

Income Protection Policy

Contents

1. Document Overview	2
2. Document Version History	2
3. Introduction	2
4. Scope	2
5. The Policy	2
6. Payments	3
6.1 Payment Arrangements	3
6.2 Tenancy Sustainment	4
6.3 Arrears Recovery	4
6.4 Legal Costs	4
6.5 Appeals	4
7. Former Tenant Debts	5
7.1 Write Offs	5
7.2 Credits	5
8. Thrives Core Behaviours	6
9. Treating Everyone with Respect	7
10. Other Related Policies and Guidance	7
11. Risk and Assurance	7
12. Policy Review & Approval	8
13. Support and Further Guidance	8

1. Document Overview

Purpose	Review and Update of Income Protection Policy.		
Audience	Colleagues Board Members Customers		
Data Classification	Internal Use Only External Use		
Review Cycle	36 months		
Last Review	April 25	Next Review	April 28
Relevant Legislation	Equality Act 2010		

2. Document Version History

Version	Date	Author	Reviewer	Changes & Additions
V1.1	Jan-25	Income Protection Manager Shaheed Mohammed	Director Customer Home Ownership Lead Income Team Leader Customer Working Group	Policy is due for renewal, reviewed and updated.
V1.0	Jan - 2019	Micheal McDonald		

3. Introduction

Thrive Homes is committed to offering affordable housing and value for money. To achieve this, we will ensure that rent, service charges, and other payable debts are collected promptly, in accordance with tenants' obligations under the Tenancy Agreement. Adopting a supportive and proactive approach to arrears management, Thrive Homes collaborates with internal and external partners to promote tenancy sustainability. Appropriate and effective measures will be taken to prevent and minimise rent arrears, helping to safeguard resources for essential services and the upkeep of housing stock.

This policy outlines how Thrive Homes maximises the collection of all income sources across all tenure types for current and former customers.

4. Scope

Thrive Homes (excluding Thrive Places) has a contractual relationship with current customers which sets out the type and frequency of charges to be raised and time scales for payments due. All customers will be expected to pay in line with the terms of their tenancy or lease with Thrive Homes. If customers have trouble making payments, we will actively engage with them to offer additional support and advice as outlined in this policy.

In certain circumstances, customers may need to pay for chargeable services or for the recovery of costs incurred because of a breach of tenancy or lease conditions. An additional administrative charge related to these costs may also be applied.

5. The Policy

Thrive Homes will assess whether tenants can meet the rent and service charges due for any accommodation applied for by undertaking a financial review; At Thrive Homes, we want to ensure that every new tenant can sustain their tenancy without facing financial stress. To support this, we won't

offer accommodation if rent payments would be unaffordable based on income or existing financial commitments unless agreed under exceptional circumstances by the Income Protection Manager.

If a property is offered under exceptional circumstances, we will provide tailored support, including referrals to the Citizens Advice Bureau, clear and personalized communication, and any additional assistance needed to help customers manage their tenancy successfully.

Requests for permissions from Thrive Homes will usually be refused where there is any outstanding balance due to Thrive Homes.

Customers may be asked to agree to a credit check as part of the process of making an offer of a home or setting up a payment arrangement.

Tenants are sent annual rent statements to ensure they are kept fully informed of any arrears or credit on their account.

Where a customer is entitled to a compensation or inconvenience payment from Thrive Homes, this is credited to the customer's account if there are any outstanding balances due to Thrive Homes, unless it is compensation ordered by the Housing Ombudsman Service.

Thrive Homes will require full payment of any arrears made part of a Debt Relief Order or Bankruptcy proceedings.

6. Payments

Thrive Homes provides a range of payment methods to allow flexibility on type and frequency of payment. Direct Debit is encouraged as it's the most cost-effective means of payment collection. Direct debits help customers make regular payments and reduces the risk of falling into arrears and going into debt. Where we know that the customer doesn't have a bank account that accepts a direct debit, we will engage with the tenant to provide support through the CAB to work towards opening a bank account that ensures direct debit is accepted. Direct Debit is the required payment method for shared owners, as well as for leaseholders on a payment plan outside of their lease terms or where it is a condition of their tenancy. Thrive Homes does not accept Standing Orders, Cash or Cheques as a payment method. Cash payments may be accepted under exceptional circumstances where the customer is at risk of eviction.

