

Income Maximisation Policy

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Prepared By	Linda Sneddon, Housing Manager
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Reviewed By	Lee Valantine and Caroline Hotchkiss
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CORPORATE FIT	
Corporate Strategy	✓
Risk Register	✓
Business Plan	✓
Regulatory Standards	✓
Equalities Strategy	✓
Legislation	✓

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1. Introduction

1.1 Statement of Objectives

The Income Maximisation Policy aims to promote tenancy sustainment through maximising rental income and minimising rent arrears, thereby ensuring that the Association remains a financially viable and sustainable organisation.

Our objectives include:

- providing an efficient, cost effective and proactive income maximisation service that addresses the needs of new and existing tenants in a personal and confidential manner.
- focusing on prevention of rent arrears, promotion of tenancy sustainment and prevention of homelessness through encouraging tenants to maximise their income, pay their rent and sustain their tenancy.
- liaising with other agencies such as the Department for Work and Pensions, Local Authorities, Citizens Advice Bureaux, etc.
- signposting customers to other specialist agencies as appropriate.
- ensuring that any impropriety, fraud or failure to comply with a legal obligation, which is identified in relation to a tenant, is reported to the appropriate authority.
- operating an effective monitoring system, including audit trails and reporting systems that ensure compliance with the income maximisation process.
- achieving compliance with the Homepoint National Standards and Good Practice Guidance for Housing Information and Advice Services; and
- taking positive steps to inform and listen to tenants about continuous improvements to our income maximisation service.

1.2 Compliance with Regulatory Standards

In terms of the Scottish Social Housing Charter, the Scottish Housing Regulator has identified a number of key indicators relevant to income maximisation by which it will measure landlord performance, including the following:

- Tenancy sustainment – tenants get the information they need on how to obtain support to remain in their home; and ensure suitable support is available, including services provided directly by the landlord and other organisations.
- Housing options – people at risk of losing their homes get advice about preventing homelessness.

1.3 Expected Outcomes

Key outcomes of operating an effective Income Maximisation Policy include:

- ensuring that tenancies are sustained.
- maximising income.
- minimising arrears; and
- minimising evictions for non-payment of rent

1.4 Informing and Involving Stakeholders

We will promote our Income Maximisation Policy in line with our Customer Engagement Strategy.

1.5 Corporate Fit

1.5.1 Legislation and best practice

We will comply with all relevant legislation and associated regulations, including:

- The Housing (Scotland) Act 1987, 2001 and 2010
- Debtor's (Scotland) Act 1987
- Data Protection Act 2018
- Welfare Reform Act 2012
- The Scottish Social Housing Charter

Our Income Maximisation Policy is consistent with our:

- Corporate Strategy
- Business Plan
- Arrears Policy
- Tenancy Sustainment Policy
- Housing Allocation Policies
- Risk Management Strategy
- Standing Orders and Delegated Authority Policy

1.5.2 Equalities

Our Income Maximisation Policy complies with CVHA's Equality Policy to ensure equality of treatment for all tenants without discrimination or prejudice. At all times CVHA will therefore consider all tenants, regardless of sex, faith or religion, race, ethnic origin, sexual orientation, mental or physical health, disability or marital status.

1.5.3 Confidentiality

CVHA recognises that confidentiality is important to tenants and will treat their tenancy information in the strictest confidence under the Data Protection Law and in line with CVHA's Openness and Confidentiality Statement.

Where we are acting on behalf of a tenant, we may request them to sign a mandate so that we have their authority to engage with third parties in relation to maximising their income.

1.5.4 Business Plan and risk management

Our Business Plan depends significantly upon generating revenue from the properties that we rent. We therefore seek to mitigate against business risk through promoting income maximisation and minimising our rent arrears. Providing welfare benefits advice and managing arrears in an efficient, effective and economic manner should minimise our rent loss through non-payment of rent.

1.5.5 The Board

The Customer Services Director has responsibility for overseeing the implementation of the Income Maximisation Policy and the Customer Services Manager is responsible for key aspects of the day-to-day service delivery with delegation of specific tasks to appropriate staff.

The Board will receive regular updates on the implementation of the Income Maximisation Policy so that they can have assurance that it is operating effectively in practice. The Audit and Risk Committee may also seek assurance in this regard.

