



Income Management Policy

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1. Aim and scope of policy

1.1 This policy explains how we manage money owed to VIVID, including rent and other charges.

1.2 Strong income collection helps us:

- Support customers to stay in their home
- Invest now and in future in homes and services
- Meet our legal and regulatory responsibilities

1.3 This policy applies to all VIVID customers across all tenures, including former customers. It covers rent, service charges, utilities, rechargeable repairs, and any other income owed to us.

1.4 We may use our discretion and act outside this policy in exceptional cases. If we do, this will be approved by a senior manager.

1.5 Our principles are:

- We make it easy to pay. We offer a variety of payment options and clear information on how to pay. We promote Direct Debit as our preferred method.
- We consider individual circumstances, vulnerabilities and keep clear records of decisions.
- We engage early, with proactive support from your first contact. We contact you quickly and focus on prevention.
- We support you to stay in your home. We work with you, help you maximise your income, and agree an affordable repayment plan where possible.
- We only take legal action when it's reasonable and proportionate, and other options have not worked.

2. Definitions

- 2.1 **Tenure** – This is a legal agreement to comply with the management of your home or garage with us. The agreement can be either a Tenancy Agreement, a Lease, or a Licence.
- 2.2 **Income** - All money owed to us, including rent, service charges, utilities, rechargeable repairs and any other charges linked to a tenancy, an agreement, a lease or a former tenancy.
- 2.3 **Rent** -The regular charge required for living in your home, as set out in the tenancy agreement or lease.
- 2.4 **Arrears** - Money that should have been paid already but hasn't been paid yet, so it is overdue.
- 2.5 **Sub - account** – This is a separate account where additional charges, which are not directly related to rent and service charges e.g. Legal costs, recharges are held.
- 2.6 **Service charges** - Charges for services we provide to a building or estate, such as cleaning, grounds maintenance, lighting or communal repairs.
- 2.7 **Utilities / Heat charges** - Charges for services such as heating, hot water or energy supplied to the home, including heat network charges where applicable.
- 2.8 **Rechargeable repairs** - Costs we recover where damage or repairs happen and are your responsibility under the tenancy agreement.
- 2.9 **Debt Respite scheme (Breathing Space)** – This scheme by the Insolvency Service requires any enforcement for the recovery of the debt owed to be paused. The duration of the pause is subject to individual circumstances.

3. Policy

- 3.1 It is your responsibility to pay your rent and any other charges on time, including payments due in advance.
- 3.2 We aim to prevent arrears wherever possible by being clear from the start about how much you need to pay, when payments are due, and the importance of paying on time.
- 3.3 Before offering a tenancy, and during a tenancy where appropriate, we assess affordability to help make sure a home is sustainable. Where we identify that someone may struggle, we act early and offer advice, support, and referrals to help prevent arrears from building up.
- 3.4 New customers are required to pay rent and other charges due when signing their tenancy, including rent in advance. The maximum you will be asked to pay is 4 weeks for weekly tenancies or 1 month for monthly tenancies. In exceptional circumstances, this requirement may be

reduced or waived with approval from the Lettings or Income Manager.

3.5 We will communicate with you clearly and in a way, you can understand, including making reasonable adjustments where needed.

3.6 If your account falls behind, we will;

- Apply a support-first approach.
- Contact you early to explain what is owed and what your options are.
- Listen to your circumstances, offer advice and support, and where appropriate refer you to internal teams or external agencies that can help.
- Work with you to agree a realistic and affordable repayment plan, where needed.
- Explain our decisions clearly if we need to take further action.
- Use a range of ways to get in touch, including letters, emails, phone calls, text messages and your online account. Sometimes this contact may take place outside normal office hours, where this is reasonable and necessary.

3.7 Our focus will be on tenancy sustainment and further arrears prevention and looking at what support could help. We will talk to you about your circumstances and, where appropriate, offer advice on budgeting, benefits or income maximisation. We may also refer you to specialist internal teams or trusted external agencies who can provide further support.

3.8 Where repayment of arrears is needed, we will work with you to agree a realistic and affordable repayment arrangement based on your individual circumstances. We will keep these arrangements under review. We encourage early and ongoing engagement, as this is the most effective way to prevent arrears increasing and action escalating.