Where a customer pays by Direct Debit, Thrive Homes will amend instalments to take account of changes in charges and, where advised, any change in benefits paid directly to Thrive Homes affecting the amount a customer is responsible for paying to their Thrive Homes account.

We encourage customers to have Housing Benefit paid directly to Thrive Homes as a preferred payment method. Thrive Homes will request direct payments or deductions from UC in line with DWP guidance only when other recovery efforts have been unsuccessful.

All tenants will be provided with a rent payment card.

6.1 Payment Arrangements

We understand that financial circumstances vary, and we are committed to working with customers to find reasonable and manageable payment solutions. Where appropriate, we will consider payment agreements based on the level of debt owed, as well as individual financial situations and past payment history. We will also consider any other tenancy or lease breaches beyond non-payment.

To ensure we create a reasonable and tailored payment plan, we may ask customers to complete a Financial Statement (Income and Expenditure form) and provide supporting information. Our aim is to support our customers to maintain their tenancy.

We are committed to supporting Leaseholders and Shared Owners in managing the payment of Major Works bills. Should our customers face financial difficulty, they can request a repayment plan of up to 12 months. We will also offer additional support such as referral to CAB so the customer can benefit from advice in managing their finances.

For repayment periods longer than 12 months, we will work with customers to understand their financial circumstances. This may include completing a financial statement and providing supporting documents, such as bank statements, to ensure the plan is reasonable and manageable.

6.2 Tenancy Sustainment

We understand that managing finances can be challenging, and we will support our customers through difficult times. All customers will have access to referrals for independent advice services through Thrive Homes, offering support with income maximization and budgeting.

If additional support is needed, we may connect customers with our Tenancy Sustainment team or signpost them to other trusted organisations that can provide tailored guidance.

6.3 Arrears Recovery

We will tailor our arrears recovery actions and take customers' individual needs into consideration when taking arrears action.

Recovering debt is essential for Thrive Homes to continue providing homes and services for all our customers. Rent and service charge payments fund vital services such as property maintenance, repairs and estate management.

When debts go unpaid, it impacts our ability to invest in homes, improve living conditions, and support those who need it most. By ensuring payments are collected fairly and consistently, we can protect our services and maintain safe and well-maintained homes.

Thrive Homes will take all necessary action to recover debt in line with the terms of the tenancy or lease for current customers, and as appropriate to level of debt and customer circumstances for former debts, in line with Thrive Homes procedures.

Where this involves legal action, Thrive Homes will comply with all pre-action protocol requirements prior to application. This means we must take specific steps before starting legal action to repossess a home due to rent arrears. This is designed to give customers a fair opportunity to address their debt and avoid eviction.

For the customer, this means:

- Clear Communication – We will provide information about the arrears, outstanding balance, and available support.
- Opportunity to Agree a Payment Plan - The customer will be given the chance to work out an affordable repayment plan to clear the debt owed.
- Access to Support – We will direct the customer to debt advice services and any other support that is needed.

What non-payment means

If rent remains unpaid and no agreement is reached, we may eventually apply to the court for possession of the home. This could lead to eviction if:

- The arrears continue to grow without action from the customer.
- A repayment agreement is not kept.
- No engagement takes place despite the support offered.

Our aim is to avoid eviction wherever possible. Customers are encouraged to engage early, seek advice, and work with us to find a solution. Eviction or forfeiture is considered as a last resort. Where legal action will result in a risk of the loss of the customer's home, and with the customer's consent, Thrive Homes will refer the customer to the relevant Local Authority for advice and assistance, and will work with the Local Authority to minimise the risk of homelessness.

6.4 Legal Costs

Where legal action is taken to recover an outstanding balance, Thrive Homes will ask the court to award the costs to the organisation.

