

South Yorkshire Housing Association



Rent Arrears Policy & Procedure Manual

Building Homes

Building Communities

Building People

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SYHA Rent Arrears Policy

At South Yorkshire Housing Association, we seek to maximise the amount of rent we collect because this money pays for the services we provide to tenants. When rent arrears occur, we will take a firm but fair approach with tenants to help them repay the money they owe to the Association.

Policy Statement

1. We will adopt a firm but fair approach to recovering rent arrears. But we do accept that a tenant's circumstances may change and this can sometimes lead to difficulties in paying the rent.
2. At the point of application we will stress the importance of regular rent payments, and tell them what their responsibilities are regarding rent including paying the first weeks rent. We will assist all applicants with their housing benefit applications.
3. At the sign up stage we will expect the first weeks rent to be paid from all tenants whether they will be entitled to full housing benefit or not.
4. We will contact tenants at the earliest opportunity when they fall into rent arrears. If the contact is by letter we will write separately to each named tenant.
5. We will provide information to tenants on where to seek debt counselling or money advice. Where possible we will refer a tenant to a relevant agency. We will look at each tenant's individual circumstances with a view to making a realistic arrangement to repay the arrears.
6. We will inform tenants about any action we intend to take before we take it. We will explain why we intend to take the action, what the implications are and where they can get help and advice.
7. We will work with other agencies to support vulnerable tenants at each stage of the recovery process.
8. Wherever possible we will try and resolve rent payment issues without Court proceedings
9. In all cases of persistent arrears we will take legal action to repossess the property. Before making an application for possession in court, we will invite all tenants to a pre court interview with the Arrears Team Leader or the Area Housing Manager.
10. Where we feel that repossession is inappropriate we will use other legal remedies to recover the debt.
11. Where a tenant is evicted for non payment of rent, we will not rent them another property until the debt has been cleared.

Garage Arrears

1. We will pursue all garage rent arrears.

2. Where a garage tenant falls into arrears and does not make an arrangement to pay, we will terminate the tenancy and change the locks.
3. If existing SYHA tenant who rents a garage falls into rent arrears on their tenancy and is served with a Notice Seeking Possession, we will terminate the garage tenancy and change the locks.
4. If the rent arrears are paid before the Notice to Quit (NTQ) on the garage becomes effective, we will withdraw the NTQ on the garage.

Former Tenants Arrears

1. We will pursue former tenants arrears as long as the recovery remains economically viable (**See appendix 1 FTA policy & procedure**)

Preventing Rent Arrears

1. Rent is payable weekly for all SYHA tenancies. Paying rent is a requirement in the tenancy agreement. Failure to pay the rent is grounds for seeking possession of the property.
2. We will explain the tenant's responsibility to pay the rent regularly at the start of the tenancy including the first weeks rent. This will apply equally to all tenants, even those claiming housing benefit.
3. Where tenants wish to pay less frequently than weekly, e.g. monthly, we will ask for payments in advance.
4. Prior to signing up the tenant we will provide a wide range of ways to pay rent, which we will keep under review. We will publicise the ways that tenants can pay their rent.
5. We will give housing benefit advice at the start of the tenancy, and will give tenants an indication of how much housing benefit they will be entitled to. We will carry out full verification of the claims for Sheffield and Rotherham tenants and will assist other tenants in filling in their claim forms and collecting relevant information.
6. We will maintain good working relationships with all our Local Authority housing benefit departments.
7. At the application stage we will provide customers:
 - With information on our rent levels for the area and property type they wish to live in.
 - Rent payment methods
8. At the offer stage we will tell the applicant:
 - The amount of rent and service charge they have to pay each week, taking into account any housing benefit entitlement.
 - How much rent and service charge to pay if they wish to pay less frequently than weekly
 - The need to pay the first weeks rent

- How they can pay their rent
 - What our rent arrears policy is
 - The consequences of not paying the rent
 - Information on the Protocol for Possession Claims
9. We will contact all new tenants as soon as a problem is identified with their rent account. This is to make sure that future rent payments are made and that the tenant has provided the information for any claim for housing benefit.
10. We will send all tenants a statement of their rent account every 13 weeks. The statement will show:
- The amount of rent and service charge due each week
 - The amounts of any payments made and whether by housing benefit or by the tenant
 - An explanation on how to read the rent statement
 - The balance on the account.
11. We will advise tenants about debt problems and refer them to specialist advisors where appropriate.

