



Income Collection Policy

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Approved By	Birnbeck Committee
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1. Policy Statement

- 1.1 This policy sets out the principles for rent and service charge collection for Birnbeck Housing.
- 1.2 Effective rent and service charge collection is essential for Birnbeck's financial viability; therefore, minimising rent and service charge arrears is essential for us to be able to provide high quality services and homes for our residents. As such we expect all of our residents to maintain a clear rent account.
- 1.3 This policy sets out our approach to preventing and recovering rent and service charge arrears from our residents. Our approach is to focus on tenancy sustainment through early intervention, support and enforcement.
- 1.4 We adopt the approach that early intervention will reduce the likelihood of arrears accruing. We will not evict a resident who is actively engaging with us to tackle their arrears. Eviction is always a last resort where all other remedies have been unsuccessful.

2. Scope of Policy

- 2.1 This policy applies to all tenures managed by Birnbeck Housing. This includes all general needs housing, supported housing, sheltered housing and leaseholders.
- 2.2 For the purpose of this policy, 'rent arrears' refers to both rent and service charge arrears collectively.
- 2.3 For the purpose of this policy, the term 'resident' refers to both sole and joint tenants.

3. Legislation and Guidance

- 3.1 The keys areas of legislation and guidance that apply to this policy are:
 - Housing Act 1985
 - Housing Act 1988 or 1996
 - Protection from Eviction Act 1977



- Pre-Action Protocol for Possession Claims by Social Landlords
- Data Protection Act 2018
- Equality Act 2010

4. Our Approach

Support

- 4.1 Our aim is to encourage a culture where residents actively pay their rent in full and on time. We aim to do this by:
- Carrying out affordability checks before residents move into our properties to ensure that they can afford the rent and service charges.
 - Provide residents with a range of payment methods such as standing orders, bank transfers, debit/credit card payments and cheque payments.
 - Contact new residents who are considered at risk of arrears within two weeks of the start of their tenancy to help establish a payment pattern.
 - Provide welfare benefits and debt advice to residents, to help residents manage their money and ensure that they are claiming any welfare benefits that they may be entitled to.
 - Keep up to date with Welfare Reform legislation to be able to support our residents through the impact of any changes.
 - Provide residents with rent and service charge statements on request.
 - Ensuring our rents comply with government and regulatory standards to set rent levels as affordable as possible.
 - Birnbeck recognises that residents may become vulnerable based on their financial or other circumstances. If we feel that a resident may require additional support, we may refer a resident to third party agencies.

Early Intervention

- 4.2 When a resident falls into more than two weeks rent arrears, we will make contact with the resident by letter, telephone or email to discuss the arrears.
- 4.3 If we fail to make contact, we will follow up using a variety of communication methods in order to try and make contact with a resident.
- 4.4 For residents who are unable to repay their rent arrears in full, we may agree to a repayment plan for those residents, especially those residents who have disclosed their income and expenditure details to Birnbeck and/ or we feel may be vulnerable due to their circumstances.
- 4.5 We will work with our residents whose rent arrears are a result of a problem with Universal Credit and Housing Benefit claims to try and help resolve any issues.
- 4.6 We will also seek third party deductions from Universal Credit where necessary to safeguard a tenancy.



Enforcement

- 4.7 If we have been unable to make contact with a resident and/or the resident fails to make payments towards the rent arrears or adhere to a payment agreement, we will commence enforcement action.
- 4.8 Whilst we will continue to seek contact with the resident to discuss the arrears, if the arrears are higher than eight weeks rent, we will issue a Notice of Seeking Possession (NOSP) under Section 8 Housing Act 1988 using one of the Grounds for obtaining possession as set out in Schedule 2 of the Housing Act 1988.
- 4.9 A NOSP relying on Ground 8 will be used in the below circumstances and can be used in conjunction with other Grounds from the Housing Act 1988. These circumstances are:
- Where a resident owes at least eight weeks rent.
 - Where a resident is wilfully refusing to pay their arrears.
 - If a resident refuses to communicate or cooperate with Birnbeck.
 - Where the arrears are the result of a fraudulent welfare benefit claim.
- 4.10 Birnbeck Housing will not progress possession proceedings where:
- The resident is cooperating with Birnbeck.
 - If the rent arrears have been caused by a delay in Universal Credit or Housing Benefit processing claims.
- 4.11 We may postpone possession proceedings if a resident successfully makes a debt relief order, bankruptcy order, Breathing Space order or a voluntary repayment arrangement.
- 4.12 If Birnbeck has successfully obtained a Possession Order, we may execute a warrant of possession if the resident breaches the terms of the court order or agreement. Where an Outright Possession Order has been obtained, Birnbeck hold the right to execute a warrant of possession taking the resident's circumstances into account.
- 4.13 Birnbeck Housing may deviate from these guidelines based on an individual's circumstances.

5. Writing Off Arrears

- 5.1 Decisions to write off any resident arrears will only be considered in exceptional circumstances such as bankruptcy or debt relief orders.

6. Credit

- 6.1 Where there is a credit on a resident's rent account, a request should be made to receive a refund. Refunds will normally be paid within 14 days. If the resident is in receipt of any Universal Credit or Housing Benefit Payments, checks will be paid to ensure that no funds are owed to the local authority or the Department of Work and Pensions before any refund to the resident is made.



7. Former Tenant Arrears

- 7.1 Birnbeck will seek to recover monies owed by former residents where it is economically viable to do so, including customers who do not provide a forwarding address. This may include using reputable third-party collection agencies.
- 7.2 If it is uneconomical to pursue the debt or there is no prospect of recovery, the debt will be written off.

8. Equality, Diversity and Inclusion

- 8.1 Birnbeck is committed to Equality, Diversity and Inclusion and strive to fairly treat our residents of all races, ages, religion, gender, sexual orientation and disability.
- 8.2 This policy aligns with our Equality, Diversity and Inclusion policy.
- 8.3 All residents can have access to this policy.
- 8.4 This policy and any accompanying information can be translated or provided in an alternative format upon request.

9. Appeals and Complaints

- 9.1 If a resident wishes to complain about the service they have received in relation to this policy, it will be addressed in line with our Complaints policy.

10. Monitoring and Review

- 10.1 Birnbeck will review this policy every three years unless legislation, business or sector changes require changes to be made sooner to ensure that we meet all of our obligations as a social housing landlord.