6.5 Appeals

Customers may only appeal against mandatory grounds for possession, any notices that have been served using discretionary grounds will not have an appeal.

- The use of Ground 8 and Section 21 Notice.

Any request for appeal can be made via the various methods outlined below;

- In writing made in writing via email to enquiries@thrivehomes.org.uk or by post to: Thrive Homes, Westside, London Road, Hemel Hempstead HP3 9TD
- If the customer needs additional help and support in requesting an appeal, we can refer the customer to the CAB or any relevant support agencies to act on behalf of the customer
- If customer wishes appeal by phone, we will document the appeal and work closely with team to clearly outline the reasons for their appeal.

In the request for appeal, the customer must set out the reasons why actions should not be taken using the mandatory grounds of possession.

The appeal will usually be conducted based on a written submission, but an oral hearing will be granted if requested by the customer making the appeal. The oral hearing may take place on a virtual meeting platform such as Microsoft Teams. Thrive Homes will notify the customer making the appeal of the result of the appeal in writing. Our decision is final.

A decision on an appeal will be given within 21 working days of receiving full details of the grounds. If we are unable to do this, we will say why not and explain to the customer when we can reach a decision.

7 Former Tenant Debts

We understand that financial matters can be challenging, even after a tenancy ends. If there are outstanding debts such as unpaid rent, overpaid benefits, or costs from a tenancy breach, we will work with former customers. This is done so to find a fair and appropriate way to recover these based on the amount owed and their individual circumstances. Our approach will be to remain supportive and transparent, ensuring former customers have the information and options they need.

We will work with former tenants to ensure an affordable payment plan is set up based on their income and expenditure and agree this to be paid via direct debit. Failure to pay the debt owed, no response from contact or several breaches of payment arrangements will result in account being referred to our external debt collection agency.

7.1 Write Offs

Where a former customer debt is not recoverable, or uneconomic to recover, it will be written off according to current Thrive Homes Standing Orders.

The debt will be reinstated if there is a change in circumstances meaning it is now recoverable.

No applicant will be made an offer of accommodation by Thrive Homes where a previously written off debt in respect of themselves or a current household member has not been reinstated and cleared.

No write-off of a debt included in a Debt Relief Order will be carried out before the end of the moratorium period, and the customer will remain liable for the debt to Thrive Homes.

7.2 Credits

Refunds will only be made if they meet the criteria as outlined below.

A completed refund form will need to be received and if there is a joint tenancy/lease, both tenants/leaseholders will need to ensure the form is signed. Refund will be made by bank transfer to an account nominated by the customer within 15 working days

Tenants

- Customers will be requested to maintain 4 full weeks rent credit on their accounts in case of a change in circumstances affecting their ability to pay. Under exceptional circumstances, and if this will cause financial hardship refund will be approved by the Income Protection Manager.
- No outstanding debt owed for recharges.

- Confirmation from Housing Benefit or Universal Credit there are no outstanding overpayment invoices.
- The refund will result in a breach of a tenancy.

Leaseholders

In line with standard lease terms, no refunds will be made where an actual service charge credit is applied to a leasehold account.

- Refund of credit balances will only be issued under exceptional circumstances when requested, whereby the customer faces financial hardship or significant credit adjustment has been applied. This will need to be approved by the Home Ownership Lead and the Income Protection Manager.
- Resales

