provide useful information and advice.
 - 4.1.6 We will provide information to our customers in the format they require that is appropriate to their needs.
 - 4.1.7 We will promote positive examples of dealing with arrears and the importance of keeping up to date with payments through our newsletter and website.
 - 4.1.8 We will provide rent statements on a quarterly basis or as agreed with individual residents and on demand and make rent statements available for tenants to view on line.

4.2 Offer a choice of payment methods

- 4.2.1 We will offer a range of payment options to customers and look to make best use of innovative ways of enabling customers to make payments.
- 4.2.2 Methods of payment may include:
 - ✓ Post Offices and PayPoint outlets;
 - ✓ AllPay Kiosk
 - ✓ Direct debit or Standing Order;
 - ✓ Deductions from salaries, where customers are also employees;
 - ✓ Deduction from salaries where customers' agree an arrangement with their employer to do so;
 - ✓ Telephone and Internet Banking;
 - ✓ Internet payments via the OH Website;
 - ✓ Direct payments from the Department for Work & Pensions (DWP);
 - ✓ Mobile App;
 - ✓ Text Payments;
 - ✓ Telephone Payments to OH;
 - ✓ Automated Telephone Payments to AllPay;
 - ✓ Other – e.g. jam jar accounts
- 4.2.3 In the case of evictions we will accept payment by cash or banker's draft only, depending on the immediacy of the eviction date.





4.3 Manage cases where customers are in arrears

4.3.1 We will monitor individual rent accounts on a regular basis and take appropriate actions accordingly.

4.3.2 Where a customer falls behind with their rent or other payment, we will attempt to speak to customers who are experiencing difficulties as early as possible. Our aim is to intervene at an early stage to prevent problems escalating, without resorting to legal action.

4.3.3 When we need to contact customers in respect of their rent, we will do so in the most appropriate way and ensure this is clear and understandable. If we need to write to customers, we will ensure all our written communication is in the customers' preferred format to ensure clear messages are conveyed and that customers' preferences are taken into account when sending information to them.

4.3.4 If a customer has an appointed trustee/deputy/attorney to act on their behalf due to their age or lack of mental capacity, the income collection process and methods will be the same. We will contact both parties but, as long as the customer is a minor or lacks capacity, we will only take action against the trustee/deputy/attorney .

4.3.5 We will work with advocates or agencies supporting vulnerable people to resolve payment issues and will only take enforcement action as a last resort.

4.4 Prioritise multiple debts

4.4.1 Our customers have a responsibility to pay any monies due under the terms of their tenancy agreement, with the highest priority given to debts that maintain a customer's home.

4.4.2 Wherever possible we will try to establish an overview of all a customer's debts when they first make contact. Where a customer owes multiple debts to OH, it is recognised that it is in the interest of all parties to allocate repayment on the basis of the priority of the debt.

4.4.3 Debts owed to OH will be prioritised as follows:

1. Current rent (home or garage)
2. Court Costs
3. Additional Tenancy Conditions



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- 4. Recharges (Current)
 - 5. Former Tenancy Arrears (incl. Court Costs)
 - 6. Recharges (Former)

4.4.4 Any payments made by a customer will be allocated by the priority rating detailed above. However, we will allow customers to make payments against other debts owed to us, provided that the weekly rent payment has been made.

4.5 Support customers

- 4.5.1 We will be pro-active in our attempts to minimise debt and provide opportunities for customers to maximise their income and develop budgeting and money management skills.
- 4.5.2 We will provide training for front-line staff in topics such as Welfare Benefits, Financial and Digital Inclusion, Energy Efficiency/Avoiding Fuel Poverty and Debt Recovery so they are better able to support customers.
- 4.5.3 We will make use of strategic and operational partnerships with other agencies where appropriate. For example, we will continue to strive to maintain a good relationship with North Lincolnshire Council, Credit Unions, Citizens Advice Bureaux and other advice and support providers who can help to improve the services we offer and support our customers.
- 4.5.4 We will offer signposting and referrals to the in-house Financial Inclusion Team (FIT) or to our external partners to all customers who fall behind with their rent, throughout the arrears recovery & legal process and where a customer is having difficulty in sustaining their tenancy.
- 4.5.5 Where an applicant for housing has a history of high levels of debt and/or there are concerns over their ability to afford their rent, we will consider their suitability for a tenancy in accordance with our Lettings Policy.
- 4.5.6 Where necessary, we will offer translation, signing and interpretation services to those who require it.





4.6 Exceptional Circumstances

4.6.2 We will always endeavour to meet the needs of the individual and as such, some requirements of this policy may be waived due to exceptional circumstances. In these cases, decisions must be agreed by the Income Collection Manager and the Lettings Manager.

4.7 Enforcement action

4.7.1 Where customers persistently miss payments or avoid contact with us, we will quickly take the appropriate legal action to secure and recover the debt. This may include the enforcement of Assured Short-hold Starter or Fixed Term tenancies. We will also consider using all grounds for possession.

4.7.3 Where legal action is required we will ensure that we adhere to the principles of the Pre-action Court Protocol and liaise with the courts on a regular basis.

4.7.4 Throughout legal proceedings we will continue to offer support and advice to customers who are in arrears to encourage payment. We will ensure they continue to have every opportunity to reduce their arrears.

