



Zen Registered Providers: Rental Property Income Management Policy

Version:	3.0
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Policy Owner:	Board
Date adopted:	April 2026
Date of next review:	April 2029
Approved by:	

1. Introduction

- 1.1. This policy sets out Zen Housing Limited's, Zen Housing 2 Limited's and Zen Rented Limited's (together Zen) approach to the collection of rent including service charges, rechargeable repairs, and court costs for all social, affordable, and intermediate rented accommodation.
- 1.2. The policy applies to all residents with a tenancy agreement. Shared owners and leaseholders should refer to Zen's Shared Ownership Income Management Policy.
- 1.3. This policy should be read and applied in conjunction with the Pre-action Protocol for Possession Claims by Social Landlords set by the Ministry of Justice.
- 1.4. Zen is committed to providing an efficient and effective income management service to seek to ensure that tenants pay rent and charges in accordance with the terms of their tenancy agreement. This is in order to ensure that Zen remains financially viable and can continue to deliver a high level of services to all our customers.
- 1.5. The purpose of this policy is to ensure that Zen has appropriate measures in place to:
 - maximise income collection for properties subject to tenancy agreements;
 - encourage prompt payment and prevent tenants falling into arrears;
 - ensure tenants have the information that they need to prevent debt and arrears;
 - engage with tenants quickly and sympathetically when arrears do arise;
 - seek to maintain and sustain tenancies by supporting customers appropriately; and
 - ensure we act consistently and in accordance with relevant legislation, regulation and guidance.





- 1.6. It is important that Zen and its Property Manager is successful in collecting all income due to ensure current and future business commitments are met. Zen and its Property Manager will maximise income by ensuring residents understand and fulfil their payment obligations and are supported to do so.
- 1.7. Zen and its Property Manager will work with residents to address outstanding arrears and ensure that difficulties are resolved without court proceedings wherever possible. Our approach will focus on preventative action and early intervention to prevent the initial accrual of arrears.
- 1.8. Zen will provide a range of payment options suitable to our residents which maximise our rent and service charge collection rates whilst ensuring that we can sustain tenancies and support the most vulnerable.
- 1.9. This policy will be jointly implemented with our property managers.

2. Scope

- 2.1. This income management policy applies to all rental properties subject to tenancies within Zen's portfolio.
- 2.2. This policies applies to all low-cost rental tenures that Zen provides, including:
 - Social Rent;
 - Affordable Rent; and
 - Intermediate Rent.
- 2.3. For the definitions of these tenures, please see our Allocations and Tenancy Policy.
- 2.4. It applies to the income and recovery of:
 - Rent;
 - Service Charges;
 - Court Costs; and
 - All other applicable charges

3. General

- 3.1. Zen will offer a range of payment and contact methods suitable to our tenants. This may include Direct Debit or Standing Order, payment cards, Allpay (online, mobile app and telephone payments) and payment via the Post Office and PayPoint.





- 3.2. Zen, through its managing agents will provide residents with rent statements and appropriate advice and support if they are experiencing financial difficulty.
- 3.3. Zen's managing agent may use customer insight information to be pro-active in providing a targeted income management approach and support tenants in maximising their own incomes, benefits, and personal responsibility to increase their ability to pay charges due.
- 3.4. Zen's managing agent will engage with new tenants at signups on all new lets and relets where new residents may be at risk of financial difficulty and ensure they are offered appropriate advice and support from the outset.
- 3.5. Zen, through its Property Manager, will provide welfare benefits and financial inclusion advice through dedicated Welfare Advice and Financial Inclusion Officer to help tenants manage their money and ensure they are claiming all benefits to which they are entitled.

