



Income Collection Policy

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1. Introduction & purpose

At Colchester Borough Homes (CBH) we rely on the efficient collection of income due on behalf of Colchester Borough Council (CBC) in order to deliver our housing and commercial services. This policy outlines our approach to income collection and maintaining and supporting the values and organisational behaviours of our organisation.

Our fundamental policy aim is to:

‘Collect all income due in a timely and efficient manner whilst recognising the individual needs and circumstances of our customers by fairness and support’.

Whilst the majority of our income is raised through the charging and collection of rent (both current and former), we are also responsible for the raising and collection of other income, including:

- Service charges
- Leasehold service charges, ad hoc charges and ground rents
- Leasehold major works recovery
- Rechargeable repairs
- Rechargeable void works
- Garage rents
- Commercial income
- Homelessness related costs

2. Policy standards

Key standards – we aim to:

- Follow the County Court Protocol when considering legal action to recover debt and take court, eviction and forfeiture action as a last resort
- Focus our time and attention on preventing debts from occurring through pre-tenancy initiatives, effective sign up processes and effective ongoing information and support especially to introductory tenants, younger tenants and those with vulnerabilities
- Use customer insight information and be proactive in providing a targeted income management approach and support customers in maximising their own incomes, benefits and personal responsibility to increase their ability to pay the charges due. Further details are provided in the support section of this policy
- Promote direct personal contact where debts escalate and delivering a fair and tailored approach to individual needs and circumstances
- Notify customers of charges due at the earliest possible stage and provide clear, accurate and relevant information including the provision of regular statements of accounts. We also aim to provide as much information and

income related services as possible online and available 24 hours a day on our website

- Make realistic and affordable arrangements to repay debt with special arrangements made for the repayment of leaseholder major works invoices
- Prevent customers who owe debts from transferring or receiving non-statutory services unless there are exceptional circumstances
- Write off debts swiftly but only where recovery actions have been exhausted and there is no economical reason to continue the action
- Help fund specialist partners to provide dedicated services to our tenants and leaseholders (e.g. Citizens Advice, Colchester CAP Debt Centre)
- To not write off debts for current tenants and leaseholders without exceptional circumstances or legal requirements e.g. bankruptcy or debt relief orders
- Provide ongoing training and development of staff involved in the income collection service
- CBH will ensure value for money in promoting smarter methods of working in relation to reducing administration and promoting automation where appropriate. We will also benchmark and manage performance

Payment methods and options

We will make a number of cost-effective options available, including:

- Direct Debit, offering a number of payment dates
- Bank standing order
- Online payments
- Automated telephone payments
- Bank and Post Office payments
- Third party deductions (where possible)
- Approved Officers can take telephone payments using Pay Net

However, we actively support and market monthly Direct Debit payments as our preferred method of payment.

Advice and support

- Financial Inclusion Team (FIT) – we will provide a FIT with a remit to provide Housing Benefit support and advice, mitigate the effects of the Welfare Reform programme including Universal Credit, provide benefits advice and support, promote financial inclusion and help to minimise debt and maximise incomes for our customers
- Promotion of basic bank accounts and access to digital services including the provision of training on digital skills
- Debt advice and referrals including a joint home visiting service with Citizens Advice
- Tenancy Support Team – we will provide a Tenancy Support Team to help sustain tenancies and work with other partners to promote independence and avoid customers experiencing debt and other financial problems

- Working with, and the promotion of, other agencies and partners such as Colchester Credit Union, Colchester CAP Debt Centre, Pay Plan, Citizens Advice, Signpost etc.
- Promotion of early action including pre-tenancy workshops, effective sign up procedures, new tenant visits and tenancy audits
- Regular training updates for staff

Performance management and responsibilities

CBH will monitor its income collection performance as a key performance indicator, benchmark performance and costs against other landlords and set continuous improvement targets accordingly. Where it is appropriate, some of the targets will be set at an individual officer level with an emphasis on empowerment and personal and team responsibility. We aim to be a high-performing upper quartile landlord with lowest quartile costs.

Key indicators will include:

- Rent arrears – value outstanding
- Rent arrears - % of annual debit
- Rent arrears – rent collection %
- Rent arrears – number of evictions
- Former tenant arrears – value outstanding
- Former tenant arrears – income collection
- Former tenant arrears – write offs
- Leasehold service charges - % of debit collected
- Leasehold - % of major works income charged and recovered
- Recharges (voids and repairs) – value of debt collected and as % of total raised
- HouseMark benchmarking

3. Consultation

We aim to have the Income Collection Policy reviewed by our Resident Panel every three years with operational performance monitored by the Board on a regular basis and publicised in News and Views and on the CBH website. We will also report locally at Housing Panel meetings.

4. References

This policy has been reviewed, updated and amended as necessary in line with current best practices and national issues such as Welfare Reform, the introduction of Universal Credit and changes to the setting of rents.

- Reporting and Benchmarking utilising HouseMark membership
- County Court Action Protocol.

5. Related documents

Leasehold Management Policy

Financial Inclusion Strategy (including Welfare Reform)

Rechargeable Repairs Policy

Rent Arrears Procedure

6. Addendum

This policy may be adapted during national emergencies and due to other significant factors. At these times policies, procedures and processes will be reviewed and adapted to deliver a policy that supports customers and adapts to special circumstances and legislation.

Document control sheet

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Document amendment history

Version	Type	Date	Notes
1.0	New	2014	Original policy approved
2.0	Major revision	June 2017	A number of changes to simplify the policy and adapt to new policy template at the three year review.
3.0	Minor revision	June 2020	Policy revised and updated with key partners consulted (CA, Colchester CAP Debt Centre, Signpost). Addendum added to deal with national emergencies.