Recovering Rent Arrears

1. We will contact the tenant about any outstanding amount of rent that is owed. We will do this by the most effective method, which could be by letter, telephone, text, e-mail or visiting the property in person.
2. We will develop a set of standard letters for all stages of the process, which we will write in plain language.
3. Any payments we make to tenants, such as compensation, will be used to offset any arrears.
4. We will recover housing benefit overpayments from tenants.

Low Level Arrears

1. We will monitor arrears on a weekly basis.
2. We will contact all tenants who are 2 weeks in arrears.
3. We will contact all tenants who are 3 weeks in arrears. The contact method will be a visit or by phone.
4. We expect the balance to be paid in full. Where this is not possible, we will negotiate a realistic agreement to clear the arrears using the budget sheet, taking the tenants personal and financial circumstances into account and setting out the time limits within which the tenant should comply.

5. Where tenants meet the appropriate criteria, we will arrange for arrears to be paid by the Department of Work and Pensions from the tenant's benefit.

Legal Action

Arrears legal action to recover an assured tenancy is taken under Ground 8 Ground 10 and Ground 11 of Schedule 2 of the 1988 Housing Act (as amended).

Ground 8: "both at the date of service of the notice under Section 8 of this act relating to the proceedings for possession, and at the date of the hearing, at least 8 weeks rent is unpaid."

Ground 10: "Some rent lawfully due from the tenant is unpaid on the date which proceedings for possession are begun."

Legal action to recover possession of a secure tenancy is taken under Ground 1, Schedule 2 of the 1985 Housing Act. This says:

"Rent lawfully due from the tenant has not been paid or an obligation of the tenancy has been broken or not performed."

Ground 11: "Whether or not any rent is in arrears on the date on which proceedings for possession are begun, the tenant has persistently delayed paying rent which has become lawfully due".

Notice Seeking Possession

1. We will serve a Notice Seeking Possession (NSP) on any tenant who owes 6 weeks rent arrears or who refuses to negotiate a realistic agreement to pay or who break such an agreement. We will use Ground 10 for assured tenancies.
2. If an assured tenant(s) does not clear the arrears or continues to refuse to negotiate a realistic agreement to pay the arrears or breaks their agreement, we will serve a NSP using Ground 8, Ground 10 and 11 when they owe 8 weeks rent. The NSP will become effective after 2 weeks.
3. If a tenant's rent account persistently goes in and out of arrears and does not keep to an agreement we will serve an NSP under Ground 11.
4. Where we have previously served a ground 8 Notice on its own we can serve a 2nd Notice under Grounds 10 and 11, with a covering letter stating: *"This service is served without prejudice to the Notice seeking Possession dated (date of 1st Ground 8notice), and the Association's reliance, if applicable, on Ground 8."*
5. We will attempt to go through a budget sheet with the tenant(s) before a NSP is served.
6. If the tenant(s) do not clear the arrears, or if they continue to refuse to negotiate a realistic agreement to pay the arrears or if they continue to break their agreement, we will apply for a Possession Order.
7. We will arrange a pre court interview with the arrears Team Leader or the Rents & Voids Manager before we decide to apply to Court or not.
8. We will maintain contact with the tenant after a NSP has been served.

9. We will provide information and assistance to the tenant on who to contact for further advice.
10. If there are still arrears outstanding when the NSP is due to expire, we will re-serve the NSP.
11. Tenants who rent a garage will be served a Notice to Quit (NTQ) terminating the garage tenancy.