3.9 If your account falls behind, we follow a clear and stepped approach to help resolve things as early as possible. We will start by contacting you to explain what is owed and offer support to prevent arrears increasing. If payments are missed, arrears continue to grow or where there is no engagement, your case maybe escalated through the appropriate legal routes. This can include serving legal notices or starting court action where it is reasonable and proportionate to do so.

3.10 We will always explain what stage you are at, what the next steps are, and what you can do to prevent further escalation. Any escalation will always be reasonable and proportionate and legal action and eviction are always a last resort when all other reasonable steps have been taken.

- 3.11 Where needed, we will follow the Pre-Action Protocol for Possession Claims by Social Landlords, including taking reasonable steps to ensure information is understood and considering vulnerability and equality issues.
- 3.12 Depending on the type of debt and tenure, we may also use other recovery methods such as:
- County Court Judgment (CCJ) / money judgment
 - Charging orders (where legally available)
 - Orders for sale
 - Deductions from earnings or benefits (where available and lawful)
 - Forfeiture (for relevant leasehold arrangements)
- 3.13 Any legal costs we incur may be added to the balance and recovered where the court order allows.
- 3.14 We will tell you about all debts you owe us, not just rent. Debts such as recharges, utilities and legal costs may be held on a sub-account and recovered appropriately. Rent arrears will always be considered the priority debt to ensure tenancy sustainment.
- 3.15 When your agreement ends, it is your responsibility to ensure all charges are settled until the end of your arrangement. We will share details of any recharges due.
- 3.16 We may use third parties to trace or recover debts, and we may consider former debts when assessing future housing applications.
- 3.17 We work closely with Local Authorities to support their duties under the Homelessness Reduction Act 2017. This can include sharing household details where there is an imminent risk of homelessness, where necessary.
- 3.18 If we are notified that you are in a Debt Respite Scheme, also referred to as Breathing Space, we will meet our responsibilities as a creditor, including pausing action on the qualifying debt for the period required. If arrears or rechargeable repairs are caused by financial or domestic abuse, we will work with you to support you and will take your individual circumstances into consideration.
- 3.19 If you have an active disrepair claim, or damp and mould issues that may pose a risk to health or safety, we will make sure these are investigated and addressed in line with our duties. You are still responsible for paying rent and other charges during this period. We will

coordinate across teams so we act fairly and proportionately and support tenancy sustainment.

3.20 We manage heat network charges in line with Ofgem requirements and provide clear information on your charges, including how they are calculated. We will investigate any disputed charges and take a fair approach to recovery while they are reviewed. Any unresolved complaints may be referred to the Energy Ombudsman after 8 weeks or where we issue a deadlock letter.

4. Responsibilities

4.1 The Head of Operations, Director of Customer Service and the Chief Operating Officer are responsible for its compliance and review.

4.2 Arrears performance is a key performance indicator and will be monitored on a monthly basis by the Executive and quarterly by the Board.

4.3 This policy will be approved by the Directors Group and will be reviewed every 3 years.

5. Related documents

- Housing Acts 1980, 1985, 1988, 1996 & 2004
- Social housing regulation act 2023 & Consumer standards 2024
- Localism Act 2011
- Breathing space Moratorium Regulations 2020
- Landlord & Tenant Act 1985
- Data Protection Act 2018
- Welfare Reform Act 2012
- Equality Act 2010
- Renters Right Act 2025
- Energy Act 2023
- Heat Networks (Market Framework) Regulations 2025
- Civil Justice council Pre-action Protocol
- VIVID Rent Strategy
- Tenancy Policy
- Data Protection Policy
- Complaints Policy
- Lettings Policy
- Mutual Exchange Policy
- Appeals Policy
- VIVID Service standards

Co-Creation	This policy was co-created with our customers in March 2026
Equality Impact Assessment	This policy underwent an Equality Impact Assessment in March 2026
Policy Author	Amy Oliver – Income & Financial Inclusion Manager
Policy Owner	Robyn Collins , Head of Operations
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