Income Collection and Refund Policy

Policy Owner:	Executive Director of Customer Experience
Policy Lead:	Director of Customer Operations
Approved by:	Executive Team
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Contents

Purpose and scope of the policy

Policy Scope

This policy applies to you if you're a Moat customer who pays rent, service charges, or other charges to us, including:

- Renters of homes
- Homeowners (leaseholders and shared owners)
- Private homeowners who receive services from us
- Garage license holders.
- Individuals with tenancies managed by Moat on behalf of another landlord.

It also applies to you if you used to be a Moat customer and still owe us money.

Policy Purpose

Our primary focus is on supporting our customers to maintain a stable and secure tenancy. This policy outlines how we work with you to manage rent and other charges, prevent arrears, and provide support when needed. We're committed to clear communication, early intervention, and compassionate enforcement to help you stay on top of your payments and sustain your tenancy.

If you're experiencing difficulties with payments, we're here to help. We'll discuss your situation and offer support directly or through our partner organisations. This includes assistance with welfare benefit entitlements, employment support, debt management, and other forms of tenancy support. We collaborate closely with local authorities and the Department for Work and Pensions (DWP) to help navigate any barriers to benefit claims.

1. Our approach to income collection

1.1 We'll always be transparent about what you need to pay and when, providing easy access to your account statements so you can stay informed about your financial commitments.

1.2 We'll clearly explain how we calculate your rent and other charges ensuring you understand the basis for your payments.

1.3 We operate a 'Rent on Time' approach, encouraging timely payments to help you avoid arrears and sustain your tenancy. This applies whether you pay rent yourself or receive Housing Benefit or Universal Credit.

1.4 When discussing rents and charges, we'll do so with sensitivity and empathy, recognising that financial challenges can arise for anyone.

1.5 We understand that everyone's situation is unique. We'll consider your personal circumstances and any challenges you may be facing, offering discretion and support tailored to your needs.

1.6 Our collection strategy emphasises preventing arrears and supporting you through early intervention and, if necessary, enforcement. We view eviction as a last resort and aim to explore all other options first.

1.7 Where needed, we'll help you access welfare benefits and financial advice. Our teams, along with our partners, are here to guide you through maximising your income and managing debts.

1.8 We respect your privacy and follow our Data Protection Policy by confirming your identity before discussing your rent or charges. If you prefer, we can discuss your financial matters with an authorised representative once we have your permission.

1.9 Any breaches of this policy will be managed in line with your tenancy or lease agreement, ensuring that all actions are fair and consistent.

1.10 We value your feedback and will actively listen to your suggestions to continuously improve our approach to rent and charge collection. Your input helps us adapt our services to better meet your needs and priorities.

1.11 By focusing on clear communication, empathetic support, and proactive measures, we aim to help you maintain a secure and comfortable home. If you're ever struggling, please reach out to us early so we can work together to find a solution.

2 Ways to pay.

2.1 We'll offer a variety of convenient methods for you to pay your rent and charges, ensuring you can choose the option that best suits your needs:

- Direct Debit
- Payment by rent card using cash, cheque, or debit card at Post Office or PayPoint outlets.
- Bank payments via online banking, banking app, or standing order.
- Telephone payments by debit or credit card.
- Recurring card payments
- Online via your mymoat portal or by payment link
- Direct deductions from benefits if you meet certain criteria.

2.2 Direct Debit is our preferred method for its ease and reliability. You can set this up over the phone or by completing a Direct Debit mandate. If you prefer, you can request a call from us to arrange this via your mymoat portal.

2.3 Direct Debit payments are protected by the Direct Debit Guarantee. We'll notify you at least five working days in advance of any changes to the amount, date, or frequency of your payments, unless otherwise agreed.

2.3 If you pay by Direct Debit, we’ll automatically adjust your payments if there are changes to your rent, service charges, or the amount of Housing Benefit/Universal Credit we receive on your behalf.

