



## STRATEGY DOCUMENT

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## Introduction

Progress Housing Group (the Group) is a Registered Provider originating in the North of England which provides housing and related services across the country. Our portfolio is diverse and includes 12,000 homes for general needs, independent living, and an extensive range of supported living accommodation – largely for people with a learning disability, autism or enduring mental health condition, and key worker accommodation for hospital workers in Lincolnshire and West Lancashire.

The effective collection and management of income and prevention of rent arrears is fundamental to the successful operation of the Group. It enables us to guarantee future financial viability to repair and improve our homes, fund the development of new homes, and continuously improve our services. This strategy supports and drives the Income Management service in an operational context and details where it sits within the organisational strategic framework. It outlines key aims and priorities in relation to income collection, our operating context, the legislation and regulation that we must comply with, and how we will monitor and review our approach.

This strategy builds on our previous strategy agreed by Board in September 2020 and incorporates our person-centred approach agreed at the Strategic Board Away day in November 2022.

## Policy Statement

The Group will provide an efficient income management service to meet its objectives to provide an excellent service, build an even stronger organisation, put customers at the heart of our business, and serve local communities.

The overall aim of the Income Management Strategy continues to be prevention, allowing us to maximise the Group’s rent and sundry account collection whilst minimising debt. This aim aligns to the Group’s central focus of supporting our customers to sustain their tenancy.

We are committed to working with statutory and voluntary agencies to agree effective measures to prevent rent arrears, former tenant arrears, and sundry debt from occurring in the first place. We will work with the appropriate statutory and voluntary agencies to support our vulnerable tenants.

We believe that preventing and tackling rent arrears, former tenant arrears, and sundry debt is a key part of delivering sustainable communities and improving the quality of life of our customers.

We are signed up to the National Housing Federation pledge that **“No one will be evicted from a housing association home as a result of financial hardship where they are working with their housing association to get their payments back on track”**.

We are committed to taking prompt action when rent arrears, former tenant arrears, or sundry debts occur, to make the repayment of the debt achievable. We are also committed

to treating people as individuals, taking into account their own personal circumstances when formulating a plan to deal with impending or current rent arrears.

The pre-tenancy stage is critical in determining the sustainability of a tenancy. We house a significant number of people on low income or in receipt of state benefits. Our work on managing income and supporting people begins prior to a tenancy starting and will continue for as long as needed.

The Welfare Reform Act 2012 and the Welfare Reform and Work Act 2016 resulted in some fundamental changes to the benefits system with the introduction of Universal Credit, Under-occupancy charges, an overall cap on household benefits, and an increase in Housing Benefit deductions for non-dependents. We adjusted our service offer to take account of these changes and the changes to the Data Protection legislation contained within the General Data Protection Regulations 2020.

## Aims of the Strategy

The aims of the Income Management Strategy are:

- To maximise income collection and promote financial inclusion and empowerment
- To focus on continued engagement and support for tenants who we have assessed as being unable to pay their rent due to financial hardship, as opposed to pursuing possession action or eviction
- To ensure we take into account the individual needs of our tenants and make reasonable adjustments to our service provision as appropriate
- To ensure a Group 'one team' approach to the collection of income and to supporting tenants to pay their rent
- To promote a 'rent first' payment culture
- To ensure a firm but fair approach to the collection of income, in line with the Group's Equality Diversity and Inclusion Strategy, and our Vision and Values
- To protect the financial viability of the Group by ensuring that all income collection activity demonstrates value for money
- To restate our commitment to partnership working to ensure our customers are supported to pay their rent, maximise their income, and sustain their tenancies
- To ensure that we collect our income in compliance with the relevant legislation and regulatory standards
- To fully utilise our customer insight data to inform service improvements

The strategy is also aligned to the following organisational cross cutting themes:

- **To place customers at the heart of what we do.** Our decisions and development of services will be driven by the involvement, needs and aspirations of our tenants.
- **To be a strong organisation** delivering growth, innovation, value for money and continuous improvement. Maintaining high standards of corporate governance to ensure we operate in a safe and socially responsible manner.
- **To operate and behave as one team** to deliver our shared corporate objectives. We recognise the distinctive roles that each of our colleagues and non-executives play in our work, and we consistently reflect our values in the way we behave to deliver our shared social objectives.
- **To challenge inequality in our society**, value diversity and further inclusion. Our EDI strategy and action plan will be delivered by all parts of the business to ensure we maximise the positive impact of our work.

