Income Recovery Policy

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1. POLICY STATEMENT

1.1 YMCA Norfolk seeks to embed a culture of financial responsibility through supportive and empowering approaches, ensuring tenancy sustainment and organisational viability to continue its mission to 'transform young lives.'

1.2 YMCA Norfolk takes a holistic view of tenancy sustainment and the development of our young people, considering wellbeing of mind, body, and spirit. Our approach to income recovery aims to support financial accountability, recognising it as a key component and essential part of our organisational outcomes for the young people who live in housing we provide and or engage with our services. This approach supports young people to develop independent living skills, self-regulation and achieve positive move-on outcomes.

2. PURPOSE

2.1 YMCA Norfolk will ensure that its policy, procedures, and working practices incorporate sector best practice and facilitate clients to pay their charges. This includes helping clients to develop an understanding of tenancy sustainment through early intervention and preventative action. YMCA Norfolk will support clients to reduce, and where possible prevent, debt to promote their financial health and wellbeing.

2.2 YMCA Norfolk will ensure all clients are consistently treated fairly through its Income Recovery Policy, ensuring proportionality is considered for dealing with vulnerable young people.

2.3 The key objectives of this policy are to ensure that YMCA Norfolk manages income recovery in a way that is fair, transparent, proportionate, and compliant with statutory and regulatory requirements. All housing staff are responsible for ensuring compliance with the following objectives:

- Ensure compliance with all relevant statutory, regulatory, and contractual obligations, including consumer standards applicable to registered providers
- Maximise income collection and maintain low levels of arrears through the promotion of a strong payment culture, early intervention, and timely preventative action
- Take prompt and proportionate action to prevent arrears from accumulating, having regard to individual circumstances
- Enable residents and customers to pay rent and other charges easily and accessibly, with primary use of digital and electronic payment methods
- Provide residents and customers with clear, accurate, and timely guidance and advice to support effective management of their rent accounts, personal contributions, and former tenant arrears
- Apply a consistent, fair, and transparent approach to rent collection and the management of debt owed by residents or clients
- Regularly provide residents with clear statements and communications regarding the status of their rent accounts to promote understanding and financial accountability.

3. SCOPE

3.1 This policy sets out YMCA Norfolk's approach to the collection of income arising from tenancy and occupancy related charges. It applies to all residents and clients who have a contractual responsibility to pay charges for the accommodation they occupy, regardless of housing tenure.

This includes but is not limited to:

- Current tenants
- Former Tenants
- Licensees

3.2 This policy applies to all income associated with housing accommodation services provided by YMCA Norfolk and should be read alongside the Income Recovery Procedure which sets out the detailed operational processes for managing income recovery activity.

3.3 Income covered by this policy includes all charges arising from housing and occupancy agreements, including:

- Rent
- Personal contribution charges
- Service charges
- Rechargeable repairs
- Sundry and former tenant debts

3.4 YMCA Norfolk is committed to delivering income recovery services that are fair, transparent, proportionate, and person-centred, supporting tenancy sustainment while protecting the organisation's financial viability. Income recovery action will take account of individual circumstances and be consistent with the principles of early intervention and prevention.

3.5 YMCA Norfolk will ensure that income recovery services are accessible to all residents and clients, including those who may require additional support. Where appropriate, reasonable adjustments will be made to policies, procedures, or methods of communication to ensure equitable access to services.

3.6 YMCA Norfolk recognises its duties under the *Equality Act 2010* and is committed to eliminating unfair treatment, advancing equality of opportunity, and fostering good relations. In determining whether an adjustment is reasonable, consideration will be given to guidance issued by the Equality and Human Rights Commission, including:

- The effectiveness of the adjustment in reducing disadvantage
- The practicality of the adjustment
- The extent of any disruption caused
- The financial and other costs involved
- Resources available
- The availability of external support or assistance from agencies in Norfolk

4. DEFINITIONS

4.1 For the purpose of this policy, the following definitions apply:

- **Arrears:** any rent, personal contribution, service charge, rechargeable repair, sundry debt or former tenant debt that remains unpaid after the date it was due.
- **Current tenant or resident:** a person currently occupying YMCA Norfolk accommodation under a tenancy, licence or occupancy agreement.
- **Former tenant or former resident:** a person who previously occupied YMCA Norfolk accommodation and continues to owe money to the organisation after leaving.

- **Personal contribution:** the amount a resident or client is required to pay directly towards the cost of their accommodation or service where this is not fully met by Housing Benefit, Universal Credit or another funding source.
- **Rechargeable repairs:** costs that YMCA Norfolk may recover from a resident or client where damage, loss or repair liability falls outside ordinary wear and tear and is chargeable under the relevant agreement or procedure.
- **Income recovery:** the preventative, supportive and enforcement activity undertaken by YMCA Norfolk to secure payment of housing-related charges while supporting tenancy sustainment and financial accountability.

