

Women's Pioneer Housing Rent Arrears Policy

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1. Introduction

- 1.1. Rent and service charges are WPH's main source of income and enable us to provide high quality homes and services. We are committed to maximising income collection and minimising rent arrears.
- 1.2. Managing rent arrears supports our tenants to maintain their tenancies, and prevents homelessness.
- 1.3. We will aim to prevent rent arrears with a supportive and early intervention approach.
- 1.4. This policy should be read in conjunction with others where rent arrears may affect our decisions such as:
 - Starter tenancy procedure
 - Transfer policy
 - Mutual Exchange procedure
 - Tenancy Management Policy
 - Eviction policy
 - Allocations and Lettings Policy
- 1.5. This policy applies to social housing tenancies only. Market Rent and Leasehold arrears are covered in the Market Rent Management Policy and Leasehold Management Policy respectively. As this policy applies only to social housing tenants the terminology "tenant" rather than "resident" has been used throughout.

2. Purpose

- 2.1. This policy sets out WPH's approach to Rent and Service Charge Arrears. This policy aims to support our corporate objectives to deliver high quality homes and services and to support our tenants' independence and wellbeing.
- 2.2. The policy therefore aims to:
 - Maximise rent collection and minimise rent arrears, with a supportive and early intervention approach
 - Support all tenants, particularly vulnerable tenants, to maintain their rent account
 - Ensure possession and eviction action is considered as a last resort.

3. Maximising rent and service charge collection

Methods to pay

- 3.1. We will be flexible in the number of ways we accept rent payments to suit our tenants varying needs. All current methods will be outlined in our Rent Arrears Procedure.
- 3.2. We may apply for Universal Credit to be paid direct to us if a resident is in arrears by more than 8 weeks.

Rent statements

- 3.3. We will, depending on tenant's preference, send by post or via email rent statements to tenants on a quarterly basis.,

Arrears prevention

- 3.4. Affordability checks will be completed for all new tenants prior to signing a new tenancy.
- 3.5. All new tenants will be asked pay a minimum of one week's rent at sign-up.
- 3.6. Tenants who are in full-time work and not in receipt of benefits will be asked to pay one month's rent prior to the signing of a new tenancy if the tenancy starts on the first day of the month. If the tenancy does not begin on the first day of the month then new tenants who are in full-time work will be asked to pay a proportion of the monthly rent for the period the tenancy starts until the first day of the following month.
- 3.7. If a resident is not able to make a payment or the full amount requested, at sign-up due to financial hardship, it will not prevent them from signing a tenancy with

Women's Pioneer, See the allocations and lettings procedure for the full outline of the process.

4. Supporting tenants

- 4.1. We will take a supportive and flexible approach and do all we can to take into account a tenant's personal circumstances when we are following the rent arrears process.
- 4.2. We will take reasonable steps to ensure the tenant understands their rent account and/or rent arrears. If the tenant experiences a language barrier, has a learning difficulty or otherwise cannot understand the rent situation, we will offer to meet face to face and request a third party attend such as a friend, relative or interpreter.
- 4.3. Effort will be made by WPH to assist tenants in resolving debt or benefit issues, either through the Housing Officer directly or through support from the Financial Inclusion Officer, who may advise directly or refer the tenant to one of our third party, independent partners.
- 4.4. If we believe that the tenant is vulnerable e.g. they have mental health, drug or alcohol abuse problems, and they are not already in touch with statutory or voluntary agencies which can help them manage the daily commitments of their tenancy, we will offer to refer the customer to external support.
- 4.5. If the tenant is already receiving support, we will ask the customer for their consent to contact their support worker in order to coordinate efforts.
- 4.6. We will also advise tenants of their right to identify someone to act for them as an advocate.

5. Early intervention

- 5.1. We will monitor rent accounts and aim to intervene early where arrears are accruing, contacting tenants to find out why arrears are accruing and offering support as set out above.
- 5.2. We recognise that housing benefit is paid retrospectively every four weeks and universal credit retrospectively every month. This can cause cyclical arrears to accrue until receipt of payment at the end of the cycle. We will encourage tenants who receive benefits and who are in cyclical arrears to make additional payments to bring their account up to date, but will not enforce this if it causes financial hardship and will not seek to recover cyclical arrears through the rent arrears process.

Repayment plan

- 5.3. Should a tenant fall into arrears, WPH's preferred option is to bring the rent account fully up to date. However, WPH may agree an affordable repayment plan with a tenant where payment in full cannot be made.

