INNISFREE HOUSING ASSOCIATION

November 2025

Income Management Policy

CONTENT

INCOME MANAGEMENT POLICY

1. INTRODUCTION

1.1 Innisfree Housing Association relies on the income it receives from rents to fund its activities and services such as carrying out repairs and improvements. It is therefore extremely important that we minimise the loss of rental income in order to safeguard our financial position, whilst being mindful of our role as a social landlord. Innisfree aims to maximise income, minimise debt and act in a way that is supportive of sustaining tenancies.

1.2 This policy establishes the framework for a consistent, sensitive, reasonable and yet robust approach to collecting income and debt. As a responsible social landlord, we must ensure that we balance our roles in debt prevention and debt collection to protect both our residents and Innisfree. Prevention is the driver for our approach and eviction is always the last resort.

1.3 This policy takes into account the Regulatory Code as defined by the Regulator of Social Housing, including the updated consumer standards introduced under the Social Housing (Regulation) Act 2023.

1.4 The policy applies to all our properties and tenure types.

1.5 For the purposes of this policy the term rent applies to all charges inclusive of any service charges.

1.6 For the purposes of this policy the term tenancy agreement applies to all occupancy agreements including licences.

2. POLICY OBJECTIVES

2.1 We aim to:

- Ensure that we maximise payment methods to make it as easy as possible for residents to pay their rent and other charges
- Ensure that prospective residents are aware of, and understand, their rent and other charges and their responsibilities before they accept an offer of housing
- Ensure that rent arrears are identified at an early stage and managed in a firm, fair, and proactive manner, with the focus on supporting residents to sustain their tenancies
- Ensure that residents are provided with accurate and appropriate information at all times; all information should be clear, accessible and tailored to the residents' communication needs wherever possible.
- Offer a range of communication methods to make it as easy as possible for residents to get in touch

- Work with residents to maximise their income and minimise financial exclusion
- Encourage residents to contact us regarding any change in circumstances and/or if residents experience problems that will result in missed payments
- Tailor our approach to individual residents and families, responding sensitively and flexibly to their needs
- Work with other agencies as appropriate to ensure that residents understand their obligations with regards to their tenancy agreement and receive appropriate advice and support
- Use all legal remedies available to us when residents refuse to engage or reach an agreement to pay any debt
- Ensure that residents are involved in shaping income management practices through feedback mechanisms and opportunities, in line with sector best practice.

3. POLICY PRINCIPLES: DEBT PREVENTION

3.1 Our approach to income collection is positioned within a culture where residents are expected to take responsibility for paying their rent in accordance with their tenancy agreement.

3.2 We aim to support our tenants by offering a wide choice of payment options for tenants. However, Innisfree will actively encourage its tenants to pay by Direct Debit, while also supporting digital payment platforms such as online portals and bank transfers to improve accessibility and convenience.

3.3 Innisfree will promote financial wellbeing through early intervention and referrals to support agencies or programmes. We will monitor rent accounts for early signs of financial stress and offer support before arrears escalate.

4. POLICY PRINCIPLES: DEBT COLLECTION

4.1 We believe that it is unfair to those residents who do pay their rent not to take a firm but fair approach to arrears management with those who do not.

4.2 At the same time, Innisfree recognises that residents may occasionally experience periods of financial difficulty and struggle to pay their rent. Innisfree will offer support, and we will signpost residents who have genuine difficulties in paying their rent or other debts to independent money and budget advice agencies. to try and resolve the problem.

4.3 Our aim is to take a positive and proactive approach to managing arrears and priority is given to preventative action in the early stages to ensure residents do not build up unnecessary debt. We will always attempt to make personal contact rather than rely on automated methods.

4.4 Innisfree will, where appropriate, arrange for any benefit to be paid directly to us in order to safeguard a resident's home. In the case of Universal Credit, requests for Alternative Payment Arrangements (APAs) will be considered on a case-by-case basis.

4.5 Innisfree will also support residents in accessing Discretionary Housing Payments and other hardship funds where appropriate and will work with local authorities and financial inclusion partners to maximise income and reduce financial exclusion.

4.6 Innisfree will make every effort to arrive at an affordable and realistic agreement with residents to repay any outstanding arrears. We will make it clear to all residents that rent is the priority and that any arrangement must be adhered to in order to avoid legal action.