Court Action

1. Where no realistic agreement for the repayment of the arrears can be agreed, or where such an agreement is broken we will apply for a possession order. (see section on exceptions and vulnerable tenants)
2. We will write to the tenant warning of court action, before we apply for a possession order.
3. Where the tenant's personal circumstances mean that they would have difficulty in defending the court proceedings we will make an application for the appointment of a litigation friend in accordance with CPR21 and where we judge it to be necessary we will refer the case for a community care assessment in accordance with the National Health Service and Community Care Act 1990.
4. We will ask for the costs of taking the action to be awarded against the tenant at the court hearing. These costs will be charged to the tenant.
5. We will continue to attempt to contact the tenant, after the application to court in order to make further realistic arrangements to clear the arrears and avoid the need for a possession order. However, if costs have been incurred by us in the court application, we will charge such costs to the tenant.
6. Not later than ten days before the court hearing we will provide the tenant(s) with an up to date rent statement and we will disclose any information we have about the position of any claim for housing benefit.
7. We will ask the court for either possession order postponed on terms, an adjournment or immediate possession, depending on the circumstances.
8. If the tenant does not comply with the terms of the court order we will consider reapplying to the court for a date for the possession of the property. We will ask the court to award the costs of this application against the tenant.

Eviction

1. We will apply for eviction if the terms of the court order are broken.
2. Before we do this, we will make 2 contacts with the tenant, as a minimum, warning them of our intention to apply to evict them.
3. We will arrange a pre eviction interview with the Rents & Voids Manager before applying to Court.
4. We will ask the court to award the costs of the eviction application against the tenant.

5. We will only agree to suspend an eviction if we receive a lump sum payment that clears the debt.
6. This payment cannot be by cheque unless there is sufficient time for the cheque to clear before the eviction date.

Discretion

At any time, the Housing Services Manager may use their discretion not to apply the policy and take other action appropriate to the case. Such instances will be recorded and reported to the Housing Services Director on a regular basis.

Letting to People with Arrears

Letting properties to people with arrears is covered within SYHA's Lettings Policy. A summary of the policy is given below:

1. An applicant who is not an existing tenant and owes money to the Association or another social landlord will not be allocated a property until either:
 - Any debts are cleared in full, or
 - They have kept to an agreement to pay the debts for a minimum of 26 weeks
2. An applicant who is an existing tenant will not be allowed to transfer to another tenancy until either:
 - Any debts are cleared in full, or
 - They have kept to an agreement to pay the debts for a minimum of 26 weeks
3. An existing tenant who has a valid court order will not be allowed to transfer to another tenancy until the debt is cleared in full.

Performance Management

The Neighbourhood Team Leaders will, as a minimum:

- Discuss arrears and monitor cases at the monthly supervision sessions with Housing Officers.
- Produce weekly statistical information on each patch for the Rents & Voids Manager, using the Weekly Arrears Statistics sheet.
- Carry out weekly quality checks on each patch, to monitor for compliance with the procedures. Any case selected for a quality check must not have had a previous quality check within the last 4 weeks. Such checks will be formally recorded on the Weekly Quality Checks sheet.

The Housing Officer (Arrears) will, as a minimum:

- Produce weekly statistical information using the Weekly Arrears Statistics (ARO) form.

- Produce a monthly report of all cases where court or eviction has not been applied for in line with the procedure, using the Exceptions Report sheet.
- Record all evictions on the Evictions Record sheet.

The Rents & Voids Manager will, as a minimum:

- Discuss arrears performance at the regular supervision session with the Neighbourhood Team Leader and Housing Officers (Arrears).
- Provide monthly statistical information to the Housing Services Manager on the Monthly Performance sheet.

The Housing Services Manager will, as a minimum:

- Discuss arrears performance at the regular supervision session with the Rents & Voids Manager.
- Provide monthly statistical information to the Housing Services Director, or as required.
- Write regular reports on performance to the Board and Performance, Review and Strategy meetings.

Staff Responsibilities for Rent Arrears

The following clarifies what is expected of staff in the arrears process.

Housing Officers (Arrears) are responsible for:

- Carrying out arrears recovery work in accordance with the Rent Arrears Policy and taking actions at the required stages.
- Giving a strong message to residents about paying rent on time, and the consequences of non payment, from the start of the tenancy.
- Advising residents to seek independent advice.
- Identifying vulnerable residents and recording this on the QL system.
- Keeping accurate records and ensuring clear notes and ensuring that the information is recorded on the QLX system from the start of the tenancy.
- Checking accounts weekly, with the exception of tenants who are paying in line with an agreement. Full HB will count as an agreement for these purposes. Where a tenant receives full HB, the account will be checked in the week the HB payment is due to ascertain if the payment has been received as expected.
- Serving NOISPS on tenants.
- Obtaining the required authorisations for legal action.
- The correct and timely preparation of court papers
- Attendance at Court
- Ensuring attendance at HB liaison meetings and Court User Group meetings.
- Attending Evictions
- Routinely checking for accounts in credit and arranging for refunds to the tenant.

