

RENT ARREARS POLICY



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JUNE 2007

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1. INTRODUCTION

Cosmopolitan Housing Association aims to maximise rent income from tenants in order to facilitate the provision of services.

Where rent arrears occur, the Association will adopt a robust and sensitive approach, in order to help tenants rectify the situation.

2. POLICY STATEMENT

Current Arrears

- 2.1 The Association will adopt a robust and sensitive approach to recovering Rent Arrears. It understands that tenants' circumstances change for a variety of reasons and this often makes it difficult to pay the rent.
- 2.2 The Association's policy is to provide at the earliest stage, advice on benefits, information regarding changes to rent and service charges and to make personal contact with tenants whose accounts go into arrears.
- 2.3 The Association will offer tenants at each stage of the process, private interviews and debit advice, either from the Rent Income Team or suitable outside agencies.

A financial assessment will be carried out in order to agree a realistic repayment agreement.
- 2.4 The Association will pursue all legal remedies in addition to repossession in order to recover rent arrears. The Association does not however use distraint against goods.

Former Tenant Arrears – To be added to ex-tenant arrears policy

- 2.5 The Association will pursue former tenant arrears for such time as is economically viable. It may consider seeking a money judgement and enforcement action such as Attachment of Earnings. We reserve the right to use debit recovery agencies where appropriate.

Housing Benefit

- 2.6 All tenants will be offered help and advice in applying or renewing Housing Benefit claims.

3. IMPLEMENTATION

- 3.1 The Rent Income Team will maintain the Association's computerised Rent accounting system, which will show tenants who are in arrears and assist with arrears management.
- 3.2 New tenants will be given advice and guidance about payment/benefit

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entitlement and assistance in completing relevant forms.

- 3.3 The Policy and Procedures will be publicised in plain language and made freely available to tenants and translations and other forms such as large print and Braille will be advertised and available on request.

The rent arrears provide details, possible action and the timetable for taking it. The key points are

- New tenants to receive information on welfare and Housing Benefits
- Prompt notice of change to rent payable
- Warning letters for tenants falling into arrears
- Seeking personal (visit or telephone) contact prior to service NSP
- Notice of intention to seek possession served at (6) 4 weeks arrears
- Court action if arrears outstanding have not reduced from service of NSP
- Suspended possession, Postponed possession or Adjourned generally on terms sought Court Hearing unless exceptional circumstances
- Evictions or outright Possession Order approved by Eviction Panel (Except if arrears are fast tracked)

- 3.4 All joint tenants will be treated as jointly and severally responsible for rent arrears.

- 3.5 The Rent Income Team will seek to establish service level agreements with all the Housing Benefit Departments it works with.

- 3.6 The Rent Income Team will operate within the Equal Opportunities Policy and meet any specific needs, which may arise in respect of ethnic minorities, people with disabilities, the elderly or vulnerable tenants.

- 3.7 The Rent Income Team will adopt its Fast Track Arrears Policy with tenants who won't pay, rather than can't pay.

4. RESPONSIBILITY

- 4.1 Overall responsibility for implementation lies with the Director of Housing Services.
- 4.2 Rent Income Coordinator is responsible for application of policy and procedure, monitoring performance, identifying shortfall and recommending action to rectify.
- 4.3 Day to day operation of the policy is the responsibility of the Rent Income Team Leader.

5. CONSULTATION

- 5.1 The Association will consult on an annual basis with the Local Authority, outside agencies and benchmarking groups to promote continuous improvement and develop good practice in this policy.
- 5.2 Prior to making any changes to this policy the Association will consent and consider the view of:

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- All relevant staff
- Senior Management Team
- Tenants Forum
- Board of Management
- Residents, Associations, Tenants Groups, individual interested tenants
- All relevant outside agencies

6. REVIEW

- 6.1 The Association will formally review its Rent Arrears Policy on an annual basis. The review will follow the Association's formal "Best Value Review Framework". Findings and recommendations will be presented to the Association's Board of Management after the views of the Forum have been considered. Each review will be carried out by a review team.
- 6.2 Progress reports will be made to the Board of Management and Forum, to Enable monitoring against strategic aims and objectives and agreed performance indicators. Performance data will be included in the annual report to tenants.

The Association aims to include in the Team representation from tenants, staff, outside agencies/RSL's and Board Members.

7. TRAINING

- 7.1 The Association will provide all staff responsible for implementing this policy with comprehensive training.
- 7.2 Training will be given:
- To new Rent Income staff
 - To existing Rent Income staff on an annual basis as a refresher/update
 - To all relevant staff after change to policy/legislation
 - To relevant outside agencies
 - Any other times as identified by the Housing Manager or Rent Income Team Leader

8. ASSOCIATED DOCUMENTS

- 8.1 The Association has related relevant policies in the following areas:
- Fast Track Arrears Policy
 - Rent Collection Policy
 - Eviction Policy
 - Benefits Policy
 - Write-Off Policy
 - Vulnerable Tenants Policy
 - Equal Opportunities Policy

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- Abandoned Tenancies Policy

8.2 The Association has the following procedure to assist staff implementing the policy:

Rent Arrears Prevention
Rent Arrears Pursuance
Former Tenancy Arrears/Credits

9. POLICY REVIEW DOCUMENT

| | |
|---------------------|---------------------|
| Policy Title | Rent Arrears Policy |
| Dated Created | 16 March 2004 |
| Review Period | Annual |
| Previous Review | |
| Review Committee | Board of Management |
| Version | 2 |
| Date last amended | 26 June 2007 |
| Authorised by | Board of Management |
| Date of last review | 26 June 2007 |
| Date of next review | June 2010 |

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