

INCOME MANAGEMENT POLICY (August 2006)

1. STATEMENT OF INTENT

The aim of Co-op Homes whether managing our own properties or properties on behalf of other Co-ops is:

- To reduce current arrears by agreed targets as set out at the start of each year.
- To reduce former tenant arrears by agreed targets as set out at the start of each year.
- To reduce the number of eviction undertaken thereby sustaining tenancies

Co-op Homes will seek possession on rent arrears only as a last resort, once all other reasonable steps have been taken and after tenants have received comprehensive debt advice.

2. POLICY STATEMENT

Debt Prevention

The focus is on sustaining tenancies through proactive housing management that aims to prevent arrears arising from the outset of the tenancy. New tenants are advised from the initial viewing of the importance of keeping a clear rent account. They are given advice and assistance on how to pay their rent and where necessary claim Housing Benefit. They must provide one of the following on sign-up otherwise they will not receive the keys to the property:

- Proof of a completed Housing Benefit form handed in to the relevant council
- One weeks rent
- A completed direct debit form and a cheque to cover the rent until the start of the direct debit.

Rent statements are sent out automatically to each tenant every three months to enable them to monitor their payments.

Rent Payments

While there are a number of ways in which tenants can pay their rent the following methods are encouraged because they are the most convenient for the customer:

- Allpay.net or swipe card. This can be used at numerous outlets including local shops.
- Direct Debit.

Housing Benefit

Where they may be entitled we actively encourage tenants to apply for Housing Benefit throughout their tenancy and to provide supporting evidence to speed the progress of their claim.

3. IMPLEMENTATION

Management of Arrears

Co-op Homes sets clear annual targets for recovering current and former arrears. Where it provides management services for other Co-ops these will be agreed with them at the outset or prior to the start of the financial year. Co-op Homes operates to an agreed set of income management procedures that are reviewed at least every three years.

Co-op Homes will where necessary seek possession orders and if necessary evict tenants who do not clear their arrears. However, this action will only be sought after giving the tenant reasonable opportunities to clear the debt or to come to a satisfactory agreement. Personal contact will always be attempted before instituting court proceedings if a tenant does not respond to the letters or Notice.

Co-op Homes will only use Ground 8 (Mandatory Possession) as a last resort when all other avenues for retrieving the debt has been exhausted

Customer Service

Great emphasis is placed on customer care and there are specific service standards relating to income management in addition to other corporate standards. These are to provide customers with:

- Advice and information on financial support if requested
- early notification when there has been non payment of rent
- a quarterly rent statement.

We will work with other agencies to help tenants meet their rent obligations and sustain the tenancy to prevent the need for arrears action. We will provide tenants with details of agencies they can contact for debt advice and actively encourage them to take advantage of these services.

4. RESPONSIBILITY

The Housing Services Manager is responsible for:

- The effective implementation of this policy
- Ensuring that relevant staff are trained in the policy and the associated procedures

5. REVIEW

Co-op Homes will review this policy at least every 3 years and by November 2009 at the latest.

Review Date December 2007