5. REFERENCES

5.1 This policy must be read and applied in conjunction with the following:

- Policy 16 - Financial Policy
- Policy 27 - Lettings and Allocations Policy
- Policy 30 – Needs, Risk Assessment and Support Planning Policy
- Policy 32 - Restorative Practice Policy
- Policy 34 - Warnings, Terminations and Evictions Policy for Licence Agreements
- Procedure 01 - Financial Procedures

5.2 This policy and associated guidance documents comply with the Regulator of Social Housing's Tenancy and Rent Standards.

5.3 The most important legislation and case law that currently govern registered provider income recovery policy and practice are:

- Protection From Eviction Act 1977
- Housing Acts 1996 & 2004
- Rent Arrears Pre- Action Protocol
- Civil Procedure Rules
- Housing Regulatory Standards for Registered Providers, 2025
- Welfare Reform & Work Act 2016
- Equalities Act 2010
- Localism Act 2011
- Renters Rights Act 2025
- Homelessness Reduction Act 2017
- Social Housing Regulation Act 2023

6. RESPONSIBILITIES

Board of Trustees

6.1 The Board of Trustees has overall responsibility for ensuring that YMCA Norfolk maintains effective governance arrangements for income recovery and that financial risks associated with rent, service charges, personal contributions, rechargeable repairs and former tenant arrears are appropriately monitored.

Executive Team

6.2 The Executive Team is responsible for approving this policy, ensuring that it is implemented consistently across YMCA Norfolk housing services, and receiving assurance that income recovery activity is fair, proportionate, lawful and aligned with organisational values.

Housing Director and Head of Housing

6.3 The Housing Director and Head of Housing are responsible for providing strategic oversight of income recovery performance, ensuring that the Income Recovery Procedure is maintained, and authorising escalation or legal action where required in accordance with this policy and associated procedures.

Housing Managers

6.4 Housing Managers are responsible for ensuring that operational income recovery practice is applied consistently, that staff take timely preventative action, and that repayment agreements, affordability assessments and case reviews are completed and recorded appropriately.

Housing and Support Staff

6.5 Housing and support staff are responsible for working directly with residents and clients to promote payment accountability, provide clear information, identify support needs, make reasonable adjustments where required, and refer residents to relevant internal or external support agencies.

Finance Team

6.6 Finance staff are responsible for maintaining accurate financial records, processing payments, supporting reconciliations, producing relevant income reports, and working with housing colleagues to monitor arrears and debt recovery activity.

Residents and Clients

6.7 Residents and clients are responsible for paying rent, personal contributions and any other housing-related charges in accordance with their occupancy agreement, engaging with YMCA Norfolk where payment difficulties arise, and maintaining agreed repayment arrangements.

All Staff

6.8 All staff involved in income recovery must act in accordance with this policy, the Income Recovery Procedure, YMCA Norfolk's values, relevant legislation, regulatory standards and data protection requirements.

7. POLICY DETAILS

PAYMENTS & PRIORITISATION

7.1 YMCA Norfolk will ensure that all residents and clients are provided with clear and up to date information about the range of payment options available to them. We will keep payment arrangements under review and, where appropriate explore innovative and accessible methods to support residents and clients to make payments in a way that meets their individual needs, whilst also keeping abreast of all new technologies.

7.2 YMCA Norfolk will accept rent and other housing-related payments through the following methods:

- Bank transfer
- Standing order

- Card Payments
- Cash

Note: Whilst YMCA Norfolk accepts cash payments, we prefer rent payments to be made electronically. Cash payments will only be accepted through approved arrangements. Where there are unusual cash payments, significant arrears cleared in cash, or third-party cash payments made on behalf of a resident, these will be reviewed by the responsible manager and documented.

7.3 New payment methods may be introduced where this supports accessibility, efficiency, and improved payment outcomes.

7.4 Housing Benefit and Universal Credit are key income streams for YMCA Norfolk. We will maintain effective and constructive working relationships with local authority Housing Benefit teams and the Department for Work and Pensions (DWP) and will take timely and reasonable steps to ensure claims, assessments, housing benefit overpayments, and payment files payments are processed accurately and efficiently.

7.5 Housing Benefit and Universal Credit is a key revenue stream. We will always maintain close working relationships with local authority Housing Benefit teams and DWP and seek to process files and payments in the most efficient way.

7.6 YMCA Norfolk will review a resident or client's debts. Where a resident or young person has multiple debts owed, it is in the interest of the young person that the highest priority is given to payment of debts that maintain their current home. The following rating system will be applied:

- Weekly rent associated with a housing occupancy agreement (for a hostel room, umbrella housing or shared house)
- Former tenant arrears
- Court Costs
- Rechargeable repairs

7.7 Payments made will be allocated by the priority rating above. However, we will allow payments against other debts owed to us, provided that the weekly rent payment has been made.

