Portsmouth Homes

Portsmouth City Council

Income Collection and Arrears Management Policy

Summary

This policy explains how Portsmouth Homes collects rent and other housing-related income, supports residents and customers who may need help managing their payments, and manages arrears and unpaid housing debts fairly, consistently and respectfully.

Housing income helps us maintain homes, manage buildings and estates, and deliver services for residents.

We recognise that circumstances can change and encourage anyone concerned about making a payment to contact us as early as possible so that we can discuss the support available and help prevent arrears from increasing.

We aim to balance the need to collect housing income with our commitment to supporting residents and helping them sustain their tenancy, lease, licence or other housing arrangement wherever possible.

We will always seek to resolve unpaid charges through early communication, support and appropriate repayment arrangements. Where appropriate, we will provide or signpost residents and customers to advice and support services.

This policy also explains how we manage account credits, refunds, adjustments and write-offs to ensure public money is protected and housing accounts are managed accurately and transparently.

While we will provide support where appropriate, residents and customers remain responsible for paying the rent and other charges due under their tenancy, lease, licence or other housing agreement, and for contacting us if they are unable to make a payment when it is due.

Effective date

Example text

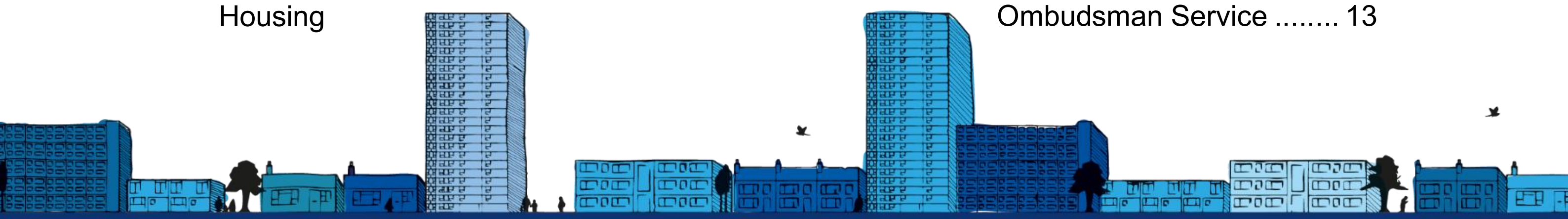
Review

We will review this Policy every 3 years or when there has been an update to legislative, regulatory, best practice or operational changes.

Version

Version 1.0

Income Collection and Arrears Management Policy Contents



Who this policy applies to

This policy applies to the collection and management of housing income owed to Portsmouth Homes by:

- Current and former tenants
- Licence holders
- Leaseholders
- Shared owners
- Garage or parking space users
- Other residents, customers or individuals responsible for paying a housing-related charge.

It applies to housing income and debts held on rent accounts, leaseholder accounts, service charge accounts, sundry accounts and other relevant housing accounts.

Housing income covered by this policy may include:

- Current and former tenant rent
- Licence, use and occupation and temporary accommodation charges
- Service charges, including eligible communal heating, water, utility or building-related charges
- Leaseholder and shared owner rent, service charges and other charges
- Major works charges and reserve fund contributions
- Garage, parking space and other separately let premises charges
- Rechargeable repairs, damage, cleaning, clearance, storage, removals, replacement keys or entry fobs and other recoverable costs
- Court fees, legal costs and other costs which we are legally entitled to recover
- Sundry debts and other housing-related invoices
- Debts relating to former residents, homeowners and customers
- Any other housing-related charge that is lawfully and contractually due to Portsmouth Homes

Not all of these charges apply to every resident or customer. We will only collect a charge where there is a lawful or contractual basis for doing so, and we will explain the charge and the relevant payment arrangements.

The legal and recovery options available to us depend on the type of agreement, account and charge involved. For example, the processes for recovering tenant rent arrears may be different from those used for leaseholder charges, former resident debts, garage accounts or sundry debts. We will only use a recovery option that is lawful and appropriate for the relevant account and agreement.