Void Officers and Assistants are responsible for:

- Providing information to the tenant on the rent for their property at the offer stage.
- Collection of the first weeks rent at sign up.
- Providing information and advice on the different rent payment methods.
- Identifying vulnerable residents and recording this on the QL system.
- Keeping accurate records including the chosen rent payment method and ensuring that the information is recorded on the QL system.
- Advising on the likely housing benefit entitlement if the tenant is not entitled to full housing benefit.

- Assisting with the application of housing benefit and full verification of cases in Sheffield and Rotherham.
- Ordering of rent payment cards for all tenants.
- Arranging a post tenancy visit no later than four weeks into the tenancy.
- Carrying out the post tenancy visit and making relevant notes on QLX.
- Liaise with the Arrears Officers and the FTA Officer.

Housing Officers (Neighbourhood Team) are responsible for:

- Giving a strong message to tenants about paying rent on time, and the consequences of non payment.
- Keeping accurate records and ensuring that the information is recorded on the QLX system.
- Identifying vulnerable residents and liaising with the Arrears Officers ensuring this information is recorded on the QLX system.
- Advising residents to seek independent advice.
- Providing advice on rent or housing benefit enquiries.

Arrears Team Leaders are responsible for:

- Ensuring that Housing Officers are carrying out arrears work in line with the rent arrears policy.
- Ensuring that arrears on each patch will be checked each week. This includes making any necessary arrangements to achieve it.
- Carrying out a weekly quality check of 15 random cases per patch. this will be recorded, using the Weekly Patch Quality Check form and filed centrally. The cases must be different each week. Any agreed actions must be completed that week and the form signed by the Housing Officer and the NTL.
- Running the NSP exceptions and Court Order exceptions report on a monthly basis, and discuss cases that are not at the correct arrears action with the relevant Housing Officer. Action should be completed within the week to bring the case up to the right action stage, and the NTL will check to ensure that such actions have been completed. These reports will be passed to the Rents & Voids Manager.
- Running the Arrears Activity and Arrears Actions report on a weekly basis, and raise areas of concern with the relevant Housing Officer. This report will be passed to the Rents & Voids Manager.
- Carrying out a monthly 1 to 1 with each Housing Officer and recording the discussion and agreed actions.
- Attending the Arrears Monitoring Group, with responsibility for taking forward improvements and feeding back to staff on decisions taken.
- Exercising delegated discretion not to take legal action, with the guidelines laid down.

Rents & Void Manager is responsible for:

- The overall performance of the office with regards to rent arrears.
- Monitoring and managing the performance of staff dealing with rent arrears.
- Ensuring, with the Neighbourhood Team Leader, that actions on the monthly and weekly reports are carried out.
- Implementing the Rent Arrears Policy and ensuring compliance at all levels.
- Carrying out a monthly 1 to 1 with the Neighbourhood Team Leader and recording the discussion and agreed actions.
- Exercising delegated discretion not to take legal action, within the guidelines laid down.
- Agreeing, with the Housing Services Manager, the office performance targets.

Housing Services Manager is responsible for:

- The overall performance with regards to rent arrears.
- Agreeing, with the Housing Services Director, the overall performance targets for rent arrears.
- Monitoring and managing the Department's implementation and compliance with the Rent Arrears Policy.
- Carrying out a monthly 1 to 1 with the Rents & Void Manager and recording the discussion and agreed actions.
- Developing the overall strategy on rent arrears, in conjunction with the Housing Services Director.
- Reporting to the Housing Services Director, Director's Team and Board on rent arrears performance and strategy.

Rent Arrears Recovery Procedures

Application Stage

This is the first stage in the arrears prevention and recovery procedure.

If you give residents good quality advice and information at application stage it provides them with understanding of affordability issues and reinforces a rent payment culture and the chances of them falling into arrears are reduced.

This information is given out again at the pre offer and offer stage as well as requesting the first weeks rent.

