



## **Housing Services Rent setting and Income Recovery Policy**

### **1. Introduction**

**1.1** The Income Recovery team are responsible for maximising income and will work with other social housing providers, voluntary organisations and debt advice agencies to coordinate the provision of welfare benefits and debt advice and help to reduce all corporate debt.

**1.2** The policy aims to ensure that income streams from money owed due to rent arrears and other associated corporate debts are maximised through the effective and efficient management of accounts and there is a firm but fair and equitable approach when dealing with arrears and income collection.

### **2. Scope**

**2.1** This policy applies to all tenure types in DDC properties managed by Housing Services. It applies to the income and arrears recovery of:

- Current rent
- Former Tenant Debts
- Housing Benefit Overpayments
- Leasehold Service Charges
- Leasehold Major Works charges
- Garage rental and garage plot charges
- Use and Occupation Charges
- Court Costs
- Rechargeable Repairs or other services

### **3. Rent setting and legislative framework**

**3.1** Registered providers must comply in full, with all the requirements and expectations set out in the Regulator of Social Housing's Rent Standard.

**3.2** The Government rent setting policy sets out clearly the formula for rent setting based on relative property values and relative local earnings.

**3.3** Service charges will continue to be governed by tenancy agreements and leases, as well as relevant common law and statute, including the Landlord and Tenant Act 1985.

## **4. Policy Statement**

**4.1** Dover District Council (DDC) rely on the income of their rental properties to ensure their housing service is viable. This policy sets out the main principles to maximise the income from rent by being proactive in income recovery. For tenants in arrears, coping with debt can be an anxious experience and the Income Team will endeavour to provide support and assistance to tenants.

**4.2** DDC will take positive action to prevent arrears occurring i.e. by maximising income and providing a range of payment methods.

### **Methods of payment**

Tenants can pay by the following means: -

- By monthly Direct Debit
- By weekly or monthly standing order via their bank
- By debit card over the 24-hour payment line or online via the website or over the phone with the income team if at court/eviction stage.
- By payment card, which is available to use at the Post Office and Payzone

## **5. Aims and Objectives**

**5.1** When pursuing income recovery, we will ensure a professional, consistent and timely approach to recovery action for which we are responsible.

**5.2** We will focus on arrears prevention and promote a payment culture for both new and existing customers. We will emphasise the connection between paying rent and being able to provide high quality services.

**5.3** We recognise that many of our Customers will be the most vulnerable in society. We will ensure a balance between effective rent recovery and supporting our Customers to enable them to meet their payment obligations.

**5.4** We will establish early contact with Customers to resolve outstanding debts by: -

- Contacting all new Customers to explain their responsibilities, recognising potential vulnerabilities at that time.
- Contacting all Customers new to Universal Credit to explain the process and responsibilities.
- Contacting existing Customers as soon as possible to stop arrears from escalating quickly.
- Ensuring that the Benefit and Money advisor provide benefit advice and signpost to debt management organisations for example: Step change
- Helping to maximise income by completing financial assessments and benefit checks

**5.5** We will tailor our approach to different types of Customer as those in general needs accommodation may vary from those in our supported or sheltered accommodation.

**5.6** We will be mindful of our Customers ability to make payments before making any agreement ensuring that an agreement is not setting a Customer up to fail. Should it

prove difficult to establish an agreement, a referral will be made to our Benefit and Money advisor to assist the Customer in finding an appropriate agreement plan.

**5.7** We will promote payment in advance to ensure no arrears are created on the Customer's account. If paying monthly, payment will be monthly in advance.

**5.8** We recognise that the transition from Housing Benefit to Universal Credit can be a significant change to our Customers. We will offer support to Customers who may be affected.

**5.9** We will work in partnership with Revenues and Benefits and the DWP to ensure effective liaison and efficient administration

**5.10** We will ensure a professional, consistent and timely approach to recovery action and offer a range of payment methods but emphasising on Direct Debit as a preferred method of payment.

