

Income, Arrears and Debtors Policy

We will provide this policy on request at no cost, in large print, in Braille, on tape or in another non-written format.

We can produce information on request in large print, Braille, tape and on disk. It is also available in other languages. If you need information in any of these formats please contact us on Freephone 0800 479 7979.

如果你向我們提出要求，我們可以為你提供本資訊的其他語言的版本，或者是盲文或磁帶。如果你需要本資訊的任何一種這些版式的版本，請聯繫我們，電話號碼是 0800 479 7979。

Si vous nous le demandez, nous pouvons vous remettre ces informations en d'autres langues, en braille ou sur cassette. Si vous souhaitez que ces informations vous soient fournies sous l'un de ces formats, contactez-nous en composant le 0800 479 7979.

چنانچه مایل باشید می‌توانید این مطالب را به فارسی یا زبان‌های دیگر و همچنین بریل و یا بر روی نوار کاست دریافت دارید. در صورت نیاز خواهشمندیم با شماره تلفن 0800 479 7979 با ما تماس بگیرید.

ਜੇ ਤੁਸੀਂ ਸਾਨੂੰ ਬੇਨਤੀ ਕਰੋ ਤਾਂ ਅਸੀਂ ਤੁਹਾਨੂੰ ਇਹ ਜਾਣਕਾਰੀ ਹੋਰ ਭਾਸ਼ਾਵਾਂ, ਬ੍ਰੇਲ (ਨੋੜਹੀਣਾ ਲਈ ਭਾਸ਼ਾ) ਵਿੱਚ, ਜਾਂ ਟੇਪ ਉੱਪਰ ਦੇ ਸਕਦੇ ਹਾਂ। ਜੇ ਤੁਹਾਨੂੰ ਇਨ੍ਹਾਂ ਵਿੱਚੋਂ ਕਿਸੇ ਰੂਪ ਵਿੱਚ ਚਾਹੀਦੀ ਹੋਵੇ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਸਾਡੇ ਨਾਲ 0800 479 7979 ਨੰਬਰ ਤੇ ਸੰਪਰਕ ਕਰੋ।

Na Pana/Pani życzenie możemy zapewnić te informacje w innych językach, alfabetem Braille'a lub na kasecie. Jeśli chciał(a)by Pan(i) uzyskać te informacje w którejś z tych form, prosimy skontaktować się z nami pod numerem telefonu 0800 479 7979.

Haddii aad na weydiisato waxaanu warbixintan kugu siin karaa iyadoo ku qoran luuqad kale, farta ay dadka indhaha la' akhriyaan ama cajalad ku duuban. Haddii aad jeclaan lahayd in warbixintan lagugu siiyo mid ka mid ah qaababkaas, fadlan nagala soo xidhiidh telefoonka 0800 479 7979.

По вашей просьбе данная информация может быть предоставлена на других языках, шрифтом Брайля или в аудиозаписи. Если вам требуется информация в одном из этих форматов, позвоните нам по номеру 0800 479 7979.

Approval body	Wheatley Homes Glasgow Board
Date of approval	May 2014
Review Year	2022
Customer engagement required	No
Trade union engagement required	No
Equality Impact Assessment	No

1. Introduction

Wheatley Group is made up of a number of subsidiary businesses, each with their own responsibility for the collection of income and the management of debt.

Across the Group we deliver a range of services, and own and manage a portfolio of properties which include: socially rented properties, mid-market rent properties and commercial properties. We have developed a Group approach to effective collections to which WHG's policy is aligned.

This policy provides guidance to customers of Wheatley Homes Glasgow ("WHG") about how we will collect income, manage arrears and recover any debt due. It also makes clear the support we will provide around income maximisation, and the role of staff in supporting our customers.

WHG employees work to a principle of supporting customers from the earliest opportunity, thereby promoting a culture of positive payment throughout the duration of the contractual agreement.

WHG complies with legislation and follows good practice principles in managing income and any associated debts.

