

RENT COLLECTION POLICY

1.0 INTRODUCTION

1.1 This policy deals with our arrangements for maximising our income from rent and service charges, and minimising the level of arrears.

Rents and service charges are one of our major sources of income and, therefore, it is essential to ensure that arrears are kept to a minimum.

1.2 The aim of the policy is to minimise loss of rental income by preventative action in the first instance and thereafter to take prompt, sensitive and effective action to recover arrears.

1.3 Target levels will be set as an aid to monitor arrears levels. The overall annual target for arrears will be approved by the Finance Sub-Committee. Ensuring arrears are kept within these target levels will be one of the main aims of the Housing Services Officers.

1.4 This policy is supported by detailed procedures. It complies with the Scottish Social Housing Charter Standard 13, Value for Money which states:

“Social landlords manage all aspects of their business so that:

- *Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.* “

2.0 EQUAL OPPORTUNITIES

2.1 We will ensure that we comply with the Equality Act 2010 and that all tenants are treated with fairness and respect and are not unlawfully discriminated against.

3.0 OBJECTIVES

3.1 The following objectives are central to the successful operation of this policy:

- to offer a range of payment options for the use of tenants;
- to provide accurate information about rent and service charges, methods of payment, types of advice and assistance available, and the consequences of falling into arrears;
- to maintain an effective arrears control system and, therefore, prevent arrears increasing through responding promptly to missed payments;
- to ensure that all tenants have been advised of ways to access welfare benefits advice and debt counselling services;
- to take legal action to recover the debt where necessary but to sanction the use of eviction only as a last resort;
- to pursue the recovery of former tenants arrears, taking legal action if necessary;
- to monitor arrears levels regularly against set targets.

4.0 INFORMATION TO TENANTS

4.1 We will provide the following information to tenants:

- rent levels and service charges, including the timing of rent reviews;
- methods of payment;
- sources of benefit;
- rent account statements as requested or appropriate;
- advice regarding our commitment to take early action to recover arrears and of the consequences of such action;
- the re-assessment and appeal process and the complaints policy.

5.0 ARREARS PREVENTION

5.1 The effective control of arrears starts at the beginning of the tenancy with prevention. We will take the following steps, which are key to the prevention of arrears:

- meeting new tenants to explain the methods of rent payments available and agreeing the best option for each individual;
- ensuring that qualifying tenants apply for housing benefit, both at the start of the tenancy and at benefit review time;
- ensuring that qualifying tenants apply for Discretionary Housing Payments, where appropriate and available, including a completion of payment and information sharing mandates;
- assisting tenants to seek advice from suitably qualified benefit advisors to ensure they have a full take up of state benefits;
- at the start of a tenancy, based on information supplied by the tenant, providing them with an estimate of their likely entitlement to housing benefit, and thereafter ensuring the tenant pays the estimated net rent due until any benefit payments are formally awarded;
- monitoring progress with housing benefit claims / Universal Credit claims until such time as they are assessed and paid by the Local Authority / DWP;
- developing close links with each Council's Housing Benefit Department, including participation in a Service Level Agreement to assist the verification framework and speed up claims processing;
- developing close links with the DWP re Universal Credit regarding Housing costs, requesting Alternative Payment Arrangements (APAs) where necessary;
- developing close links with the Benefits Advisors regarding referrals, monitoring tenants' accounts on a monthly basis and taking action in accordance with our procedures.

6.0 FORMER TENANT ARREARS

6.1 We will endeavour to ensure that a tenant's rent account is clear at the end of their tenancy. However, where this is not the case we will pursue former tenant's arrears in accordance with our procedures.

7.0 LEGAL ACTION

- 7.1 As a last resort, in cases where the tenant has failed to clear arrears, we will take legal action. Once all the steps of the Pre-Action Requirements have been completed, the serving of a Notice of Proceedings for Recovery of Possession will be authorised and served in accordance with our procedures. This will only be served where it is anticipated that we will take the case to court.
- 7.2 If arrears are not cleared and it is necessary to proceed with court action, this decision will be authorised in accordance with our procedures, which will include seeking approval from the Director of Finance and Housing.

8.0 PERFORMANCE MONITORING & MEASUREMENT

- 8.1 We will monitor and measure our performance in the following ways:
- a sample of arrears cases will be reviewed on a regular basis, to ensure adherence to this policy and the associated procedures;
 - we will set targets and performance indicators, as detailed in our procedures, and monitor our performance against these on a monthly basis;
 - we will report on our performance against current targets at each meeting of the Finance Sub-Committee;
 - we will benchmark our performance with other Social Housing Providers and report annually to the Scottish Housing Regulator.

9.0 RE-ASSESSMENT & APPEALS

- 9.1 A tenant with arrears may request that The Head of Housing Services reassesses the level of repayment agreement that the Housing Services Officer may be requesting.
- 9.2 A tenant may appeal in writing against the serving of a Notice of Proceedings for Recovery of Possession. The Head of Housing Services will consider the written appeal in accordance with our procedures.
- 9.3 A tenant may appeal a decision to grant an eviction order through the court process.

10.0 COMPLAINTS

- 10.1 If a tenant feels that we have not acted in accordance with this policy or our procedures, they may make a complaint in accordance with ARK's Complaints Policy.

11.0 IMPLEMENTATION & REVIEW

- 11.1 The Head of Housing Services is responsible for ensuring that this policy and the associated procedures are implemented when required, and that this policy is reviewed at least every three years.

Approved by the SLT in:

October 2016

Approved by the Finance Sub-Committee in:

November 2016

Review of policy due by:

November 2019

Complies with:

SSHC Standard 13