Shared Owners

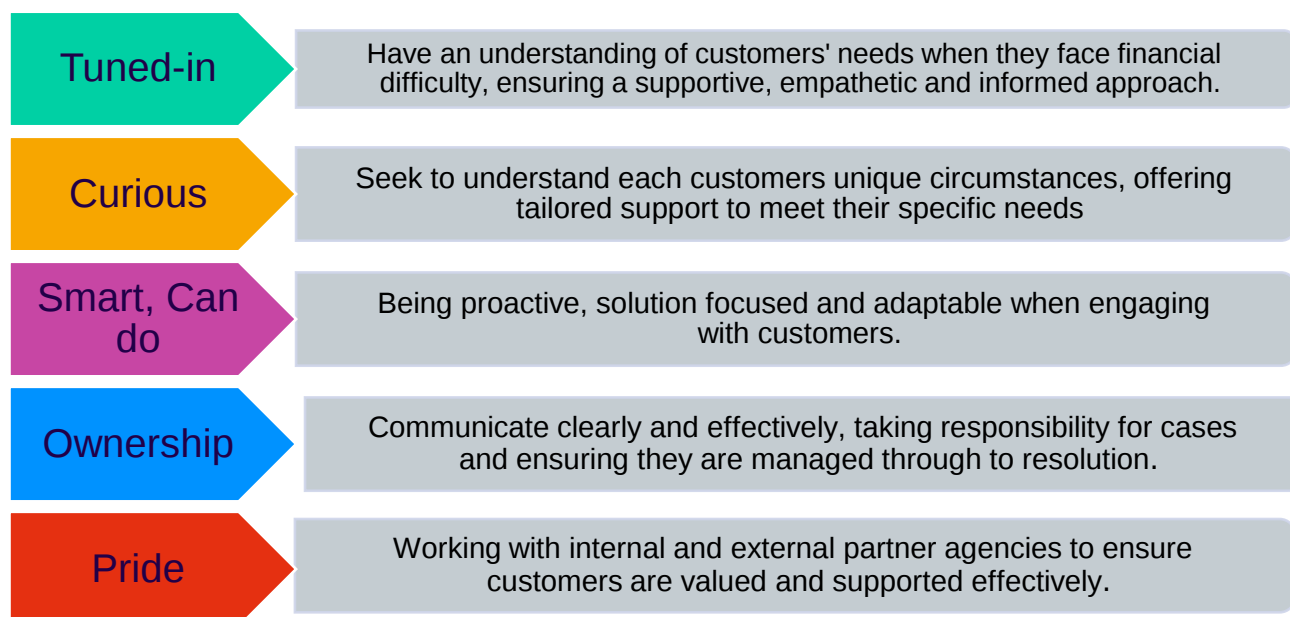
Shared Owner Direct Debits will be amended following the application of an actual service charge credit where this is in line with the terms of the shared ownership lease.

- Should the customer request a refund and their rent and service charge account is in credit, this will be processed within 10 working days.
- Resales

For the purpose of credits related to home ownership, the rent and service charge account and the major works account will be treated separately. If a credit balance exists on the rent and service charge account while there is an outstanding debt on the major works account, and the customer requests a refund of the credit, they will first be asked to agree to transfer the credit to the major works account to offset the debt. If the customer declines this request, the refund will be processed as outlined above.

Refunds of credits on former tenant rent accounts will be made by bank transfer to the account nominated by the tenant(s) provided there are no outstanding debts with Thrive Homes, or any pending liability to refund overpaid benefits.

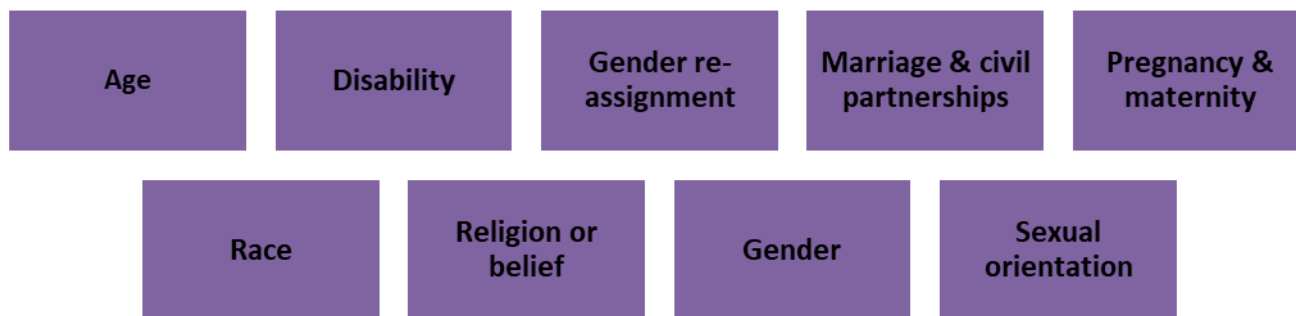
8 Thrives Core Behaviours



Customers and colleagues are entitled to hold us accountable if we behave in a manner that isn't in keeping with the statements above. To be clear that doesn't mean we can always deliver exactly what is being sought. but it does mean we demonstrate empathy and provide clarity.