- We provide services to our customers that are in line with the Social Housing Charter and our supporting strategies.
- We expect our customers to pay for the services they receive on the due date. Our customers will be made aware of the consequences of not complying with their responsibilities and obligations to pay the charges due.
- Our staff will provide advice, information and support and where it is in the best interests of the customer, and where appropriate, refer people to other agencies that can provide additional support.
- When we introduce new payment methods we will accompany it with a communications strategy to promote and embed use. This will support a positive customer payment culture. Where appropriate we will work with partners to establish and help support this, particularly where vulnerable customers are involved.
- We will work collaboratively with the Group Debt Recovery Team and the Litigation Team to effectively manage the collection of debt
- Every debt type will have a clear business owner with defined accountability and management and reporting responsibility
- We will make sure our customers are treated with respect and dignity at all times

- We will work with our customers to understand their needs and take particular account of any vulnerability that they may have. For instance, this may include changes to the welfare system which affect them, disabilities or support requirements.

2. Policy Aims and Objectives

The effective management of income and prevention of customer debt is crucial to the maximisation of resources available to WHG. We aim to continually reduce the overall level of arrears owed to us and to comply with the Group approach to effective collections. We will ensure all staff understand this policy and deliver services in a consistent manner.

The aims of this policy are to:

- To communicate clearly to customers the cost of the product, both their and our responsibilities, and our approach to collecting income and the consequences of non-payment
- To ensure there is a positive payment culture where all our customers are aware of their responsibility to meet their financial obligations
- To ensure we have collection methods that are simple, convenient and demonstrate value for money. Our customers will be given as wide a choice of payment methods as is practicable. We will provide the most cost effective methods to meet our customer needs. A table of costs associated with payment methods is attached at Appendix 1.
- Our preferred method of payment is direct debit, where appropriate for specific customer circumstances. The Progressive Payment Ladder attached at Appendix 2 will be used as a tool to support suitable customers in the transition to making direct debit payments.
- To ensure engagement with Group Debt Recovery Team and Litigation Team in all stages of the Group escalation process.
- To follow specific write off and credit refund procedures and provision for bad debt.
- To improve the quality of available data to support performance management and reporting and maintain an up to date overview of debt.
- To equip staff with the necessary skills, knowledge, training and resources to deliver this policy

3. Starting the Customer Relationship

- *Our customers will always be clear on what they have to pay, when they have to pay and how they will be charged.*

We will always discuss contract / agreement terms with the customer before they sign any contract or agreement so that our customers are fully aware of the contract terms and obligations that they are agreeing to from the very start.

We will clearly explain any obligations and responsibilities and specifically provide in writing:

- The total cost of any rent or charges
- A breakdown of eligible and ineligible service charges
- Any expected deposits or charges that have to be paid
- When and how those payments should be made and
- The relevant terms and conditions of that agreement.

Our customers will be clear on what services are provided for the charge they pay. We aim to provide Value for Money at all times.

We will confirm with the customer any services that will be provided under the tenancy agreement; how these services will be delivered and any service delivery commitments.

- Our customers will always be given advice and information to ensure they can afford the product offered.

The contractual obligations of any tenancy agreement will be discussed in full with the customer at the earliest opportunity. Staff will refer and signpost any customer for appropriate support and advice where there may be a concern about vulnerability or ability to pay. We will encourage customers who may experience difficulties to contact us at the earliest opportunity, so that we can prevent debts from accruing or increasing or becoming difficult to manage.

- Our customers will be clear on what to pay, when to pay and the different payments options available to them.

Our customers will be given as wide a choice of payment methods as practicable which are convenient and accessible.

We will make sure customers know they have a responsibility to pay any monies due, in full and on time as per the terms of their tenancy agreement. The customer will be told of the various methods of payment available to them, what they are expected to pay and when those payments should be made, so that they do not break the terms of their agreement with us. Customers will also be clear about their responsibility to notify staff of any change of circumstances.