4. Recovery of Rent Arrears and Service Charges – Current Tenants

- 4.1. Zen's managing agent will aim to contact a resident if they accrue at least one week of rent arrears. We will use all available and appropriate methods of communication to establish contact.
- 4.2. The Property Manager may agree a repayment plan with a resident who is unable to pay their arrears in full, based on their income and expenditure. All repayment plans will be implemented following the main terms of agreement with the Zen's Operations Director.
- 4.3. The Property Manager will try to work with the resident to resolve any arrears which are because of a problem or delay in claiming Housing Benefit or Universal Credit Housing costs. We may also pursue other options including applying for an Alternative Payment Arrangement and/or managed payment (Third Party Deductions).
- 4.4. Where attempts to recover rent arrears fail, possession action will be commenced by service of a Notice of Seeking Possession where such action has been sanctioned by Zen's Operations Director. This could result in application to the court for a Possession Order. At all stages of recovery, the Property Manager will always seek to engage and work with residents in rent arrears.
- 4.5. Failure to adhere to the terms of a Possession Order may result in eviction. This action will only be taken in agreement with Zen's Board and will always be the last resort in our recovery action.
- 4.6. All recovery action will be taken in line with the Ministry of Justice Pre-action Protocol for Possession Claims by Social Landlords. The approach to collection of all debt will be fair, firm, and consistent.





- 4.7. Where residents are identified as having a particular need, vulnerability or disability, Zen will provide reasonable adjustments and give appropriate advice and assistance.

5. Recovery of Debt and Arrears – Former Tenants

- 5.1. Recovery of Former Tenant arrears will be pursued rigorously unless it is deemed uneconomical to pursue. As soon as notice to end the tenancy is received, the Property Manager will be responsible for attempting to obtain a forwarding address or Next of Kin details in cases with the legal tenant is deceased.
- 5.2. The Property Manager, will make the resident aware that payment in full is due prior to the tenancy ending. If the tenant is unable to clear the outstanding balance in full, the Property Manager will negotiate a repayment plan with the tenant.
- 5.3. Where a forwarding address is known, an attempt to contact the tenant to establish communication and negotiate repayment of the debt will be made. If there is no response, the Property Manager will pass the debt to an external debt collection agency for collection.
- 5.4. Where a forwarding address is unknown, the Property Manager will immediately refer to an external debt collection agency for trace and collection.
- 5.5. If, after three months, the debt collection agency has not been successful in recovery of the debt, the Property Manager will make a recommendation to Zen's Operations Director that the debt should be written off.

6. Other Debts

- 6.1. For debts other than rent including service charges and court costs, for example recharges, the resident will be notified of the debt outstanding and the reasons for the debt. They will be asked to clear the debt in full but if they are unable to do so, the Property Manager may make an arrangement for the amount to be paid in instalments, within a reasonable timescale.
- 6.2. If the resident fails to clear the debt outstanding, the Housing Manager may make a court claim for money, also known as the 'small claims court', if authorised by Zen's Operations Director.
- 6.3. If the resident order is obtained but the resident is not engaging and not making any payments towards the debt, orders for the enforcement of the debt should be agreed by Zen's Operations Director.

7. Statements



- 7.1. Tenants can request a copy of their rent and service charge statement with a clear breakdown of charges at any time. This may also be available in different formats or languages on request.

8. Changes to charges

- 8.1. Tenants will be informed of changes to rent and other charges in accordance with the specific terms of the tenancy agreement or at least one month before these changes come into effect.

9. Policy Management

- 9.1. The Board has overall responsibility for this policy.

10. Monitoring and review

- 10.1. Diversity information relating to customers in rent arrears will be reviewed to ensure that this policy and our services are accessible to all. Any concerns identified will be addressed and additional support or reasonable adjustments offered.
- 10.2. Zen will ensure that procedures are kept under review to reflect good practice and changes in legislation and regulation.
- 10.3. This policy will be reviewed annually or when there is a change in circumstances, in work practices or the introduction of new legislation.
- 10.4. Our managing agents will be consulted when this policy is reviewed.

11. Review

- 11.1. This policy will be reviewed every three years unless legislation, business or sector developments require otherwise – to ensure that it continues to meet the stated objectives and take account of good practice developments.

12. Background Documents

- 12.1. This policy should be read in conjunction with the following legislative and regulatory documents and policies:
 - Antisocial Behaviour, Crime & Policing Act 2014;
 - Housing Act 1985, amended 1998
 - Housing Act 1988, amended 1996
 - Landlord and Tenant Act 1985



- Localism Act 2011
- Welfare Reform Act 2012

and the following strategies and policies:

- Equality and Diversity Policy
- Rent Setting Policy
- Allocations and Tenancy Policy
- SO Income Management Policy