



## **Arrears Policy**

### **Introduction**

This policy covers the framework for collecting charges\* for the prevention of arrears and for action taken against customers who fall into arrears.

Our policy expects all customers to pay their charges or to ensure that payments are made on their behalf in accordance with their tenancy agreement or lease. However, the Association recognises that for a variety of reasons, customers do sometimes fall into debt and arrears.

The Association will act in a firm yet fair way to help customers pay their charges, whilst providing wider financial support through money advice agencies. Support is offered to maximise income but in circumstances where legal action is appropriate the terms of the tenancy/lease and if necessary eviction will be enforced.

The policy is applicable to customers of Thames Valley Housing and Thames Valley Charitable Housing Association.

### **Methods of Payment**

The Association has made the actual process of payment as user friendly as possible and will seek to look at new payment methods, in line with best practice, technological development and customer consultative processes. These are outlined in our procedure.

### **Debt Prevention**

The Association recognises that the key to debt management is debt prevention. To help customers manage their accounts, monthly statements are sent to all customers in arrears and to all customers quarterly. Customers can also view their account through the TVHA website, or have statements sent to them at any time upon request.

The Association believes the culture of payment is set during the early contact with prospective customers, using a variety of tools for example:

- Personal contact by phone, home visits and letters,
- Housing Benefit joint working under a Service Level Agreement,
- Citizens Advice Bureau / money advice referrals and income maximisation checks,
- Signposting to debt counselling agencies and local Credit Unions where applicable,
- Analysis of residents most at risk and vulnerability checks,
- The use of IT systems to aid early intervention.
- Compliance with the Rent Arrears Protocol 2006, officers meet the pre-court framework prior to considering court action.

### **Housing Benefit**

The Association recognises that many of its customers are dependant upon housing benefit to pay their charges. We will contact the housing benefit department handling the respective claim prior to taking any arrears action.

### **Vulnerable/At Risk Customers**

Action against customers in arrears needs to be commensurate with the level of debt, taking into account historical factors and personal circumstances. In some cases, to abide by the tenancy / lease conditions, customers may need support through crisis periods to prevent them losing their homes. Officers work in a multi-agency framework when managing accounts drawing upon all resources available, whilst conforming with Confidentiality and Right to Information Policy and current Data Protection legislation and guidance.

### **Performance Monitoring**

The Corporate Plan includes a target to reduce the current debt. This target is cascaded from the Board, to the Chief Executive, to directors and departmental managers through to patch officers whose performance is reported on a monthly basis. Headline performance is reported to the Board and the Executive team on a quarterly basis. Performance is also reviewed through departmental management teams to the Senior Housing Management Group monthly.

All members of staff have access to data held on the Business Intelligence System and can view information and a variety of reports in real time as detailed in the arrears procedural document which accompanies this policy.

Benchmarking groups operate for managers to compare performance with other RSL's and to develop further best practice.

Clear service standards for customers (e.g. ensure that all payments made by you correctly, are placed into your account within 48 hours) are agreed with residents during each policy review. Performance against these service standards will be published and circulated bi-annually from April 2010.

## **Methods of Payment**

The Association seeks to make the actual process of payment as user friendly as possible and will seek to increase the range of payment methods, in line with best practice, technological development and customer consultative processes. These are outlined in our procedure.

## **Reviewing the Policy**

The Arrears Policy is kept under regular review through the Housing Management Group meeting (HMG). It is anticipated that the next review of the Arrears Policy will be reported to the Board in 2011.

## **Promoting the Policy**

The Policy is widely circulated amongst our stakeholders, including CAB and local authority partners. Copies of the policy are made available to customers upon request.

## **Training Commitment**

Our corporate aim is to provide high quality services. Staff should benefit from clear policies and guidance notes, they will also receive regular training which is provided on the job, through peers, supervisors and managers, or through formal off-site training.

This document is aimed primarily at staff and stakeholders of TVH and available to customers upon request and is also available on the internet.

*\* For the purposes of this policy, charges refer to rent and/or service charges as set out in the customer's legal agreement.*