Any reference in this policy to ‘we’, ‘our’ or ‘us’ refers to Portsmouth Homes.

Any reference in this policy to "resident" or "customer" means anyone responsible for paying housing income to Portsmouth Homes, including current and former tenants, licence holders, leaseholders, shared owners and other housing customers.

Why we have this policy

Housing Income helps us maintain homes, provide services and invest in our communities.

We recognise that residents may sometimes experience financial difficulties and that early support can help prevent problems from becoming more serious.

This policy explains how we collect housing income, support residents who may be struggling to pay and manage arrears and other housing-related debts fairly, consistently and respectfully.

As a social housing landlord, we will balance the need to collect income with our commitment to supporting residents and helping people maintain their homes wherever possible.

Our Commitment to Residents

We will manage housing income and arrears in a supportive, fair, respectful and consistent way.

Where a person's home may be affected, our priority is to help them sustain their tenancy, lease, licence or other housing arrangement wherever possible and to prevent avoidable homelessness.

We will act early when payments are missed, communicate clearly and in ways that meet residents' communication needs, and consider individual circumstances when making decisions.

We will take a structured and proportionate approach to collecting housing income and managing arrears, recognising that different types of agreement and account may require different action.

We will make fair and transparent decisions, protect public funds through appropriate financial controls, and use resident feedback, performance information and assurance activities to review and improve our services.

Our responsibilities

We will:

- Explain charges, payment dates and account information clearly and accurately
- Encourage affordable and sustainable payment methods and help residents understand their payment responsibilities
- Contact residents and customers quickly when payments are missed or arrears begin to build

- Offer support, advice and referrals where appropriate, taking account of individual circumstances and support needs
- Work with residents and customers to agree realistic and affordable repayment arrangements wherever possible
- Manage housing accounts fairly, consistently and accurately, and keep appropriate records of contact, agreements, decisions and actions taken
- Manage credits, refunds, adjustments and write-offs in accordance with approved procedures
- Make sure any recovery action is appropriate to the type of debt, account and agreement involved
- Only take recovery or legal action where it is lawful, reasonable and proportionate
- Handle complaints fairly and learn from feedback and complaints to improve services

Your responsibilities

If you are named on, or responsible under, a tenancy, lease, licence or other housing agreement, you are responsible for:

- Paying your rent and all other housing-related charges in full and by the agreed payment date.
- Understanding what you need to pay, when payment is due and the balance on your account.
- Checking that payments made by Housing Benefit, Universal Credit, another person or another organisation are received and cover the amount due.
- Paying any difference where benefits, financial support or payments from another source do not cover the full charge.
- Contacting us promptly if a payment is delayed or missed, your circumstances change, or you are concerned about making a payment.
- Providing accurate information and taking reasonable steps to progress any benefit claim, application or appeal.
- Responding to reasonable contact from us about your account and keeping us informed of relevant changes.
- Paying ongoing charges and keeping to any repayment arrangement agreed with us.

You are responsible for ensuring that the rent and all other charges due under your tenancy, lease, licence or other housing agreement are paid in full and on time.

This responsibility continues where payment is expected from Housing Benefit, Universal Credit, another person or another organisation, and while a query, complaint, claim or appeal is being considered, unless we tell you otherwise.

We will provide support where appropriate and take individual circumstances into account when making decisions, but this does not remove your responsibility to pay

Paying Rent and Other Housing Charges

We will tell you:

- What you are required to pay
- When payments are due and how often they need to be made
- How charges have been calculated, or where further information can be found
- The payment methods available
- How to contact us if you have a question or believe a charge is incorrect.

The amount and payment frequency may be set out in your tenancy, lease, licence, service charge notice, invoice, account statement or other relevant document.

We offer a range of payment options and will provide information about the methods available. We encourage you to check your account regularly, make payments on time and contact us if you are unsure about your balance, payment requirements or any charge on your account. We encourage you to use payment methods that are safe, convenient and help maintain regular payments.

