

Policy Name	Income Management Policy
Version No.	1
Approval Date	16 May 2018
Classification	Public / Internal / Confidential

Income Management Policy	
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Version Control

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1. Policy Purpose & Aim

The Income Management team's mission is to '**Collect every £ due, efficiently**' which is supported by the introduction of this policy. To meet our Mission statement 'Collect every £ due, efficiently' ECCT aims to ensure that residents are charged correctly and in a timely manner and that payments for outstanding charges are processed as quickly as possible.

This policy aims to ensure that staff understand the importance of Income Management and the part that staff play in ensuring that income from all income streams is collected correctly and efficiently. The policy aims to ensure that staff recognise the various income streams and maximize the collection of income and minimise any outstanding debts, recognising the impact that lost income has on ECCT's ability to provide services to its residents and customers.

The policy will work in conjunction with the income management strategy and the arrears procedure to ensure that the corporate plan targets relating to income management are achieved.



By the end of this corporate plan period all our residents will be paying us electronically and written communications with our residents and potential residents will also be electronic.



Review our charges: introduce more payment options and choice. Increase numbers of private payers paying full cost.

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This policy will support the corporate plan targets by ensuring that the Income Management Team (IMT) and location staff review those residents who are not paying electronically with a view to moving those residents onto cashless payments.

To work collaboratively with location staff to support the objectives of this policy, by ensuring that regular meetings are held between IMT and Location managers to identify any issues that may impact on location staff and residents.

The policy will also ensure that effective procedures and working practices are in place to ensure that efficient charging and recovery of monies owed are fair and consistently applied and that ensure early intervention to prevent the accumulation of debt.

We will ensure that all actions are proportionate and that residents are dealt with in a professional and sensitive manner. In particular we will ensure that legal action to repossess a property or stop the delivery of services is only taken when other actions to recover the debt have been unsuccessful.

For the purpose of this document the term 'Resident' will cover residents or customers who are living in ECCT accommodation or having services provided by ECCT.

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2. Objectives

The Extracare Charitable Trust (ECCT) is committed to providing residents with transparent and consistent charges, and processing changes to resident's circumstances that could affect those charges in a timely manner.

The objectives of this policy are to:

- Ensure that all charges are collected electronically by March 2020;
- Provide clear and timely notification of charges to new Residents;
- Ensure that Resident charges are invoiced and paid for as quickly as possible;
- Set rent and charges appropriately;
- Promote the use of cashless payments, encouraging the use of direct debit or electronic payments as the preferred method of payment;
- Deliver efficient and effective charge accounting processes;
- Identify, control and recover outstanding debt promptly;
- Inform those residents leaving Extracare of any monies owed;
- To promote written communication electronically (where possible);
- To have consistent charging for additional services where possible (subject to local market conditions);
- To ensure that a clear set of procedures exists to ensure the effective collection of debt;
- Give Residents clear and timely information about rent and service charges written in plain language and available in different formats or languages on request; and
- To train staff to deal effectively with Income management duties, including prevention, intervention and legal action if required.

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3. Scope of Policy

This policy primarily applies to the IMT, location and sales staff who will work in partnership to ensure that the correct information relating to residents is collected and processed, to ensure that efficient invoicing and demand for resident payments are met.

This policy applies to every ECCT employee, and covers all premises owned or occupied by ECCT, including Head Office, villages and schemes owned or managed by ECCT.

4. Responsibilities

The policy is delivered by the Income management team (IMT) with the support of all staff across ECCT, especially those staff at locations, who will have a responsibility to inform the IMT of any new Residents and changes to existing Residents circumstances which may have an impact on charges and payments.

The Income Manager and IMT Team Leader will have the responsibility of ensuring that the IMT are following the Arrears Recovery Procedures and where notified that residents circumstances are processed by the IMT in a timely manner.

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5. Monitoring & Review

Monthly Arrears Performance Reports are included in the monthly finance report which is available to ECCT, ELT and managers. The report summarises the levels of arrears across locations and a breakdown of the debt for various income streams i.e. Resident, Housing Benefit, Care debt.

Effective operation of this policy and the arrears management procedures will be measured by the level of outstanding debt and any associated write-offs, resident feedback and complaints content.

Key Performance Indicators (KPI) will also be used to measure performance to a number of key areas within Income Management to ensure that objectives are being met and that operational performance of the IMT is maximised. These will be in addition to the data reported in the corporate balanced scorecard. A number of KPI's that are recorded are detailed below, the list is not exhaustive.

- Arrears Performance per location;
- Arrears by Income Source i.e. Resident, Housing benefit, Care;
- Direct Debit Rejections;
- Write Offs & Refunds;
- Complaints;
- Cash waiting to be allocated.

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Write offs for outstanding sums of monies, are reviewed and authorised according to the amount of money to be written off. Below is a table of the levels of authorisation required for write offs.

Write Off Amount	Level Of Authorisation Required
£0-£1,000	Income Team Leader
£1,000- £5,000	Income Manager
£5,000- £10,000	Head Of Finance or Executive Director For Corporate Resources
£10,000- £25,000	CEO
In excess of £25,000	Board Approval.

Refunds to residents & Local Authorities will also require similar level of authorisation before a refund can proceed. All refunds will be recorded on the refund log. Relevant checks will be made before the refund is processed to ensure the refund is correct and paid to the correct bank details. Post payment checks will also be made back to the refund log and source documentation.

Refund Amount	Level Of Authorisation Required
£0-£1,000	Income Team Leader
£1,000- £5,000	Income Manager
£5,000- £10,000	Head Of Finance or Executive Director For Corporate Resources
£10,000- £25,000	CEO
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This policy will be reviewed every 3 years unless:

- Deficiencies or failures are identified in this policy, as a result of complaints or findings from any recognised independent organisations; and
- Legislation or sector developments that require changes to ensure we are meeting the objectives of this policy.

6. Risk Management

The Executive Leadership Team have identified that not having a framework and guidance for Income Management is a risk. The management of efficient charging and outstanding debt is a financial risk for the Trust.

The Trust also recognises the impact on its Residents if charging and collection of outstanding debt is not managed effectively.

Compliance with this policy and related documents both reduces the risk of outstanding debt and also ensures that the Trust meets its legislative and regulatory obligations.

7. Statement of Commitment

ECCT aim to ensure that residents are dealt with professionally and fairly in a transparent manner. To maximize the collection of income and minimise any outstanding debts, recognising the impact that lost income impacts on ECCT ability to provide services to its residents.

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ECCT is committed to ensuring that every effort is made to help our residents to sustain their tenancies and leases and that all residents are treated professionally and as individuals.

The efficient processing of invoicing and demands for payment is a key part of our process. Early intervention is essential and as an organisation this forms a key part of this policy.

8. Other Relevant ECCT Policies & Documents

General	<ul style="list-style-type: none"> • Equality and Diversity Policy; • Human Rights Policy; • Data Protection Policy; • Safeguarding Adults and Children at Risk Policy; • Mental Capacity Policy; • Human Rights Policy; • Lettings Policy; • Financial Regulations; • Income Management Strategy; • Write Off Procedure; and • Current Resident Arrears Procedure & Guidance Notes.
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9. Relevant Legislative & Regulatory Requirements

Legislation	Regulation	Guidance
Equality Act 2010		Equality and Diversity Policy
Human Rights Act 1998		Human Rights Policy
Data Protection Act 1998		Data Protection Policy
	Pre court protocol	https://www.justice.gov.uk/courts/procedure-rules/civil/protocol/pre-action-protocol-for-possession-claims-by-social-landlords#I