2.4 If a Direct Debit is returned unpaid, we’ll contact you to arrange payment. If we’re unable to reach you, we’ll increase your next Direct Debit collection to cover the missed payment or spread the amount over several collections.

2.5 Some tenancies include ‘rent-free weeks’ where the annual rent is divided into 50 equal weekly instalments, with no payment due in the last two weeks of December. If there are 53 Mondays in a calendar year, the rent is divided into 51 equal weekly instalments. If you’re in arrears, we expect payments to be made during these rent-free weeks.

2.6 If you receive Universal Credit, it’s usually paid directly to you. You can use any of the methods listed above to pay your rent. In certain circumstances, Universal Credit payments can be made directly to us. We can discuss this with you and Universal Credit to see if this option applies to you. If you’re in arrears and don’t have an active payment arrangement, we may request that the housing element of your Universal Credit is paid directly to us, along with an additional amount to reduce your arrears.

2.7 If you receive Housing Benefit, inform your local authority immediately if your rent changes. If your benefit is paid directly to us, we’ll also notify them promptly. If you receive Universal Credit, update your Universal Credit journal with any rent changes.

2.8 By providing multiple payment options and offering personalised support, we aim to make it as easy as possible for you to stay on top of your rent and service charges. If you have any questions or need assistance with payments, please reach out to us for help.

3. Rent credits and refunds

3.1 If you have a rent credit, you can request a refund at any time if it doesn’t cause you to fall behind on your rent or service charges before your next payment is due. We’ll aim to process your requests quickly and efficiently.

3.2 If you pay by Direct Debit and have a rent credit, we can reduce your future collections instead of issuing a separate refund if that is more convenient for you. This helps to keep your payments smooth and hassle-free.

3.3 If you die, we’ll seek appropriate documentation and evidence to ensure that any rent credits are correctly refunded to the rightful beneficiary of the estate.

3.4 If you have any questions or need assistance regarding rent credits, please contact us.

4. Rent arrears recovery

4.1 If you miss a rent payment, we'll reach out to you promptly to discuss your situation and help you find a solution. We may use various methods to contact you, including telephone, letter, SMS message, email, and home visits, always considering your communication preferences. Some communications may be automated.

4.2 Before deciding on any recovery actions, we'll take the time to understand your individual circumstances. Where appropriate, we'll agree on a reasonable payment plan to help you repay any arrears over time. We won't pursue enforcement action if arrangements are kept to, and your proposed payment plan is fair and achievable.

4.3 We follow the 'pre-court action protocol' for rent arrears, which outlines the steps we must take before starting any legal action. Our goal is to avoid court proceedings whenever possible. If necessary, we will serve a Notice of Seeking Possession, but only if no repayment plan can be agreed upon.

4.4 If court action is required, we'll generally use discretionary grounds for possession claims, allowing the court flexibility to decide on the outcome. In cases of persistent high arrears, we may consider using mandatory grounds for possession, with the approval of the Head of Income and Advice. Our priority is always to work with you to resolve arrears without resorting to eviction.

4.5 If you have a joint tenancy, you and the other tenant(s) are jointly responsible for any rent debt. We'll communicate separately with both you and them to find a resolution. We understand the complexities that can arise and will aim to support everyone involved.

4.6 It's crucial that you talk to us if you're struggling to pay your rent. We're committed to using eviction only as a last resort and won't proceed with eviction if you engage with us to find a resolution. We'll act compassionately and quickly to understand your situation and help you find the best solution.

4.7 If you live in a home managed by Moat but owned by another landlord, we'll seek authorisation from the landlord before taking any legal action.

4.8 We're dedicated to supporting you in maintaining your tenancy. If you're experiencing financial difficulties, please contact us as soon as possible so we can work together to find a solution.