## Where are we now?

We have specialist Income Collection Officers, based within Area Housing and Supported Housing teams who work collaboratively across the organisation in the effective collection of rent and recovery of arrears. To support our approach, we also have tenancy sustainability colleagues who provide support and refer in to many external services – both statutory and voluntary - to help our tenants sustain their tenancies and maximise their incomes. This work includes referrals for direct support with fuel and food poverty, welfare benefits, and support into employment and training through our in-house Progress Futures Team. Key Unlocking Futures is a specialist function within the Group that delivers tenancy support for customers in arrears and at high risk of tenancy failure. We also operate a Tenancy Sustainability Fund to help those in significant need, including the provision of food and fuel vouchers and furniture items.

We operate Rentsense, specialist software and Power BI dashboards to analyse the historical data on a rent account to prioritise cases requiring an intervention to enable the Group to be able to identify which cases require urgent or immediate engagement. This allows us to focus resources on areas of most need, thereby increasing efficiency and effectiveness.

Tenants who sign up to the digital tenant account can pay their rent online, check their balances and request rent statements 24 hours a day. There are a variety of payment methods that customers can choose from including automated telephone payment line; swipe cards; cheque; standing order, direct debit and online payments.

As an organisation we have signed up to the 'Homes for Cathy' pledge which has 9 commitments to end homelessness and our Income Management Strategy is aligned to this.

We plan to transform our approach to customers in the next 12 months. Our person-centred approach will be the foundation of everything we do. We will work with our customers and partners to share and explore new ideas to shape a truly customer-focused service.

## What do we need to do to achieve our aims?

We will continue to review our insight data to update our income collection procedures with our customers and partners to enable a more efficient and effective income collection service.

The mainstreaming of welfare reforms and Universal Credit is well advanced. The full roll out of Universal Credit continues, and our processes are aligned to support this.

Having a 'one team' approach in the collection of rent and service charges is critical to our success, and all colleagues will be empowered to support the organisation to maximise the collection of rent and service charges, and identify those tenants that need support.

We work on under-occupancy as part of our approach to allocations and this involves supporting our tenants to live in the most appropriate sized home to meet their needs. Commonly referred to as under-occupancy charges, this helps to combat the rule that restricts the size of accommodation you can receive housing benefit or universal credit for based on household composition.

We will continue to undertake customer profiling and carry out arrears and tenancy analysis to gain a better understanding of our customers and their current and future needs. This will assist us in targeting resources where they are most needed.

We will support and encourage customers to access our service digitally and ensure that our digital offer is relevant and meets current and future demand.

We will support our teams to collect income effectively by ensuring they receive training, supervision and coaching that is relevant to their role and future development. We will also ensure that income collection performance is measured and monitored against the published annual performance targets.

We recognise the value of working in partnership with our customers, other housing providers and statutory and voluntary agencies to prevent and tackle poverty and debt in our neighbourhoods. We will maintain existing and develop new partnerships that will support our customers to maximise their incomes and sustain their tenancies.

## Value For Money (VFM)

It is important that all services demonstrate VFM.

The Group's VFM principles are to:

- Generate and maintain resources to support delivery of the objectives within the strategic plan. We seek to ensure our VFM activities link to the strategic aims and purpose of the Group
- Demonstrate accountability to our customers and stakeholders
- Provide a framework for staff to contribute to our VFM principles
- Ensure we understand the costs of service provision to direct resources appropriately

The Income Management Service will be regularly benchmarked in terms of cost, performance, and customer insight, and the results used to inform our approach going forward.

## Protecting Our Income

Protecting our income, is critical and the action plan below shows how we will do this.