Pre-Offer Interview

The Customer Services Officer (waiting list) will check for any change in circumstances in the applicants/nominees financial details since the original application. They will go through the income/expenditure form with the applicant/nominee. If the applicant/nominee is on a low income and likely to be entitled to some Housing Benefit a calculation will be carried out at the office using the Bradford HB trial calculator. (Where it is not possible to do this at the office, all the necessary information will be taken from the applicant/nominee and will be input by the office on return to the office) **See Appendix 2**

Accompanied Viewing

The applicant/nominee will again be reminded about the rent amount for the property, the first weeks rent payment and the various rent methods available should they accept the offer of a tenancy with SYHA.

The Sign Up Interview

The first weeks rent should be taken at this stage and a receipt given to the tenant. **(See procedure for the first week's rent at sign-up Appendix 3)**

During the interview the New Tenancy Information Form (**Appendix 4**) needs to be filled in and the officer needs to ensure that all tenants sign the declaration. A copy of the form needs to be given to the tenant(s) and a copy put in the house file. Where it is not possible for a copy of the form to be given to the tenants straight away, for example where the sign up is carried out a surgery office, then a copy must be sent to them as soon as the Officer returns to a main office. The information on the form must then be entered onto the QLX system.

All residents must be encouraged to contact the office if they think they may have problems paying the rent. The Residents Guide contains a place for each Housing Officer to put their business card, giving all their contact details. This must be brought to the attention of the tenant(s).

The form has different sections:

1. Tenancy Details

Complete these details prior to the interview. The information is available from the computer system.

2. Household Details

You should get full details on all the occupants: names, date of birth, NI Number (where applicable), income and employer details.

3. Contact Details

You must get details of any mobile phone numbers, e-mail addresses, etc. The tenant(s) should be asked what their preferred method of communication is, although we will not guarantee to always use this method. You should also find out what their first language is and if they require translations. Remember, translations can also be into Braille, large print, or tape.

4. Housing Benefit

Ask them for their completed HB form and proofs of income, if they were given a form at the accompanied viewing. If they have not completed it, you will need to help them complete it at the interview. Remember to sign any declaration on the form that you have assisted them to complete the form.

Remind them that claiming HB is their responsibility and will be treated as a payment of rent. Explain that if HB is not paid then we will take recovery action just the same as if the rent had not been paid. Explain that HB will only be paid after they have moved in. If there is a delay in them moving in, remind them that they will still be responsible for paying the full rent from the start of the tenancy.

If we do not carry out Verification Framework checks for the LA check that they have submitted a claim and provided the necessary proofs and assist them with the claim if they need it at the sign up stage.

5. Date for the Post Tenancy Visit

A date and time should be agreed by the Voids Officer to carry out the post tenancy visit within the first 4 weeks of the tenancy.

6. Other Details

The more information we can obtain at the start of the tenancy, the better we can manage any rent arrears. Complete the Other Details table for all occupants in the property.

Ethnic Origin: This is a requirement and it enables us to report on arrears by ethnicity.

Disability: Ask if any of the occupants consider themselves to be disabled, and the nature of the disability. This is particularly important where it may impact on how we contact the tenant and any future actions we may take on the tenancy agreement (see Disability Discrimination Act 1995) i.e. any reading difficulties, visual or hearing disabilities etc.

First Language: This is needed in case we need to provide interpreters or translations. If the first language is not English, please ask if they require translators or interpreters.

Payment Method: This provides the Arrears Officer with the information on how the tenant will be paying their rent.

Support Worker: Record the details of any support they receive from other agencies, e.g. social worker, probation officer etc.

Contact Person/Next of Kin: You must record a contact person. These are useful when trying to make contact with a tenant, or when an abandoned tenancy is suspected.

Managing Cases from Sign Up to Serving the NSP

It is a lot easier for a tenant to clear a small debt than a large one. It is in the best interests of the tenant, and the organisation, to make early contact with a tenant in arrears and take swift action if the arrears are not being cleared.

The Sign Up Interview stresses the importance of paying rent promptly and regularly, and records how and when tenants are going to pay their rent, as well as details of any Housing Benefit claim. The information should be on the Sign Up Form and on the QLX system.