Where we confirm with the customer that there is a charge to be paid from day one, we will expect this charge to be paid. We will follow our rent from day one guidance and procedures including taking account of individual circumstances.

If we decide that a charge must be increased, we will give written notice of the change in accordance with our agreement.

- *Our customers will be made aware of the consequences of not keeping to their agreement to pay the charge due.*

It will be made clear to all of our customers the consequences of non-payment. If a debt is identified, we will make sure that the customer is aware of all the support that is available to them, both internally and externally, to help them manage their account to prevent further debt accruing.

We aim to be both proactive in supporting customers, and reactive to prevent and minimize debts being incurred. We will ensure financial inclusion strategies are in place to assist customers who may have difficulty accessing basic financial services.

- *Our customers will be told of any local or time limited benefits that we may offer from time to time.*

We will make sure our customers are aware of, and advertise, any schemes in place that may benefit or assist the customer. These may, for example, include schemes to assist a move, or incentives to keep accounts up to date.

- *We will support our customers throughout their journey with us.*

We will work with our partners to create opportunities for our customers to make sure they can maximise their income, access employment and training opportunities; and receive the best possible support, advice and information where necessary including furniture service and Home Comforts service..

Our discussions will capture essential customer data such as household composition and support needs, to help us to provide the most appropriate services, options and support where required. This data will be used to help us develop tailored approaches and any subsequent collection, prevention, management and recovery of debts and charges. We will comply with the Data Protection Act 1998.

4. Building on the Relationship

We are committed to building and sustaining positive relationships with all our customers. We will do this by endeavoring to:

- Stay in touch regularly with our customers
- Make sure we have accurate profile information about our customers
- Know each customer and their needs
- Help our customers through any changes in their circumstances

We will provide support for our customers to help them maintain their agreement with us, sustain their tenancies and prevent arrears accruing. We will endeavor to do this by:

- Ensuring customers know their charge to pay
- Making clear the consequences of nonpayment
- Providing advice and support at all stages to customers
- Referring/signposting customers to support services tailored to suit individual requirements e.g. money advice, fuel advice, employability support – this may be internal or external
- We will work with partners and relevant agencies to ensure our customers can access appropriate support

There will be occasions when a customer either cannot or will not maintain payments to their account. If that happens we will endeavor to:

- Make contact at the earliest opportunity after the payment due date to establish the reason for non payment and to avoid the debt becoming unmanageable
- Discuss payment of the debt and/or agree an appropriate and affordable repayment arrangement
- Make any decision on a case by case basis, informed by our knowledge of our customer's circumstances
- Enforce sanctions where appropriate – this may include, but is not restricted to; withdrawal or limitation of service, deduction of payments from compensation, escalation to Group Debt Recovery team, court action including repossession, interest charges

Where collection from a customer is required we aim to:

- Make sure every officer has a clear set of procedures to follow when dealing with the collection and recovery of monies
- Contact customers quickly where a debt occurs
- Apply all payments timeously to relevant accounts
- Adhere to any time limits set in recovery procedures.

Where a customer accrues a debt, and contacts us to discuss this, we will:

- Agree an appropriate and affordable repayment arrangement which takes into account the customers personal circumstances

- Negotiate arrangements for a single payment to cover all indebtedness to any or all members of The Wheatley Group where a customer may owe multiple debts. Examples may include but are not restricted to; current charges, former account charges, sundry debts, court costs, repair charges.
- Aim to confirm any arrangement in writing
- Use any credit in a customer's account within the Group, to offset their debt owed to us.

If a customer fails to engage with us when debt accrues, debt recovery and court action may be some of the steps taken to recover any sums owed.

We will follow the Wheatley Group escalation process and engage appropriately with the Wheatley Group Debt Recovery and Litigation teams. They will provide advice and support to officers who are responsible for collecting the agreed charges, to assist them in the collection or pursual of any debts owed.