## Consultation

We will ensure that our policies are robust and kept up to date by undertaking reviews in consultation with customers and partners, and where necessary revise and re-publish our policies to reflect changes in legislation, statutory guidance, good practice and service developments and improvements.

## Implementation, Monitoring and Review

This strategy is accompanied by a high level action plan which is aligned with the Business Stream's Business Plan and monitored accordingly. Progress with the strategy action plan will be reported annually to Board.

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**Progress Homes Income Management Strategy Action Plan 2023 (12 month plan)**

<b>Strategic Priority</b>	<b>Action</b>	<b>Target Date</b>	<b>Desired Outcomes</b>	<b>Measures of Success</b>
Be a strong organisation	Ensure all new customers make their first rent payments at sign up	Ongoing	Promoting a rent first payment culture by increasing the level of rent paid on time	100% of customers paying their first rent payment at sign up
To Operate as one team	Review, train out and publicise our new pre-tenancy assessment process	Oct 2023	Greater knowledge of tenant needs assesses at pre tenancy stage to enable us to mitigate risk and access relevant support and intervention	Increased tenancy sustainability/decreased tenancy turnover
To Operate as one team	Develop, train out and communicate our person-centred approach to rent collection	June 2023	Greater support for tenants to maintain their tenancy. Clarity of approach for colleagues	Increased tenancy sustainability
Be a strong organisation	Increase the number of customers paying using Direct Debit	December 2023	Reduction in transaction costs, enabling focus on more vulnerable customers	Customer Campaigns to be developed and an increase in number of direct debit payments achieved
To Operate as one team	Run rent payment campaigns	December 2023 March 2024	Maximise rent collection, tenant engagement and promote a rent payment culture	Sustained Income Collection KPI performance
Be a strong organisation	Achieve performance in line with business targets	Ongoing	Performance targets for rent collection, rent arrears and former tenant arrears are achieved	Performance in line with/exceeding targets
Be a strong organisation	Drive customers to our digital platform service offer	December 2023	Increase in customers accessing services through the platform enabling	5 % increase in customers using the digital platform

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			the targeting of resources to those most in need	
Put customers at the heart of what we do	Review the Customer Journey Process map	March 2024	Improvement in clarity of message and the capturing of customer feedback	Achieve the customer satisfaction target of 85%
Put customers at the heart of what we do	Reduce the number of evictions for rent arrears	March 2024	Increased tenancy sustainability, and reduced void costs,	Reduce evictions for rent arrears by 50% (13 evictions carried out in 2022/23)



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### RWP Income Management Strategy Action Plan 2023 (12 month plan)

Strategic Priority	Action	Target Date	Desired Outcomes	Measures of Success
Put customers at the heart of what we do	Ensure all tenants eligible for housing benefit are supported to apply upon sign up to the tenancy	Ongoing	Setting tenants up for success with their rent accounts from day one and reducing rent arrears	Increase in HB payments made within the first 4 weeks of the tenancy. Reduction in write offs.
Put customers at the heart of what we do	Explore opportunities to provide correspondence in other formats such as easy read	April 2024	Improved accessibility and understanding for tenants to support their independence	New letter templates created and workflows built into QLx
Be a strong organisation	Improve our rent review processes to provide greater transparency	Sept 2024	Provision of more information of how our rent is calculated to reduce the time spent on enquiries from local authorities	More detailed rent breakdowns for each property. Reduction in local authority challenges.
Be a strong organisation	Increase the number of customers paying using Direct Debit	April 2024	Reduction in transaction costs, enabling focus on more vulnerable customers	An increase in number of direct debit payments achieved and reduction in standing orders
Be a strong organisation	Achieve performance in line with business targets	Ongoing	Performance targets for rent collection, rent arrears and former tenant arrears are achieved	Performance in line with/exceeding targets
Be a strong organisation	Develop our processes to maximise efficiency and automation	April 2024	Review current processes to identify improvements that could be made to reduce manual steps and make capacity for the cases that require more intervention	Finalised review of RWP Income Collection Procedure including revised letters and new workflows implemented for QLx