The Procedure

1. The New Tenants Form will be given to the relevant Housing Assistant, who will ensure that all the information is accurately entered on to the QLX system. The Housing Officer(s) will be notified of any vulnerable tenants on their patch. The New Tenants form will then be placed on to the House File.
2. All rent accounts will be monitored weekly.
3. If the tenant is not in when the post tenancy visit is done, a card will be left saying that a visit was made and asking the tenant to contact the Voids Officer.
4. If contact is made with the tenant, use the Post Tenancy Visit checklist to record the interview. This must be filed in the house file.

5. The arrears action HAS01 Post Tenancy Visit must be added, with a note detailing what occurred at the visit, including any rent issues.
7. When 2 weeks rent is owed, send letter AR1 and add arrears action HAS02 Arrears Letter 1. Check with the Housing Benefits section whether a claim form has been submitted along with all proofs.
8. If there is no contact from the tenant seven days after the letter has been sent, a visit or contact, must be made. This must be recorded as an Arrears Activity, and the arrears action HAS02 Pre NSP Contact added, an automatic letter should be sent out if there has been no contact with the tenant.
9. If contact with the tenant is made you should ask for the full amount to be paid. If they cannot pay the full amount, you may make an agreement. This must be entered as an Agreement in QLX. All agreements are to be made as Rent + agreements. The arrears action HAS04 Pre NSP Agreement is added.
9. If an arrangement is made, you must warn the tenant that a NSP will be served if they break the agreement.
10. If the tenant is waiting for housing benefit, you need to ask to see proof that they have submitted the form and provided the necessary proofs. If they cannot supply such evidence, explain that if HB is not on the account by the 6 week arrears level, an NSP will be served. It is their responsibility to claim HB and to ensure that it is paid to us.
11. If there is no contact, or an agreement has not been kept, the arrears action HAS05 Pre NSP Warning must be added, and the relevant letter sent to the tenant.
12. In the following week, if there has been no contact from the tenant, and the account has not been brought up to date, an NSP will be served and the arrears action HAS07 NSP Ground 10 added. If the tenancy is a secure tenancy, then HAS08 NSP Secure is used.
13. If there is no contact from the tenant, and the account has not been brought up to date, a Ground 8 NSP will be served when 8 weeks rent is owed. This NSP only applies to assured tenancies, whose tenancy agreement allows this ground to be used. Please check the tenancy agreement before the NSP is prepared. Add the arrears action HAS09 NSP Ground 8.
14. The visit to serve NSP should be recorded as a Home Visit in arrears activity, and notes of the visit made. If the tenant is at home when you serve the NSP, make an agreement to clear the arrears. Enter this as a Special Agreement when you return to the office. Add arrears action HAS11 NSP Agreement.

Managing Cases after NSP up to Court Action

After the NSP has been served, monitoring of the account should continue in the normal way. It is important that recovery action continues and is backed up by warning of Court action, even before the NSP is operative.

We will endeavour to look at alternative dispute resolution services rather than Court where possible and will make every effort to resolve issues by ourselves and the tenant without recourse to litigation.

If the tenant's circumstances change at any point, a new agreement can be made, but action remains at that point in the process.

We do not start again, or go back a few stages, just because of a change in circumstances.

The Procedure

1. After the NSP has been served, the account must continue to be monitored on a weekly basis.
2. If there has been no contact from the tenant after the NSP has been served, you should visit the tenant the week following service of the NSP and add the action HAS10 Post NSP Visit. The tenant must be given a Court warning and this must be recorded on the notes screen for the action.
3. If the tenant is in receipt of income support then direct deductions from the DWP currently at £3.05 per week should be sought. If the tenant is 8 weeks or more in arrears.
4. If the terms of an agreement have been broken, add arrears action HAS11A Broken NSP Agreement. Send the required letter to the tenant.
5. If, by the following week, there is still no response from the tenant, arrange a pre court interview (PC1) within 7 days and add arrears action HAS13 pre Court Interview.
6. The tenant may make an agreement to repay the arrears at the PCI. If so, add action HAS14 PC1 Agreement. This Agreement should be monitored and if it is broken, you must add arrears action HAS17 PCI Broken App Cr. this sends a warning letter to the tenant, telling them you are applying for court. If the tenant does not attend the PCI, immediately add arrears action HAS15 DNA PCI App Cr.
7. Apply for Court using the on- line process. Ensure that any additional documentation for the Court is sent as soon as possible. You should receive a court date straight away. When you get notified of the court date, add action HAS20 Court Date Received and ensure the relevant letter is sent to the tenant. Court costs are avoided if the case is

withdrawn prior to a summons being issued. Add arrears action HAS19 Court Applied For.