If you believe a Charge is incorrect

If you believe a charge or account balance is incorrect, please contact us as soon as possible. We will explain the charge, consider the information you provide and investigate any identified discrepancy. Please note that account balances may change between checking your balance and making a payment, as payments, charges, credits or adjustments may be applied to your account.

You must continue to pay the rent and other charges due under your tenancy, lease, licence or other agreement while we investigate any query, complaint, claim or appeal, unless we tell you otherwise. Raising a query, complaint or appeal does not remove your responsibility to pay, prevent arrears from increasing, or automatically stop recovery action.

We will consider the circumstances of each case and decide whether any recovery action should be paused or adjusted while the matter is being investigated. If we identify an error, we will correct the account, explain any changes and take appropriate action to put things right.

Support If You Are Having Difficulty Making Payments

We understand that circumstances can change. If you are concerned about paying your rent or another housing-related charge, please contact us as soon as possible. Getting in touch early often means there are more options available to help.

To help us understand your circumstances and identify appropriate support or repayment arrangements, we may ask you to provide information about your income, expenditure, debts, financial commitments and household circumstances. This may include discussing how money is being spent and whether there are opportunities to prioritise rent and other housing-related charges.

Residents are expected to provide accurate information to help us assess their circumstances, determine affordability and identify the most appropriate support available. If we do not have enough information to understand your circumstances, this may affect our ability to assess affordability, agree repayment arrangements or identify appropriate support.

Where appropriate, we may help you access benefits or financial assistance, refer or signpost you to money and debt advice services, discuss suitable payment options, agree an affordable repayment arrangement and identify any additional support needs.

Where arrears arise because a benefit claim is awaiting assessment, review or appeal, we will take this into account when considering any further action. We may ask you to provide information or take reasonable steps to progress the claim.

Where your home may be affected, our priority is to help you sustain your tenancy, lease, licence or other housing arrangement wherever possible. We will always aim to work with you to find a solution before arrears become more serious.

Where appropriate, we may work with support agencies, welfare benefit services, health and social care services and other organisations to help identify and provide appropriate support. Where appropriate, and usually with your consent, we may share information in line with data protection legislation and our privacy requirements.

We will provide information in alternative formats, arrange translation or interpretation services and make reasonable adjustments where required. Where appropriate and lawful, we may arrange for rent or arrears to be paid directly to us and will explain this to you if it applies.

How We Manage Arrears and Other Unpaid Housing Debts

Where residents request support, repayment arrangements or financial assistance, we may ask for information about their income, expenditure and financial commitments so that we can make fair and informed decisions about the most appropriate course of action.

Our approach aims to maximise tenancy sustainment through early intervention, support, advice and affordable repayment arrangements wherever possible.

We encourage residents to manage their account, make payments as agreed and contact us as soon as possible if circumstances change or they need support.

Where appropriate, we may discuss your circumstances and review your income, expenditure and financial commitments to help us understand your situation, assess affordability and identify the most appropriate support, repayment arrangement or action.

We have procedures in place to help ensure arrears cases are managed consistently, fairly and in line with legal and regulatory requirements. The action we take will depend on the type of debt, the agreement involved and the individual circumstances of each case.

Our aim will always be to resolve arrears as early as possible, prevent homelessness and avoid escalation wherever we can. While we recognise that many residents experience genuine financial difficulties, we may take further action where there is evidence of persistent non-payment, failure to engage, fraud, avoidance of a valid housing-related charge, or a failure to provide information reasonably required to assess support or affordability.

How We Respond When a Payment is Missed

If a payment is missed or your account falls into arrears, we will take early and proportionate action.

We will usually:

- Contact you to discuss what has happened.
- Try to understand the reasons for the missed payment.
- Provide information about your account balance.
- Offer support and advice where appropriate.
- Discuss benefits and financial assistance that may be available.
- Consider affordable repayment arrangements.
- Explain any potential consequences if payments remain unpaid.