4.7.5 We will consider the individual circumstances of the tenant and the proportionality of seeking possession. We will ensure that we use eviction only as a last resort.

4.7.6 To assist in the recovery of Former Tenancy Arrears, we will use external resources such as Debt Collection Agencies and Tracing Agencies.

4.8 Confidentiality and Data Protection

4.8.1 We comply with data protection requirements and do not pass personal information about a customer to other parties without their consent except under circumstances allowed by the Data Protection Act 1998.

4.8.2 This means that we may discuss arrears cases and action we are taking with other parties and advice agencies but we will not disclose information about the personal circumstances of customers unless we have their permission to do so.



4.9 Complaints and Review

- 4.9.1 In certain circumstances, tenants can request a review of our decision to take action to end their tenancy as outlined in our Tenure Policy.
- 4.9.2 If customers are dissatisfied with the way their case has been dealt with, they can make a complaint under our Complaints and Feedback Policy.

5. Making sure we do what we say...

- 5.1 The Head of Housing Management is responsible for monitoring the service.
- 5.2 The Income Collection Manager is responsible for ensuring this policy is adhered to on a day-to-day basis.
- 5.3 All staff who involved in collecting payments and providing advice & assistance to customers are responsible for ensuring they comply with the requirements of this policy.
- 5.4 We will set and monitor targets relating to:
- ✓ Current rent arrears as % of the debit (Estimated end of year debit);
 - ✓ Former customer arrears as % of the debit (Estimated end of year debit);
 - ✓ Bad debt write offs as a percentage of rent roll write offs;
 - ✓ Percentage of customers evicted for rent arrears;
 - ✓ Income received as a percentage of rent debit (excl arrears)
- 5.5 Performance will be reported to the Executive Management Team via the monthly balanced scorecard, to the OH Board on a quarterly basis, and annually to our customers in the annual report.

6. Other things to bear in mind are...

- 6.1 Our policies & procedures on:
- ✓ Bad Debt Provisioning and Write Off;
 - ✓ Home Choice Lincs;
 - ✓ Complaints and Feedback
 - ✓ Lettings;



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- ✓ Equality & Diversity;
 - ✓ Housing Benefit Service Level Agreement;
 - ✓ Leasehold Service Charge Arrears;
 - ✓ Mental Capacity Guidance;
 - ✓ Rent and Service Charge Setting;
 - ✓ Income Collection;
 - ✓ Recharge;
 - ✓ Tenure Policy;
 - ✓ Welfare Reform Strategy;
 - ✓ Under Occupancy Scheme.

6.2 The main pieces of legislation and regulation relevant to this policy include:

- ✓ [Administration of Justice Act 1970](#)
- ✓ [Civil Procedure Rules](#)
- ✓ [Data Protection Act 1998](#)
- ✓ [Enterprise Act 2002](#)
- ✓ [Equality Act 2010](#)
- ✓ [Office of Fair Trading Debt Collection Guidelines](#)
- ✓ [Pre action Court Protocol](#)
- ✓ [Protection from Harassment Act 1997](#)
- ✓ [Housing Acts 1985 and 1996](#)
- ✓ [Human Rights Act 1998](#)
- ✓ [Limitation Act 1980](#)
- ✓ [Mental Health Act 2007](#)
- ✓ [Welfare Reform Act 2012](#)
- ✓ [Localism Act 2011](#)

7. We'll look at this again...

7.1 In a year's time.

8. Jargon Buster



Reference	Definition
Customer	In the context of this policy, customer means tenants, former tenants and private individuals (such as those renting garages from OH) who owe debts to OH in respect of those items listed in section 2. This also includes executors/personal representatives in the case of death.
Debt Collection or Tracing Agency	A private company contracted by OH to trace former tenants in order to obtain payment for outstanding debts. The company may also collect payments on behalf of OH. This avenue is only pursued when all internal attempts to collect the debt have been exhausted.
Former Tenant Arrears	These arise when a tenancy ends and rent remains unpaid.
Benefit	Payment of any benefit by North Lincolnshire Council, the DWP or any other Government department.
Recharges	Are charges applied to a tenant or former tenant when we discover that something is broken, damaged or missing. The recharge covers the cost of repairing or replacing the item. For further information refer to the Recharge Policy.
Service Charges	Any services included in the tenancy agreement for which an additional charge is made for example: <ul style="list-style-type: none"> ✓ Communal heating ✓ Water & sewerage ✓ TV Aerials ✓ Lifts ✓ Door entry ✓ Retirement & sheltered scheme officer ✓ Window cleaning ✓ Laundry ✓ Grounds Maintenance ✓ Cost of caretaking ✓ Concierge
Pre-action Court Protocol	A set of guidelines which must be followed by both parties in a civil suit court case before hearings can begin.



Declaration of Trust	A legal document that is completed by OH and an adult who will take responsibility for the tenancy of a minor. The adult then holds the tenancy in trust for the minor until they attain the age of 18. This is necessary to enable OH terminate the tenancy should there be breaches that would require this.
Appointed Trustee	The adult who is appointed under the Declaration of Trust to hold the legal interest in the tenancy agreement on behalf of a minor.