8. The tenant may try to defend court action by stating that the Association has not met its obligations in the tenancy agreement by not carrying out repairs. This can, at the least, delay and confuse the issue. Check the repairs history and chase up any repairs that are still outstanding. Ask Property Services to ensure the repairs are completed, preferably at least 2 weeks prior to the court hearing.
9. Two weeks before the Court date you should visit the tenant to ensure they are aware of the date for the court hearing. An up to date rent statement should be issued to the tenant at this visit. This is to be recorded as a Home Visit in arrears activities. This visit should also be used to disclose what knowledge the Association possesses about the tenant's housing benefit position. From this visit, you will decide what you intend to ask the Court to award, Postponed Possession forthwith, Outright Possession or Adjournment. You should always ask for a judgement order for the whole of the debt. The judgement order should automatically be registered by the court but we can enforce it even if it has not. A search against our debtors can be made at the Register of Judgments, Orders or Fines to see that this is happening. SYHA can seek to enforce the debt by way of attachment of earnings, third party debt orders or charging orders.
10. Following the Court hearing you should add the required arrears action depending on what the court awarded. The tenant will be informed that they are responsible for the Court costs and these will be recorded on a separate rechargeable account for which the tenant will be issued a payment card.
11. The Housing Assistant will set up the sundry account for Court costs.

Managing Cases from Court Hearing to Eviction

The action following the court hearing depends on what the court granted at the hearing

Immediate Possession

- 11 Where the court grants an outright possession order it is usually for 28 days, but can be less. You must start the process of applying for an ejection warrant immediately. Add action HAS27A Eviction Req to AHM.
- 12 The Rents & Voids Manager must either approve or reject the request within 24 hours and add the required action, either HAS27B Eviction Approved, or HAS27C Eviction Refused.

- 13 Immediately you have the eviction request approved, you must apply to the Court for the eviction warrant and add action HAS28 Eviction Warr Applied. (If we applied to Court on line we can also apply for the eviction on line).
- 14 Send the relevant letter to the tenant. Send a letter notifying the Homeless Department and Social Services where there are children in the household about the impending eviction.
- 15 We will only agree to suspend an eviction if we receive a lump sum payment that clears the debt, this payment cannot be by cheque unless there is sufficient time for the cheque to clear before the eviction date.
- 16 Once we have received a date for the eviction the Housing officer should try and ascertain if the tenant will be at the property on the day of the eviction and if they think there could be problems arrange for the police to be in attendance at the eviction.
- 17 The bailiff should be in attendance at every eviction along with a member of DSO to change the locks. The DSO should be given plenty of warning of the date and time of the eviction. A check should be made on the morning of the eviction that a member of the DSO will be in attendance at the time of the eviction. The Housing officer will sign for the repossession of the property on behalf of the Association.
- 18 If there are likely to be possessions left in the property arrange for at least one of the mobile caretakers to be in attendance so that the items can be removed and put in storage as soon as possible. The Housing Officer will take photographs of everything left in the property and will make an inventory which will go in the ex tenants file. The caretaker(s) and Voids Officer should be given at least seven days warning of any impending evictions by the Housing Officer.
- 19 The Former Tenant Arrears Officer will be notified of the eviction and will pursue the tenant(s) for the outstanding debts to the Association.
- 20 Once the locks have been changed the keys will be given to the Housing Officer/Caretaker who will then hand them over to the voids officer to commence the voids process.
- 21 The outstanding rent will automatically become a former tenant arrear account.

Exceptions

Where a Housing Officer does not want to take a case to the required stage of the Arrears process, the policy does allow for exceptions to be granted.

“Discretion”

At any time, the Housing Services Manager may use their discretion not to apply the policy and take other action appropriate to the case. Such instances will be recorded and reported to the Housing Services Director on a regular basis.

The responsibility for authorising Exceptions is delegated to the Area Housing Managers.

Exceptions should never be the norm, but will generally be allowed in the following circumstances.

Vulnerable tenants

All information on vulnerable tenants including those under the age of 18 should be recorded on QLX and easily identifiable. If for example the tenant has literacy problems we will ensure we have this information and assist them accordingly.