9 Treating Everyone with Respect

This policy has been impact assessed in line with Thrive Homes' obligation to comply with the Equality Act (2010). We aim to design inclusive services, policies and behave in a way that does not discriminate on the grounds of:



While we are not required by law, we seek to ensure we do not discriminate on any basis that is rooted in prejudice, for example we are not influenced by:



Every effort will be made to ensure that decisions made reflect this commitment.

10 Other Related Policies and Guidance

This policy links to other policies Thrive has in place, including but not limited to:

- Risk Management & Assurance Framework
- Empty Homes and Letting Policy
- Compensation Policy
- Complaints Policy
- Tenure Policy
- Thrive Deal
- The Landlord and Tenant Act 1985
- The Housing Act 1988 The Housing Act 1996 Commonhold and Leasehold Reform Act 2002
- Breathing Space Moratorium Regulations 2020
- Universal Credit Regulations 2013
- Ministry of Justice Pre-action Protocol for Possession Claims by Social Landlords
- Ministry of Justice Pre-action Protocol for Debt Claims
- Service charges (Summary of Rights and Obligations and Transitional Provisions) (England) Regulations 2007

As a business we try hard to keep all these related policies aligned with each other. Anyone spotting inconsistency or contradictory statements, is asked to contact the Author and make concerns known. Supporting us to keep information clear and consistent will always be welcomed.

11 Risk and Assurance

The commitments and intent of this policy is aligned to our Strategic and Risk & Assurance Frameworks, specifically:

Strategic Framework Pillar	Corporate Risk Register
Fair Deal for Customers Resilient with a Strong Financial Base	Customer Experience Business Plan and Funding Risk

To ensure we hold ourselves accountable we will on an annual/biennial/triennial basis assess our adherence to this policy, reporting the assessment of compliance to the appropriate business forum.

Compliance will also be assessed through our internal audit programme.

Arrears and collection levels of rent and service charges, and Major Works arrears are reported through the monthly Management Accounts.

In regard to the visibility of the management accounts;

- Reviewed by Executive Team and Directors monthly
- Quarterly to the Board of Directors
- Annually by external auditors.

In addition to the management accounts the actions below are in place to ensure quality assurance and the policy is adhered to;

- Internal Audits.
- Approvals for use of mandatory grounds of possession authorised by the Income Protection Manager.
- Eviction requests submitted to Head of Housing/Director – Customer.

The Income Protection Manager is responsible for ensuring that the policy is applied in the collection of charges and recovery action taken.

The following reporting mechanisms are in place;

- Arrears and Rent and Service Charge collection is reported monthly via the Balance Score Card.
- High Risk arrears cases reviewed monthly and sent to Head of Housing for review/escalation.

12 Policy Review & Approval

As this policy is a core component of how Thrive manages its business the document will be evaluated by the Customer Working Group, part of the review and approval process.

The policy will be reviewed every three or sooner should regulatory advice or the ongoing monitoring of the delivery of the policy reveal that a review is desirable.

13 Support and Further Guidance

This policy has been drafted with input from colleagues across Thrive. Any concerns on how to interpret or follow its requirements, can be raised with members of the Income Protection Team.

Colleagues, Board Members and third parties have a responsibility to work in a way that's consistent with the expectations set out in the policy and its implied intent. Should anyone witness or become aware of activities that undermine or conflict with the intention this policy please alert a member of the Governance Team, or any member of the leadership team as soon as possible.