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## ORBIT RENT, SERVICE CHARGE & SUPPORT CHARGE ARREARS RECOVERY POLICY

**Scope: This policy sets out the proactive approach to the prevention of current rent, service charge and support charge arrears by Orbit. It will also outline the effective management of income maximisation and arrears recovery across Orbit.**

### 1. INTRODUCTION

- 1.1 This policy sets out the main principles to maximise income by being proactive in arrears prevention. Orbit will make early personal contact with customers, to offer advice and support to help sustain tenancies and leases, and minimise the use of legal remedies, as well as preventing homelessness.
- 1.2 We will contribute to the stability and economy of communities by managing and reducing rent, leaseholder and freeholder payments, service charge and support charge arrears.
- 1.3 We will support the belief that by taking effective measures to tackle financial exclusion, we will make a positive impact to promote viable and sustainable communities.

### 2. DEFINITION

- 2.1 This policy applies to all income collected from current tenants, leaseholders, freeholders and licensees. It includes service charge and support charges.

### 3. POLICY STATEMENT

- 3.1 **General Principles** - Orbit will apply this policy in order to deliver a consistent approach to arrears recovery. Eviction is a last resort.

- 32 We will involve our customers, members of staff and other stakeholders in shaping the income collection, arrears service and setting service standards.
- 33 We will ensure that rent statements for tenants are available at all times on our online web portal or available in paper format upon request. We will provide service charge statements and summaries in accordance with the relevant legislative requirements and policy. They will be in a format that is easy to read and understand and in an alternative format on request, e.g. audio file/Braille or larger font.
- 34 **Promotion of a Payment Culture** - we will provide a range of payment methods that are flexible, accessible and convenient for customers to use. We will promote the most cost effective payment methods as our preferred methods of payment.
- 35 We will focus on arrears prevention and promote a payment culture. We will ensure both new and existing customers understand the connection between making payments and Orbit's ability to provide high quality services.
- 36 We will ensure customers understand their responsibility to make sure that payments are made promptly and on time, including customers in receipt of Housing Benefit, Universal Credit and Supporting People funding. We will work with customers and their advocates to help them to complete benefit claim forms and Supporting People applications.
- 37 We will promote our advice services and ensure our customers are offered access to welfare benefits advice, debt management advice and other financial services, such as basic bank accounts and credit unions where available.
- 38 We will work to develop partnerships with Housing Benefit, the Department for Work and Pensions, Supporting People teams and other stakeholders, negotiating service level agreements or working protocols where appropriate.
- 39 We will work with customers to ensure that they understand the rent, service, and support charge statements, dealing with any incidents or occurrence of non-payment promptly, before arrears levels can escalate.
- 3.10 **Managing Non Payment** - we will make direct personal contact with our customers, using the opportunity to negotiate and/or monitor realistic agreements including offering help and advice. Agreements will be closely monitored and reviewed if circumstances change.
- 3.11 Attempts to negotiate arrears payment agreements will continue, where possible, alongside any legal action. When all other reasonable options have been exhausted, possession proceedings will be instigated as a last resort.
- 3.12 This policy will be applied sensitively to vulnerable people, including those who are in Supporting People charge arrears. Operating procedures will identify safeguards to both protect our income and assist vulnerable customers who owe us money.
- 3.13 Orbit will not use Ground 8 (Mandatory ground for possession) when precluded by the terms of a tenancy agreement or prior stock transfer agreement. Where permitted Ground 8 may be used where all other reasonable alternatives have been used and failed and will be subject to approval of the Head of Income

Services or a member of the senior management team. Due regard will be paid to the household circumstances of the customer and any identified vulnerabilities when deciding if to use mandatory grounds for possession. Orbit will adhere to the Pre-Court Action Protocol for possession.

314 We will support and work with Local Authorities to assist them in fulfilling their duty to prevent homelessness. We will work closely with other agencies to sustain the communities in which we work.

315 We will comply at all times with legal requirements and good practice when dealing with customers who are declared bankrupt or who have an Individual Voluntary Arrangement.

#### **4. EQUALITY & DIVERSITY**

41 We will ensure that this policy is applied fairly and consistently to all our residents. We will not directly or indirectly discriminate against any person or group of people because of their race, religion/faith, gender, disability, age, sexual orientation or any other grounds set out in our equality and diversity policy or legally protected characteristic.

42 Our aim is to ensure that policies and supporting procedures do not knowingly create an unfair disadvantage for anyone, directly or indirectly.

#### **5. DATA PROTECTION & PRIVACY**

51 We are committed to our obligations in relation to the processing of personal identifiable information (PII) and acknowledge that all individuals have a right to expect that their privacy is respected and adequately protected in line with the Data Protection Act 1998. We use customer's personal identifiable information (PII) to enable us to deliver our products and services and also to support the relationship with our customers.

52 We use a range of communication channels to keep our customers informed (e.g. SMS, email, social media) dependent on what type of information we are sending out (e.g. newsletter by email),. However, if customers have a preference in the way we communicate (e.g. prefer email), we will update our records. More detailed information can be found in our Privacy Policy at [www.orbit.org.uk/privacy-policy](http://www.orbit.org.uk/privacy-policy). Alternative formats (e.g. braille) are available upon request.

#### **6. MONITORING & ACCOUNTABILITY**

61 Managers will ensure this policy is promoted, understood and implemented by all relevant employees ensuring consideration is given to any implications arising from policy decisions.

62 Orbit will be responsible for monitoring the effectiveness of this policy and recommending policy changes to improve services and to reflect the changing external environment.

63 A fundamental review of this policy will be completed within a 2 year period.