Function / task	Responsibility
Income Maximisation Policy – review, amendment and approval	Board responsible for reviewing, amending and approving Welfare Benefits Policy.
Income Maximisation Procedures – development, monitoring and review	Customer Services Director and Customer Services Manager to develop operational procedures that reflect the principles set out within the Welfare Benefits Policy.
Monitoring of Income Maximisation Cases	Customer Services Manager to oversee the effective monitoring of individual cases, reporting trends to the Board.

2. Key Principles – Income Maximisation Policy

2.1 Context

2.1.1 Rental income is the largest part of CVHA’s cashflow. Maximising rental income and the effective control of rent arrears is crucial to CVHA’s financial wellbeing and its ability to deliver on a range of business plan commitments.

2.1.2 Many of CVHA’s tenants are dependent upon Housing Benefit and other welfare benefits to cover their rental costs. Our staff will therefore work closely with other agencies and tenants so that they can access the support and assistance they need to maximise their household income, pay their rent in full by the due date and thereby sustain their tenancy.

2.2 Income maximisation – scope of service

2.2.1 The income maximisation service provides a means for tenants to obtain free and confidential advice in accessing a range of welfare benefits, tax credits and other related benefits thereby attaining greater financial stability. By assisting to maximise household incomes where possible, the Association is able to facilitate the payment of rent in full by the due date and any rent arrears.

2.2.2 The type of advice and assistance we provide can include:

- Housing Benefit – applications, queries, backdates and overpayments.
- Discretionary Housing Payments – applications and queries.
- Universal Credit – queries relating to under-occupancy charge, direct payments, etc.
- other benefits – general welfare benefits advice and signposting to other agencies such as the Department for Work and Pensions, Local Authorities, Citizens Advice Bureaux, etc.
- housing options – general advice in relation to moving home, including downsizing options such as transfers and mutual exchanges; and
- fuel poverty – general home energy advice and signposting to other specialist.

2.2.3 The Income Maximisation Officer and Housing Officers, under the supervision of the Customer Services Manager, will play a key role in delivering our income maximisation service. Cases will be prioritised by targeting those cases where there is greatest risk to tenancy sustainment through non-payment of rent. Complex cases of multiple debt may be referred to specialist advice agencies that are best placed to provide more holistic advice and assistance.

2.3 Housing Benefit

2.3.1 Under the provisions of Welfare Reform Act 2012, from October 2013 Housing Benefit will be phased out gradually for non-pensioner households and Universal Credit will be phased in with payments made directly to tenants. In the short to medium term, many of CVHA's non-pensioner households will continue to receive Housing Benefit paid directly to the landlord. In the medium to long term many of CVHA's pensioner households will continue to receive Housing Benefit paid directly to the landlord.

2.3.2 It is in our interests to ensure that all Housing Benefit claims are processed quickly so that there is minimal delay in the receipt of payments by CVHA. The Housing Benefit team should process Housing Benefit claims within 14 days of receipt of the claim, or to make a payment on account if the claim is not completed within that time.

2.3.3 We will operate within the terms of the Housing Benefit 'Verification Framework' and will share information with the Housing Benefit team. We currently receive Housing Benefit payments electronically from our partner local authorities – this delivers transactional efficiencies but also ensures that payments are posted directly to CVHA's bank account, thereby avoiding double entry processing errors. We will share information with the Housing Benefit team and other statutory agencies to prevent benefit fraud and assist in their recovery of any benefit that has been fraudulently claimed.

2.3.4 We will encourage new tenants and existing tenants to apply for Housing Benefit and other welfare entitlements, stressing the importance of providing full, verifiable and up to date income information to the Housing Benefits team in this regard and notifying any changes to the number and circumstances of members in their household. We will also emphasise to tenants the importance of advising CVHA of any changes in household composition (i.e., changes to who lives in the house). It will be important to know if there are 'qualifying occupiers' (i.e., all members of the household aged 16 years and over, including members of the tenant's family and their children) so that we may properly manage the tenancy.

2.3.5 Overpayments of Housing Benefit can be recovered from the claimant or the person to whom the overpayment was made. In such cases where they concern our tenants the "person to whom the overpayment was made" refers to CVHA. It will be at the discretion of the Housing Benefit team to determine who it will seek to recover the overpayment from. If the overpayment is recovered from CVHA, we will then seek recovery from the tenant.