Assisting YMCA Norfolk's Residents

7.8 YMCA Norfolk will ensure that prospective and current residents and clients are aided and informed about the importance of making rent and personal contribution payments weekly in advance, on time, and in full, in accordance with the terms of their occupancy agreements.

7.9 YMCA Norfolk will as part of our policy support and encourage young people to build and maintain credit balances on their rent accounts where appropriate, to support planned move on and as part of its income recovery strategy.

Repayment Agreements

7.10 YMCA Norfolk will ensure that young people housed in its accommodation receive clear appropriate information and support, to enable them to understand and meet their rent, personal contributions and services charge responsibilities. This includes but is not limited to:

- The payment options available to them.
- Any entitlement to assistance with housing costs through welfare related benefits (housing benefit or universal credits).
- Quarterly rent statements sent electronically by email.

7.11 Residents will be informed of the consequences of non-payment and late payments at tenancy sign-up and throughout their tenancy where appropriate.

7.12 Where payments are late or there is non-payment YMCA Norfolk will discuss this with the resident or client and decide which course of action to take which can include negotiating a repayment agreement.

7.13 YMCA Norfolk will adopt a policy approach of requiring repayment arrangements that comprise the current weekly or monthly rent plus a contribution towards arrears, typically set at 10% of the arrears owed. Repayment agreements will be proportionate, time-limited, and informed by an assessment of income and expenditure, confirmed in writing, and approved by the Housing Manager.

Rent Relief

7.14 YMCA Norfolk recognises that young people who are in employment may in some circumstances, be temporarily unable to meet the full cost of their housing-related charges due to low wages.

7.15 As such, YMCA Norfolk may consider, short-term rent relief to support continued employment, whilst sustaining accommodation.

7.16 All rent relief support provided will be discretionary, time-limited, informed by an income and expenditure affordability assessment and authorised by Head of Housing or Housing or Finance Director in line with YMCA Norfolk's financial governance arrangements.

7.17 Rent relief operates across all of YMCA Norfolk housing services. It is not an ongoing subsidy or entitlement. The detailed operation, eligibility criteria and governance arrangements for rent relief are set out in YMCA Norfolk's Income Recovery Procedure.

Legal Action

7.18 Legal enforcement action will only be considered in exceptional circumstances and as a last resort, where all reasonable attempts to prevent arrears and support tenancy sustainment have been exhausted. Any action taken will be fair, proportionate, and lawful, and will consider each young resident or client's circumstances.

7.19 Where legal action is required, YMCA Norfolk will serve the appropriate statutory notices and will comply fully with the Rent Arrears Pre-Action Protocol for Possession Claims by Social Landlords, ensuring that residents are treated fairly and given clear information.

7.20 Legal enforcement action may be considered where a resident owes arrears of five weeks or more and despite all reasonable support and intervention has persistently declined to agree to or failed to sustain previously agreed repayment agreements.

7.21 YMCA Norfolk may serve a formal notice to commence recovery proceedings for non-payment of rent, subject to appropriate authorisation and case review as follows:

- For residents holding Assured Tenancies or Assured Shorthold Tenancies (including umbrella properties or houses in multiple occupation), a Notice of Seeking Possession (NOSP) and/or a Section 21 Notice may be used, where legally appropriate.
- For hostel and licence-based accommodation across, YMCA Norfolk may serve a Notice to Quit

7.22 All notices must be authorised by the Housing Director, Head of Housing, or, in their absence, a member of the Executive Team, as set out in YMCA Norfolk's Warnings, Terminations and Evictions Policy for Licence Agreements (Policy 34).

8. MONITORING & EVALUATION

8.1 YMCA Norfolk will monitor and review housing income recovery performance through its governance framework with oversight at Board and Executive level, and operational monitoring by the Head of Housing and Housing Managers, to ensure oversight and accountability.

8.2 Income recovery performance will be assessed by the Executive Team against a defined suite of performance indicators and management reports aligned to sector best practice, and will as a minimum include the following:

- Total arrears as a percentage of rent debit
- Current tenant arrears levels
- Former tenant arrear levels
- Arrears by patch/ location
- Number and value of repayment agreements in place
- Arrear trends over time
- Write Off's.

8.3 This policy may be reviewed at any time at the request of either staff or management but will automatically be reviewed 3 years from initial approval by the Executive Team and thereafter on a triennial basis unless organisational changes, legislation, guidance, or non- compliance prompt an earlier review.

9. ASSOCIATED DOCUMENTS

9.1 The following document is associated with this policy:

- Procedure 17 - Income Recovery Procedure