

# Your Rent, Your Responsibility

## Income Collection Policy

### Policy statement

This policy applies to all customers living in our homes. It covers all payments due to West Kent.

We aim to collect all income due promptly to help you sustain your tenancy, minimise bad debts and protect the provision of services. The majority of our income comes from rent, and as a tenant you have a responsibility to pay rent as part of your contract with us. This is to be fair to all our tenants, including those who pay rent on time, and need our homes and services.

We'll take steps to minimise the chances of rent and other charges not being paid. The key aims are to collect what is due and minimise bad debts.

We aim to keep debts to a minimum through a responsive and firm approach. Where unpaid charges do arise, we will take steps to recover money owed to us by working with you and where necessary signposting you to appropriate support and advice. We will take legal action to recover income owed to us if we feel it's necessary.

### Our objectives

The crucial objectives of the Income Collection Policy are to sustain tenancies and to protect the services we provide by actively preventing unpaid charges in the first place, and by proactively encouraging customers to clear any debts that do occur promptly.

Our objectives are to:

- Ensure our communications are clear, customer friendly and encourage contact.
- Help customers help themselves with good advice and signposting, including working with others for options to increase income by training and employment.
- Help customers to maximise income benefit entitlement and to proactively signpost customers to independent providers of money and debt advice.
- Promote financial wellbeing through our financial wellbeing action plan.

### Our approach

Rent and service charges are priority payments that must be paid, or your home may be put at risk. We will:

- Monitor accounts and contact you promptly if you miss payments.
- Ensure repayment agreements are affordable and timely.
- Offer advice and support with claiming benefits and debt advice, either directly or by signposting to statutory and voluntary organisations.
- Involve support agencies and local authorities where appropriate.

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We will discuss rents with prospective new tenants, as it is essential they can pay their full rent. If someone cannot afford the rent based on current income and expenditure we may consider not housing them until they can evidence they can pay the rent. We will always signpost them to the correct people for advice.

Paying your rent is a key part of all tenancy conditions. Most payments are due in advance at the start of the contract, and throughout the lifetime of the tenancy / licence. If you do not pay your rent or other money you owe us, we will suspend you from receiving some services until you clear the account. Services that you will be suspended from include moving in to another West Kent home and bathroom, kitchen and door replacement or upgrades.

We want to recover unpaid charges promptly and maximise the recovery of debts.

We will:

- Act promptly when your account falls out of your agreed arrangement
- Advise you of the next course of action and consequences of non-payment
- Take legal action against you if you fail to pay the charges – this will include eviction where necessary.

Rent and service charges are priority payments, and not keeping up with payments could lead to suspension of services, losing your home and it could affect your credit rating. To ensure this does not happen you need to:

- Review any account statements we send you, or review them online to check you have a clear account.
- Contact and engage with us as soon as possible. Let us know if your circumstances have changed and paying your rent has become or will become difficult, or respond to us if we contact you about payments due.
- Ensure repayment agreements are kept to and paid on time.
- Inform us if you believe your account is incorrect or if your income is changing and will affect your rent payments.

We will consider applying for possession on mandatory grounds for tenants who have not paid the charges due, if you have an Assured Shorthold Tenancy (including starter, fixed term, mortgage rescue and temporary) or an Assured Tenancy with a persistent arrears history - we can apply under Ground 8 of the Housing Act where eight weeks of arrears are outstanding.

### **Paying charges easily**

You are responsible for paying your rent and / or service charge and having the money or benefits in place to pay the rent. We offer a wide variety of ways for you to pay. We encourage the use of direct debit, as this is the most efficient way for us to receive rent and is usually the simplest and most convenient way for you to pay regular and occasional bills, and it can help with effective budgeting.

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## Garages

Garage renters are expected to pay their rent by direct debit. If you fail to pay, we'll take action to repossess the garage. We will also repossess if you owe us other debts and are not paying these. We will not rent a garage to a tenant if they owe us any money.

## Bankruptcy / Debt Relief Orders (DROs)

When a resident includes rent arrears in bankruptcy we can apply for possession of their home, for not keeping the tenancy condition to pay the rent. You should aim to clear any unpaid rent before starting bankruptcy. Under a DRO, you should continue paying the rent and arrears, or you risk repossession action and losing your home.

## Rechargeable repairs

We aim to prevent recharges by advising customers to carry out rechargeable works themselves, where possible. If you fail to pay the sum outstanding for a rechargeable repair, we will apply to County Court seeking repayment, including money judgement orders and attachment to earnings.

## Leaseholders and shared owners

Most payments are due by direct debit under your lease. We will deal with non-payment of rent and service charges in line with the same approach we apply to unpaid rent for general need properties.

If you have a mortgage, we'll contact the mortgage provider and request that they consider<sup>1</sup> the debt. If you are a leaseholder, outright owner of the accommodation, or the mortgagee refuses to capitalise the debt, we will take action in the County Court to recover the debt. This could also result in repossession.

## Former occupier income and debt

Rent continues to be charged each week, until all keys are returned and we get vacant possession<sup>2</sup>. Former residents still have to pay back any money owed. Where a former occupier fails to make arrangements to repay the debt including recharges, or fails to keep the terms of a repayment agreement, we will take court action. We may use external debt collection agencies to recover former occupier debt including recharges, on our behalf. We reserve the right to add on recovery charges to the debt. We'll not rehouse someone who owes us money.

## Equality

We will not discriminate on grounds of race, ethnicity, religion, sexual orientation, disability, gender or age. We aim to deliver services that are sensitive to these issues.

<sup>1</sup> Mortgage company pays the debt – but adds debt and extra charges and interest onto mortgage

<sup>2</sup> See information on our website about how to end a tenancy and notice periods required