The action we take will depend on the type of account, the amount owed, payment history, engagement, individual circumstances and any support needs.

Different types of housing-related charges may be managed in different ways. We will consider the type of account, the agreement in place and your individual circumstances when deciding what action is appropriate.

We will keep cases under review and aim to resolve arrears at the earliest possible stage.

Repayment arrangements

If you fall behind with your rent or another housing-related payment, we will seek to agree an appropriate repayment arrangement with you.

To help us understand your circumstances and agree an affordable arrangement, we may discuss your income, essential household expenditure, other priority debts, household circumstances, benefits and any financial support available to you.

You are responsible for providing accurate information about your circumstances, keeping to any repayment arrangement that has been agreed, and telling us if your circumstances change.

We will not require you to agree to a repayment amount that we know is unaffordable. Wherever possible, we will agree the arrangement with you and confirm it in writing or another accessible format. We will explain how payments will be allocated, what is expected of you, and what may happen if the arrangement is not maintained.

Repayment arrangements will:

- Take account of your individual circumstances.
- Be realistic and affordable.
- Include clear payment amounts and payment dates.

- Be reviewed if your circumstances change or at appropriate intervals.

A repayment arrangement does not normally replace your responsibility to pay any new or ongoing charges on your account. This means you will usually need to keep up with both your agreed repayment arrangement and any new charges that become payable.

We will keep repayment arrangements under review. If a payment is missed, we will contact you to discuss the situation and consider whether a revised arrangement or further action may be appropriate.

Recovery and Legal Action

You are responsible for paying your rent and other housing-related charges, keeping to any repayment arrangements that have been agreed, and engaging with us if you are experiencing difficulties. Before considering legal action, we will make reasonable efforts to:

- Contact you to discuss the cause of the arrears and understand the reasons for missed payments
- Provide clear information about the amount owed
- Explain the action being considered and the potential consequences of continued non-payment.
- Discuss benefits, money advice and other available support
- Agree an affordable repayment arrangement where possible
- Consider your circumstances, support needs and communication requirements
- Take account of any outstanding Housing Benefit or Universal Credit claim
- Explore reasonable alternatives to court action where appropriate

Where possession action is being considered because of rent arrears, we will follow the steps required by law and any applicable guidance before asking a court to consider the case.

Any legal action will only be considered where it is appropriate, reasonable and proportionate to the circumstances. Possession proceedings and eviction will only be considered as a last resort where support, engagement and reasonable alternatives have not resolved the situation.

Leaseholders and Shared Owners

We will provide leaseholders and shared owners with information about charges and payment requirements in accordance with their lease and applicable legal requirements.

Where a charge remains unpaid, we may seek payment through an affordable arrangement or another lawful recovery route. Depending on the circumstances, this may include contacting a mortgage lender, pursuing a civil claim, seeking a determination from the relevant court or tribunal, or taking other action available under the lease and the law.

We recognise that action affecting a long lease is subject to specific legal requirements. We will obtain appropriate advice and ensure that any action is lawful, reasonable and proportionate.

Managing Housing Income Accounts

We keep accurate records and have processes in place to ensure housing income accounts are managed fairly, consistently and accurately.

This includes recording and managing charges, payments, repayment arrangements, credits, refunds, adjustments and write-offs in line with our procedures. Maintaining accurate records helps us provide appropriate support, explain decisions clearly and ensure residents are treated fairly and consistently.

Managers regularly review arrears cases and account management activities to help ensure appropriate action is being taken, identify opportunities for early intervention and support continuous improvement in our services.

Where debts are owed by former residents, homeowners or other customers, we may seek recovery where it is lawful, reasonable and proportionate to do so. Debts will only be written off in accordance with approved procedures and governance arrangements.

We will process personal information in accordance with data protection legislation and only use information for lawful and legitimate purposes.

Credits, Refunds and Adjustments

Where an account is in credit, we will check that the credit is correct and who it is due to and consider whether a refund is due in accordance with our procedures.