**5.11** Ensure we meet the correct legislative regulations and procedures. We will always be mindful of the requirements of the pre-court protocol when taking any court action.

**5.12** We will ensure that information recorded is relevant and up to date and will adhere to our rent management procedure.

**5.13** We will always start from a position of requesting payment in full. Where a Customer is unable to do so, we will make arrangements to repay the money due that is affordable to the Customer so that the arrears can consistently reduce.

**5.14** We will consider the cost of the action when determining recovery route to ensure it is cost effective but also not excessive compared to the debt outstanding.

**5.15** We may consider recovery of debts by means of direct deductions from Department of Work and Pensions (DWP). With Universal Credit we will use this action as a default for any Customer in rent arrears of more than two months.

**5.16** We will support and work with the Housing Options Team to assist them in fulfilling their duty to prevent homelessness.

**5.17** We will support and work with Social Services where it is recognised that a Customer is vulnerable and ensure that individual and exceptional circumstances are taken into consideration.

**5.18** Ensure appropriate options for escalation exist where prevention has been unsuccessful and to make use of the full range of enforcement powers available for debt recovery

**5.19** To act for repossession where it is reasonable and proportionate to do so

**5.20** All correspondence will be written in plain English and to encourage prompt contact

## **6. Notification to Residents**

**6.1** We will provide information to residents that explains how their rent and any service charges are set and how they are changed.

**6.2** We will also notify tenants of the revised rent that will be payable at least one month prior to the implementation date.

## **7. Equality and Diversity**

**7.1** DDC are committed to delivering a service that is accessible and fair to all the communities that we serve. We will ensure that all people are treated with respect and dignity. The Equality Act 2010 sets us an “Equality Duty” to:

1. eliminate discrimination, harassment and victimisation;
2. promote equality of opportunity between different groups in the community; and
3. foster good relations within the local community

**7.2** We consider equality issues in new and existing policies, strategies and services to see what effect they will have on different groups within our communities, including those with protected characteristics.

The protected characteristics covered by the Equality Duty are:

- age;
- disability;
- marriage and civil partnership (but only in respect of eliminating unlawful discrimination);
- pregnancy and maternity;
- gender reassignment;
- race – this includes ethnic or national origins, colour or nationality;
- religion or belief – this includes lack of belief;
- sex (gender);
- sexual orientation.

**7.3** We also recognise that socio-economic status can be a significant barrier to equality of opportunity. We identify potential consequences for these groups and ensure any negative impacts are eliminated or reduced. We also identify opportunities to eliminate discrimination and promote positive relations between groups and throughout our communities.

## **8. Complaints**

**8.1** Anyone is able to make a complaint about the service they have received, and this is managed under the DDC Complaints Policy.

## **9. Privacy statement**

**9.1** DDC as a Data Controller, collects information (personal data) in order to manage and support our relationship with our Customers, comply with legal obligations, improve our services and achieve our legitimate business aims. We are

committed to complying with data protection legislation when handling customers' data. Customers have rights around their data, including the right to access their data, and to object to the way it is processed. For more information on how and why we process customer's data, and how Customers can exercise their rights, please refer to our Data Protection Policy here <https://www.dover.gov.uk/Corporate-Information/PDF/Data-Protection-Policy.pdf>. Our privacy notice also provides information on how and why we process personal data, this is on our website at [www.dover.gov.uk/privacy](http://www.dover.gov.uk/privacy) where you can find our corporate and housing service privacy notice.

## **10. Monitoring and Accountability**

**10.1** Arrears actions will be monitored by the Income Manager to ensure that the policies and Procedures are being adhered to at all times.

**10.2** The Income Officers will be accountable for their own area patch, and the Income Manager will have overall responsibility for the whole of the Income Team

**10.3** Arrears collection and performance information will be reported and published quarterly.

## **11. Review**

**11.1** A review of this policy will take place every three years or sooner subject to legal, regulatory or internal changes.

## **12. Links to other Policies and Procedures**

- Rechargeable Works Policy
- Write off policy for former tenant arrears and RWO