5. How We Support Our Customers

5.1 We want you to feel confident and informed about your responsibilities from the start of your tenancy. Before you sign any agreement, we'll ensure you fully understand your obligations and aim to provide you with any support you need. This includes discussing any support you may require both at the beginning of your tenancy and throughout your time with us.

5.2 We're here to help you access the benefits and support you need. Our Benefit and Income Maximisation (Bimax) Team is available to guide you through the process of claiming benefits, and we'll also connect you with external partners who offer employment support, debt management, and additional tenancy support.

5.3 We recognise that everyone's situation is unique. We'll work closely with you to understand your specific needs and challenges. We're committed to offering personalised support and ensuring that any information we provide is communicated in a way that meets your needs.

5.4 We work alongside Local Authorities and the Department for Work and Pensions (DWP) to help eliminate barriers to benefit claims. While you remain responsible for managing your benefit claims, we'll support you through this process and ensure your rent payments continue.

5.5 If you're experiencing financial difficulties, please reach out to us. We have various mechanisms in place to offer extra help and support. We're committed to understanding your challenges and exploring all available options to assist you.

5.6 If eviction becomes a necessary step, we'll notify the local authority's Homelessness Team to ensure you receive appropriate housing support. We may also raise a safeguarding concern if needed. We'll aim to ensure that you receive the support you need during this difficult time. Please note: If you're evicted for rent arrears, the local authority may not have a duty to rehouse you.

6. Homeowners (Leaseholders/Shared Owners)

6.1 If you fall behind on your rent, service charges or major works invoices we'll reach out to discuss your situation and work with you to arrange a payment plan. We're committed to understanding your circumstances and helping you find a solution that suits your needs. If we cannot agree on a plan, we may need to take the following steps:

6.2 Leaseholders

6.2.1 If necessary, we will seek a court order (money judgment) requiring you to pay the overdue amount. If the court order is not followed, we will secure the debt against your property with a charging order, which could eventually lead to us taking possession of and selling your property. In rare cases, we may need to end your lease (forfeiture), which would mean you must leave your home.

6.3 Shared Owners

6.3.1 For overdue rent, we will follow the same steps outlined earlier for our rented homes. If a major works invoice is unpaid, we will request a court order (money judgment) for the amount due.

6.4 Notifying Your Mortgage Lender

6.4.1 If legal action is required due to unpaid charges, we will inform your mortgage lender about the arrears. This ensures all parties are informed and can collaborate to find a solution.

7. Garage Licenses

7.1 If you fall behind on your garage rent, we'll reach out to discuss your situation and work with you to arrange a payment plan. We're committed to understanding your circumstances and helping you find a solution that suits your needs.

7.2 If the arrears remain unpaid after our initial contact, we'll issue a Notice to Quit. You must clear the debt or return the keys within seven days or we'll change the locks and clear the garage, and charge you for any associated costs.

7.3 If you rent your home from us and your rent falls behind, we may terminate your garage licence unless you have an agreement in place to address the debt. We'll provide you with a Notice to Quit, giving you seven days' notice to resolve the situation.

7.4 If you apply for a garage licence, you'll need to pay us any money you owe us before we consider your application.

8. Former Tenants

8.1 As you prepare to move out of your Moat home, we'll keep you informed about any outstanding balances or additional costs. We'll aim to ensure you have a clear understanding of what needs to be settled before you leave.

8.2 After you move out, if you have any remaining debt, we'll actively pursue repayment. If necessary, we may use external tracing and collection agents to help recover the amount owed. We're committed to working with you to resolve any outstanding issues.

8.3 If you have outstanding arrears from a previous tenancy, this may affect your ability to apply for a new tenancy with us. We consider exceptions on a case-by-case basis, to ensure fair treatment.

8.4 Our goal is to make your transition out of a Moat home as smooth as possible. If you have any questions or need assistance during this process, please contact us, and we'll be here to support you every step of the way.