4.7 Where all attempts to reach an agreement to pay and reduce rent arrears have failed, or where residents fail to engage with us, we will take firm enforcement action and all available legal remedies to collect money owed will be used. Possession and eviction action will be used only as a last resort.

4.8 Innisfree is obliged to follow the provisions of the Pre-Action Protocol on rent arrears, which forms part of the Civil Procedure rules. Throughout the arrears process, all steps taken will be clearly documented and we will demonstrate that we have taken every possible action to support the residents and recover any debt in order to prevent eviction.

4.9 Innisfree recognises the vulnerability of some of its residents and will always seek to understand the individual circumstances of each resident/family to ensure support is appropriate to their needs. We will work in partnership with residents, local authorities, voluntary organisations and other support providers to offer extra support and guidance where we know a resident/family may be vulnerable. However, whilst we accept that vulnerable residents may need additional support, we still expect rent to be paid on time and arrears repaid quickly. Where arrears action is necessary it needs to be commensurate with the level of debt, taking into account historical factors and personal circumstances. We will consider whether their disability or vulnerability is a factor in their non-payment of rent.

4.10 Innisfree has signed up to the Commitment to Refer and will ensure that we notify the Local Authority of anyone who meets the criteria and is at risk of homelessness.

5. FORMER TENANT ARREARS

5.1 Former tenant arrears can accrue for a number of reasons. The most common reasons are abandonment, eviction, and death.

5.2 Income Management has responsibility for endeavouring to prevent the creation of former tenant arrears by careful monitoring of rent accounts whilst they are still current. We aim to minimise loss from former tenant arrears by proactive early intervention in accordance with this policy.

5.3 Careful consideration should be given not only to whether a former tenant arrear is recoverable but also to whether it is in the Association's interest to pursue the debt.

5.4 Innisfree will assess the ethical implications of pursuing former tenant arrears, particularly in cases involving bereavement, or vulnerability. Recovery action will be proportionate and sensitive.

6. LOSS OF RIGHTS FOR RESIDENTS IN ARREARS

6.1 Innisfree may remove certain rights for residents in arrears. These may include:

- Any residents who are on the transfer list and fall into arrears will not be offered a transfer without a clear rent account. Any exceptions must be agreed by the Income Management Officer and Operations Director.
- Residents in arrears will not normally be able to carry out tenancy changes such as mutual exchanges and creating sole or joint tenancies until the arrears are cleared
- Any compensation payments/rent adjustments will be offset against their arrears.

7. PROCEDURE

7.1 This policy must be read in conjunction with the Income Management Procedure.

8. DATA SHARING

8.1 All information will be stored in our Housing Management systems. All case notes, case files, and personal information will be kept confidential in line with the Data Protection Act 2018. We will adhere to the Data Protection Act 2018 and comply with the UK General Data Protection Regulation.

8.2 We will share information with third parties where we have an information sharing protocol in place, if there are safeguarding concerns, or we have a duty to do so for the purpose of crime prevention under the provisions of the Crime and Disorder Act 1998, and the provisions of the Data Protection Act 2018 (and any other relevant legislation) justify it.

8.3 Innisfree will treat all information on the personal circumstances of a resident as confidential. A resident's arrears position, forwarding address and other details will not be made known or implied to any other person, with the exception of any debt collection agency acting on our behalf, unless we are authorised by the resident, or are required by law to do so.

9. PERFORMANCE AND MONITORING

9.1 Innisfree sets annual arrears and rent collection targets. These targets are clear, challenging and reflect top quartile performance for smaller housing associations in London.

9.2 Innisfree will benchmark its income collection and arrears performance against peer housing associations and sector standards, using this data to inform continuous improvement.

9.3 Performance will be reported to the Board on a quarterly basis.

10. EQUALITY, DIVERSITY, AND INCLUSION

10.1 We are committed to embedding the Equality Act 2010 into our Policies and Procedures. As part of this commitment, staff should facilitate reasonable adjustments and adapt our standard policies and procedures wherever possible, to ensure every individual can access our services.

10.2 To make an adjustment means to change work practices to avoid or correct the disadvantage to a person with a disability. This may include:

- Allowing more time than we would usually for someone to provide information that we needed.
- Providing specialist equipment or additional support such as a sign language interpreter.

11. REVIEWING THIS POLICY

11.1 The policy will be reviewed every 3 years, or with any changes to regulation or legislation.

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Version: Innisfree November 2025