5. Ending the Relationship

When either party gives notice to end the tenancy agreement, we will endeavor:

- Conduct an exit interview and/or inspection of the property
- Conduct a full debt check and if a debt is identified, agree a full and final payment
- Provide any documentation where appropriate
- Provide references upon request
- Refund credits (after deductions for any Group debts)
- Notify third parties for the return of deposit balances subject to any claims that we may have.

In circumstances where there is current court action and where we have contact information we will remain in touch with the customer until proceedings have concluded. We will review the case throughout the duration and may alter our planned actions in agreement with the customer.

We will consider all options available to us for managing the debt including court action and eviction.

Each case will be managed individually, taking into account the circumstances of the case and the reason for ending the agreement.

Customers with outstanding debts will be made aware of the consequences for any future services with the Group, should they fail to make or keep to a repayment plan.

6. Former tenant arrears

Former tenant arrears arise when the tenancy is terminated with rent owing.

We will ensure that:

- We maintain accurate information
- Action is pursued to recover former tenant arrears in accordance with our procedures

Detailed guidance and procedures for staff will support policy implementation.

7. Writing Off Debt

We will write off debt periodically because it is good accountancy practice to distinguish between debts we are likely to recover from debts that we have decided cannot be collected.

A debt may be written off where it has been deemed to be irrecoverable. We have set out defined criteria to assist officers in deciding whether a debt is deemed recoverable or not.

8. General Matters

We reserve the right to apply charges for additional costs associated with the management of the agreement. For example, this may include storage costs or court costs.

Legal Framework

This policy has been developed taking into account the legislation and regulations governing Registered Social Landlords (RSLs). Legislation relevant to this Policy includes:

- Housing Act (Scotland) 2001 – Part 2, Chapter 1 – Scottish Secure Tenancy.
- Bankruptcy Scotland Act 1985
- Bankruptcy and Diligence etc. (Scotland) Act 2007
- Bankruptcy and Debt Advice (Scotland) Act 2014
- Debtors (Scotland) Act 1987
- Debt Arrangement and Attachment (Scotland) Act 2002.
- The Debt Arrangement Scheme (Scotland) Regulations 2011
- The Protected Trust Deeds (Scotland) Regulations 2013
- Human Rights Act 1998 – Article 8 (principles, irrespective of applicability) – proportionality - level of debt in relation to severity of actions taken against debtors.
- OFT guidelines for the collection and recovery of debt
- Welfare Reform Act 2012

Performance monitoring

We will operate within our performance framework and will submit regular reports, statistics and trend analysis to our Board of Management and to the Wheatley Group Board as required. Generally, this will cover issues such as age /debt analysis; income collected; arrears accrued; debt written off; former tenant arrears. Key measures of assessing success include:

- Reduction in % of gross rent arrears (which includes sitting tenant arrears, former tenant arrears and arrears write off)
- Increase in rent collected as % of total rent due
- Overall cost of collecting rent by payment method

Guidance and procedures

Detailed guidance and procedures for staff will support the implementation of this policy. Specifically, we will provide procedural guidance on arrears escalation including:

- Rent from day one
- Collection and recovery process
- Referral to Group Debt Recovery Team
- Pre action protocols
- Referral to Litigation team
- Debt write off
- Former tenant arrears
- Collection of chargeable sundry debts.

Staff Training and Awareness

We will ensure that all staff and our Board of Management are aware of this policy and receive appropriate training. We have detailed procedures, guidelines and staff training to underpin this policy.

Equality and Diversity

We provide services that adhere to our Equality and Diversity Strategy. We ensure customers are treated at all times with respect. We seek to understand our customers' needs and take particular account of the needs of vulnerable tenants. We will provide advice, information and support and refer people to other agencies where this is appropriate.

We put an emphasis on a pro-active, preventative approach rather than being focused mainly on reactive enforcement measures. We use early personal contact and a range of communication methods to discuss arrears and debts to confirm arrangements and actions.