9. Sundry Debt

9.1 This section addresses other costs and charges you are responsible for, including but not limited to utility charges, recharges for items or services, and court costs.

9.2 If you fail to pay these charges, we will promptly reach out to discuss your situation and work with you to arrange a suitable payment plan. Our approach prioritises understanding your circumstances and finding a tailored solution that meets your needs.

9.3 If these charges remain unpaid after our initial contact, we will take appropriate actions based on the nature of the costs or charges. This may include further communications, engagement with external collection agencies, or legal action to recover the debt.

9.4 By maintaining clear communication, offering support, and taking necessary recovery steps, we aim to manage sundry debts effectively while ensuring fair treatment for all our customers. If you have any questions or need assistance regarding sundry debts, please contact us for help.

10. Tenancy Conditions and Outstanding Debt

10.1 **Transfer of Tenancy**: If you wish to transfer to a new home, we'll review your outstanding debt situation. Transfers will generally not be approved if you have existing arrears, except in exceptional circumstances. We'll aim to work with you to address any debt before considering your transfer request, ensuring a smooth process.

10.2 **Mutual Exchange**: If you're looking to mutually exchange your home, outstanding debts may affect your application. We'll review your circumstances and work with you to resolve any arrears to facilitate the exchange. Our goal is to support you in finding a suitable solution while managing any financial obligations.

10.3 **Assignment**: If you need to assign your tenancy to another person, any outstanding debt may impact this process. We'll assess each situation individually and work with you to address any arrears before proceeding with the assignment. Our priority is to ensure a fair and manageable process for all parties involved.

10.4 **Succession** If a tenant passes away and a successor is applying to continue the tenancy, we'll charge for the use and occupation of the property during the succession application process. Our aim is to handle these situations with sensitivity and provide clear information on how the process will work.

10.5 **Deceased tenants**: Upon the death of a tenant, any benefit entitlement ceases, and the estate will be responsible for paying the full rent until the tenancy is officially terminated and keys are returned. We'll provide guidance on how to manage this transition and ensure all necessary steps are clear.

10.6 **Offsetting any credits:** If you're due any money from Moat, we'll offset this against any outstanding arrears you have. This approach ensures that any credits you're entitled to are applied appropriately, helping to manage your account efficiently.

Equality, Diversity and Inclusion
This policy will be delivered in accordance with our Equality, Diversity and Inclusion Policy including the commitment to make reasonable adjustments to meet the needs of disabled customers / customers with a disability. An Equality Impact Assessment was completed for this policy and considered as part of the approval process. As set out at the start of this policy, our primary focus is on supporting our customers to maintain a stable and secure tenancy, and we're committed to taking into account your individual circumstances and needs. We recognise that, if we fail to do this, the impact may be particularly detrimental to you if you're vulnerable in any way and may create or exacerbate any vulnerabilities.

We recognise that there are lots of individual circumstances that can make a person less resilient and more vulnerable at a moment in time, including but not limited to:

- Age
- Disability, short-term illness or long-term illness – including mobility and respiratory issues
- Being blind or partially sighted
- Being deaf or hard of hearing – including Deaf people who communicate using British Sign Language
- Mental ill health including depression and anxiety – including anxiety about the home safety and financial circumstances
- Grief following a bereavement or loss
- Dementia
- Neurodiversity including autism, ADD (Attention Deficit Disorder), ADHD (Attention Deficit Hyperactivity Disorder), dyslexia, dyspraxia, dyscalculia, dysgraphia
- Caring responsibilities – for either other adults or children, including babies (particularly if premature) and young children, including disabled adults / children
- Being out of work or experiencing financial distress
- Low literacy or English not being first language
- Experiencing domestic abuse, hate incidents including hate crime or discrimination

We're committed to being flexible and agile, recognising, adjusting and responding to customers' individual circumstances and to evolving our income service to better meet the needs of 'vulnerable' customers.