Before making a refund, we may check whether

- If further charges are due
- The account balance is likely to change
- The credit arose from Housing Benefit, Universal Credit or another third-party payment
- There is another relevant housing debt
- There is any legal or contractual reason why the credit should not be refunded

Monitoring and Assurance

We regularly monitor housing income collection, arrears performance and account management activity to help ensure housing income accounts are managed effectively and residents receive the support they need. This includes reviewing arrears levels, repayment arrangements, recovery action, write-offs, account adjustments and wider performance trends.

Managers carry out regular reviews to help ensure action is appropriate, identify opportunities for early intervention and support continuous improvement in our services. We also use performance information, feedback and assurance activities to identify learning and improve how we deliver services.

Complaints, Compliments and service feedback

We will use management information, audits, quality assurance activity, complaints, compliments and resident feedback to identify learning opportunities and make improvements and strengthen our services.

Where appropriate, high-risk arrears cases and other significant account management activities may be subject to additional review and oversight to help ensure timely, consistent and appropriate action is taken.

Your voice

We provide residents a wide range of meaningful opportunities to engage, influence and scrutinise the Landlord Strategies, policies and services, to include participation in regular resident meetings and give feedback on services and policies.

If you would like to be included in future resident engagement focus groups and would like to know how to get involved, please contact us for more information:

You can contact our team by:

- Email: **housing.engagement@portsmouthcc.gov.uk**
- Phone: 02392 834835
- Website: visit the **Resident engagement and community resources on our website**

What have we done to make sure this Policy is fair?

We completed an Integrated Impact Assessment (IIA) to consider the positive and negative impacts this Policy may have on people with protected characteristics under the **Equality Act 2010**. This Policy should have direct and positive equality and diversity impacts.

Regulation and legislation

We recognise the variety of legislation, and we will continue to monitor relevant legal guidance. The list below reflects some of the existing legal framework and relevant publications:

- Social Housing (Regulation) Act 2023
- Housing Act 1985
- Housing Act 1996
- Local Government and Housing Act 1989
- Equality Act 2010

- Data Protection Act 2018
- Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) Regulations 2020
- Housing Ombudsman Complaint Handling Code
- Welfare Reform Act 2012
- UK General Data Protection Regulation (UK GDPR)
- Homelessness Reduction Act 2017 (particularly around preventing homelessness)
- Civil Procedure Rules
- Pre-Action Protocol for Possession Claims by Social Landlords
- Landlord and Tenant Act 1985
- Commonhold and Leasehold Reform Act 2002
- Human Rights Act 1998
- Limitation Act 1980
- Regulator of Social Housing Tenancy Standard
- Regulator of Social Housing Transparency, Influence and Accountability Standard

Related documents

This policy should be read in conjunction with:

- **Portsmouth Homes policies, strategies and reports**
- Tenancy Agreement / Leasehold Agreement

How to feedback

If you have any questions around the policy or would like to know more about its application, please contact the relevant service in the first instance.

You can get this policy in large print, braille, audio or in another language by contacting your Housing Office. More information is available **translation, interpreting and audio information**.

Compliments

To help us provide the best service we can. We would like to hear customer views on the services that they use. If the customer is pleased with a member of staff or service, please let us know.

- Telephone: 02392 606383

- Email address: **[HNBLandlordComplaints@portsmouthcc.gov.uk]**

Complaints

If a customer is unhappy, they can refer to our Landlord Complaints Policy.

- Online complaint form at **Make a housing complaint**
- Telephone: 02392 606383
- Email address: **HNBLandlordComplaints@portsmouthcc.gov.uk**

Housing Ombudsman Service

If a customer is unhappy, they can contact the Housing Ombudsman Service for advice and guidance at any time.

- Online complaint form on **the Housing Ombudsman Service website**
- Telephone: 0300 111 3000
- For more information, visit **Housing Ombudsman's Complaint Handling Code**