We maximise the use of all available alternative remedies and use eviction and legal proceedings only as a last resort, once all other reasonable steps have been taken. We will seek to deduct any outstanding debts from any payments due to a debtor. Such deductions will conform with legislation relevant to that case.

We work in partnership with other agencies to sustain tenancies and prevent homelessness through a Housing Options approach, where possible. Managing arrears effectively involves good liaison and joint working, with other support services such as the Department of Works and Pensions (DWP), Housing Benefit Services, money advice agencies, and social work and homelessness services.

Links with other policies, procedures and guidance

This policy links with other policies and strategies on homelessness, tenancy sustainment, wider action and sustainability, including:

Allocations Policy – in particular the following:

Section 9.1 Suspensions

We may suspend an application for one or more of the following reasons:

Rent arrears and housing debt: An applicant who owes the equivalent of more than one month's rent or any other housing related debt, including rechargeable repairs or former tenant arrears to WHG or any other landlord and has not made an arrangement to pay it off or failed to keep to an arrangement for at least 3 months. The arrangement must be a formal agreement to pay which have been assessed taking into account the applicant's ability to pay and the level of debt.

We will review applications which are suspended due to debt every three months. We will not penalise tenants for delays in Housing Benefit payments which are not their fault. If we are taking action to recover possession of the tenant's property we will explain the decree will end their tenancy and we will not re-house them.

Customer Excellence Strategy – sets down our approach to delivering excellent and responsive customer services

Complaints Policy – complaints may be received in respect of the validity of debts raised (challenging arrears and rechargeable repairs for example) and the implementation of this policy).

Credit refund procedures and guidance – sets down the criteria and process for refunds to customers

Decoration and Compensation for Improvement Policy - decoration allowances and compensation awards may be used to offset arrears and other debts.

Debt Write-Off Policy procedures and guidance – sets out our approach to debt write off.

Equality and Diversity Strategy – all our customers are treated fairly and take account of individual needs and requirements.

Glasgow Gold – Membership criteria Glasgow Gold and the various proposals in relation to Tenants who owe debts to us.

Homelessness Policy: particularly Prevention of Homelessness section

Home Loss and Disturbance Policy: to offset outstanding arrears from Home Loss payments.

Housing Information and Advice: we will adopt the National Standards for Housing Information and Advice and apply these to rent and debt cases.

Financial Inclusion Strategy: Provides for customer support and access to services and products e.g. money and debt management advice

Rents and Service Charges Policy: We set rents and service charges which are affordable, meet management and maintenance costs and provide long-term financial viability for us.

Repairs and Maintenance Policy: Rechargeable repairs.

Furniture service: Provides furniture packages to tenants who in turn pay a service charge.

Other key documents

WHG – Scottish Secure Tenancy Agreement – This covers service charges, tenancy associated charges, tenant's responsibility, repairs recharges, support services charges.

Joint WHG Housing Benefit Service Level Agreement - which sets out the operational arrangements and timescales for Housing Benefit administration.

Policy reviews/consultation

We will review this policy every 3 years. More regular reviews will be considered where, for example, there is a need to respond to new legislation/policy guidance. We have developed this policy in consultation with tenants, registered tenants groups and other service-users and account has been taken of representations made. Similar consultation will take place for all proposed policy reviews.

We will publish a summary of this policy and it will be available on our website. A copy of the full policy is available on request.

Confidentiality

All information given by customers in relation to this policy will be treated as strictly confidential and will not be discussed with third parties without their permission. We comply with the Data Protection Act 1998 in this regard. Information to Committees should be provided in such a way that it is not possible for the identities of individuals to be revealed.

Complaints

Our aim is to get it right first time, however, where there is dissatisfaction with this policy or its operation, customers can make a complaint.

A summary of our Complaints Policy and procedure is available as a separate document from our offices. As with all of our policies, this can readily be made available on tape, in Braille, in large print or in translation.