Data protection

This policy will be delivered in accordance with our Data Protection Policy.
A Data Impact Assessment was completed for this policy and considered as part of the approval process.

Related legislation and regulations

1. Housing Legislation

- **Housing Act 1985**: Provides the framework for secure tenancies and the rights and responsibilities of tenants and landlords.
- **Housing Act 1988**: Covers assured and assured shorthold tenancies, including rent arrears and possession proceedings.
- **Housing Act 1996**: Includes provisions for introductory tenancies and anti-social behaviour.

2. Equality and Anti-Discrimination Legislation

- **Equality Act 2010**: Protects individuals from discrimination on the grounds of race, gender, disability, age, sexual orientation, religion or belief, and other protected characteristics.

- **Human Rights Act 1998**: Incorporates the European Convention on Human Rights into UK law, protecting individuals' rights to respect for private and family life, home, and correspondence.

3. Welfare and Benefits Legislation

- **Welfare Reform Act 2012**: Introduced changes to the welfare system, including Universal Credit and the benefit cap.
- **Social Security Administration Act 1992**: Governs the administration of social security benefits, including Housing Benefit.

4. Data Protection and Privacy Legislation

- **Data Protection Act 2018**: Governs the processing of personal data and ensures individuals' privacy rights are protected.
- **UK General Data Protection Regulation (UK GDPR)**: Sets out the legal framework for data protection and privacy in the UK.

5. Landlord and Tenant Legislation

- **Landlord and Tenant Act 1985**: Sets out the rights and obligations of landlords and tenants, including repair and maintenance responsibilities.
- **Landlord and Tenant Act 1987**: Provides tenants with rights in relation to service charges and the management of their properties.
- **Commonhold and Leasehold Reform Act 2002**: Covers the rights of leaseholders, including enfranchisement and the right to manage.

8. Miscellaneous Legislation

- **Protection from Eviction Act 1977**: Provides protection for tenants from illegal eviction and harassment by landlords.
- **Homelessness Reduction Act 2017**: Places duties on local authorities to prevent homelessness and provide assistance to those at risk.

Related policies and procedures

- Compensation Policy
- Complaints Policy
- Data Protection Policy
- Domestic Abuse Policy (Customers)
- Equality, Diversity and Inclusion Policy
- Ending your Tenancy Policy
- Garage Policy
- Homes Lettings Policy
- Mutual Exchange Policy
- Priority Move Policy
- Recharge Policy
- Rent Setting Policy
- Safeguarding Adults at Risk Policy

• Safeguarding Children Policy • Service Charge Policy • Temporary Moves Policy • Tenancy Management Policy • Unreasonable Behaviour Policy

Customer engagement
On 22 August 2024, we contacted out Customer Advocates to invite them to comment on a draft of this policy by completing a survey. The survey, which closed on 12 September 2024, asked the following questions and invited them to provide comments. Ten customers completed the survey and, based on the responses given (as summarised below) no changes were made on the basis of the feedback received. • Did you find the policy clear and easy to understand? – All ten customers confirmed that they did. • We are keen to remove jargon and buzzwords wherever possible. Were there any words, phrases, or sections that you feel we should change to ensure it is plain English? - Nine customers said no, and one said yes but didn’t add any comments. • Thinking more generally about this policy, is there anything you would change? – Eight customers said no and two said yes. The comments related to things related to benefits payments that are outside of Moat’s control. • Would you support Moat’s adoption of this policy? – All ten customers confirmed that they would. We also explained that we’ve combined four existing policies (Income collection – general, Income collection – leasehold / freehold, Former Tenant Arrears and Refunds) into this one new policy and called it the Income Collection and Refund Policy. We asked customers for their views on whether another title would better reflect the policy’s content. The majority of customers who responded to the consultation agreed that the policy should be called the Income Collection and Refund Policy.

Document Revision History (Record of any changes made to the policy)		
Date	**Changes approved by**	**Details of changes made**