Warning letters

- 5.4. We will send warning letters if other attempts to contact the tenant are unsuccessful. These letters will balance offers of support with a warning of consequences of continued non-payment.
- 5.5. We will usually send the first letter when an account falls into arrears. This letter will seek to establish that all payments have been recorded on the account, whether any relevant benefits are being paid and offer support to resolve any issues. We will also aim to make contact through other methods such as telephone and email and will offer face-to-face appointments and home visits.
- 5.6. If rent arrears continue then further warning letters will be sent, usually on a weekly basis. If two months of arrears have accrued we will usually issue a Notice Seeking Possession.

Notices

- 5.7. The Housing Manager must approve service of any Notice of Seeking Possession. We will serve notices according to the relevant legislation which may differ for different tenancy types.
- 5.8. In severe and persistent cases of rent arrears we reserve the right to use Ground 8 of schedule 2 of the Housing Act 1988 to repossess the property. Ground 8 is a ground that can be used to seek possession where a tenant has arrears of more than 8 weeks' rent. It is a mandatory ground which means that the court has no choice but to award possession. Enforcement action under Ground 8 would only be taken with the approval of the Housing Manager.
- 5.9. We will also retain the discretion to delay serving a Notice of Seeking Possession for a limited period of time in exceptional circumstances e.g. a recent bereavement.

6. Issue of court proceedings

- 6.1. We will only issue court proceedings in line with the pre-action protocol for possession claims by social landlords and in accordance with our arrears procedures.
- 6.2. The Housing Manager must approve the issue of court proceedings.

- 6.3. We will halt possession proceedings if the debt is repaid in full prior to the hearing, however court costs may still be sought.

7. Evictions

- 7.1. Eviction action will only be taken as a last resort and must first be agreed by an internal panel comprising of the Director of Housing and two other members of the Extended Management Team, before referring to the CEO for final approval. Evictions must be reported to the Board in accordance with our Eviction Policy and Procedure.

8. Bankruptcy and voluntary arrangements

Bankruptcy and Debt Relief Orders

- 8.1. Where we receive official notification that a tenant has been declared Bankrupt or is subject to a Debt Relief Order, we will not attempt to recover any arrears pre-dating the Order, except through the Trustee appointed by the Official Receiver to manage the tenant's affairs.

Breathing Space

- 8.2. The objective of The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) Regulations is to give debtors "breathing space" to obtain advice and find appropriate debt solutions.
- 8.3. Breathing space is available to any individual with a problem debt and can be accessed through a debt advice provider authorised by the FCA to offer debt counselling. A Notice is in force for up to 60 days and pauses enforcement action. If we receive a Breathing Space Notice we will place recovery action on hold until the expiry date of the notice. We will not be able to contact the tenant to discuss legal action and cannot act on a court order or eviction warrant until the notice has expired.

9. Refunds

- 9.1. In some cases tenants will build a credit on their rent account through small overpayments or through a benefit backdated payment. In these cases WPH will refund a credit to the tenant and ask them to amend their future payments.
- 9.2. Credit on the account cannot be refunded to tenants which would leave their account in any arrears including where there is a benefit payment cycle.

10. Former tenant arrears or credits

- 10.1. The Voids Policy outlines an end of tenancy visit for any departing tenant at which point arrears on the account should be discussed and a repayment plan agreed. However in some cases tenants will leave their tenancy with arrears.
- 10.2. We will make reasonable attempts to contact the former tenant with arrears to arrange an affordable payment plan based on their financial circumstances.
- 10.3. If no response is received from the former tenant after multiple attempts at contact, or despite warnings the former tenant has not agreed or complied with the payment plan, the case will be passed to a debt collection agency who will seek to recover the debt on our behalf.
- 10.4. Current tenants with rent arrears from former WPH tenancies should not have their previous arrears written off.
- 10.5. If it is clear that there is little chance of debt recovery the debt can be written off. WPH has delegated authority limits for writing off debts as set out below.

Type of expenditure	Initial Authorisation	Second Authorisation	Other authorisation
Debt write-off	Up to £1,500 any one SMT member	Up to £3,000 any two SMT members	Over £3,000 CEO approval

- 10.6. All former tenant credits will be refunded to the tenant, once it has been confirmed there are no benefit overpayments. If the tenant has moved to another WPH property we will transfer the credit to their current rent account.

11. Delegated Authority

- 11.1. Each element of this policy has a different delegated authority as outlined in the table below.

Action	Delegate Authority
Repayment plan	Housing Officer
Warning letters	Housing Officer
Serving notice	Housing Manager
Issuing proceedings	Housing Manager
Decision to evict and application for a warrant of eviction	Eviction panel and CEO
Refunds	Housing Manager

12. Equality and Diversity

- 12.1. WPH will ensure that this policy is applied fairly and consistently. We will not directly or indirectly discriminate against any person or group of people in line with our Equality and Diversity Policy. We will act sensitively towards the diverse needs of individuals and communities and will take positive action or make reasonable adjustments where appropriate.