We will check that no matters arise under the Disability Discrimination Act 1995 and that any actions are justified and not discriminatory.

The Association needs to be sure that the tenant has the mental capacity to defend any possession proceedings that may occur and will consider an application for appointment of a litigation friend.

We will check whether a community care assessment needs carrying out. When a tenant who has a support worker, .i.e. social worker, probation officer, tenancy support worker, falls into arrears the support worker needs to be contacted. We need to work with agencies to support vulnerable tenants to pay their rent. If there is a reasonable expectation that the support worker will be able to resolve the problem, an exception can be granted. However, such exceptions will be time limited and the support worker must be informed that the exception will only be granted, if it is, for a period of 14 days. If the situation has not been resolved within that time, a further exception can be granted for another 14 days. If the situation is still not resolved after 28 days, the case must be moved onto the next recovery stage. Support workers need to be clearly told of the time limits and the consequences for their client if the situation is not resolved.

Be consistent: **Say what you will do, then make sure you do it.**

HB Processing Delay

If you have definitive evidence that the tenant has completed a HB claim form and submitted it and all the necessary proofs i.e. we have VF'd the claim, or you have seen receipts, ***and there is a reasonable expectation of eligibility for Housing Benefit; and payment is made of other sums due not covered by housing benefit then an exception can be requested.*** The case must be checked when the next HB schedule comes in to check that a payment has been received. If it has, and the amount clears the arrears, no further action is necessary. If the payment does not clear the arrears, or the

payment does not come in, then the next action in the recovery process must be taken.

People who start work and don't get overlapping HB and don't get paid till the end of month

They should be advised that rent is payable weekly in advance. They agreed to this when they signed the tenancy agreement. If their employer will not do an advance of salary, and most reasonable employers will do this, they must be asked what the maximum payment they can make will be. This should be recorded on the notebook and the account monitored on a weekly basis. Failure to keep to it will lead to the next recovery action being taken and this should be clearly explained to them. They must be asked that when they do get paid they contact you to amend the agreement, which should be at a level that they can clear any arrears within 3 months. If they do not contact you, a warning should be sent and if there is still no contact they are moved to the next recovery stage.

Special Agreements

You should always ask the tenant to clear the debt in full. If they cannot clear the outstanding balance, an agreement can be made. There should only be one agreement per stage of the process, i.e. pre NSP, post NSP, after Court, unless there have been a genuine change in the tenants circumstances. If they break the agreement and cannot make a lump sum payment to bring the account in line with the agreement, you should move to the next stage of the process. Stress to tenants the importance of prioritising their arrears debt. If they have multiple debt problems, you should refer them to an advice agency or debt counselling service.

Always try to achieve a regular payment agreement i.e. "I'll pay rent + £x at the Post Office on a Tuesday." Offers such as "I'll pay as much as I can" or "I'll pay it all next week" are not acceptable. If you cannot get the tenant to agree to such an agreement, this must be recorded on the QL system

Non Weekly Payments

Payments can be accepted at a frequency less than weekly, if the tenant pays in advance.

To calculate calendar monthly payments for tenants **not in arrears**, the following formula should be used:

Weekly rent x no. of rent weeks ÷ 12 = monthly payment

To calculate calendar monthly payments for tenants **in arrears**, the following formula should be used:

Weekly rent x 52 ÷ 12 = monthly payment

Please suggest to those who wish to pay monthly that they could pay by direct debit.

Existing monthly payers

All existing monthly payers are to be contacted over the next 3 months and requested that they increase their payments to bring them a month in advance within the next 6 months. The minimum is to get them 2 weeks in front. If they refuse there is little we can do, but every effort should be made to increase their payments.

Reasonable Amounts for Agreements

An agreement must take into account the tenant's individual circumstances. But generally:

- No agreement can be for less than the Benefits Agency minimum (rent plus £3.05 per week as at April 2008).
- Tenants on JSA/Income Support will be asked to pay the Benefits Agency minimum. If there is a non dependant in the property, you should ask for an amount in the range rent plus £3.05 - £3.50.
- Tenants receiving partial housing benefit should be asked to pay rent plus £3.50 - £7.00.
- Tenants who pay full rent should be asked to pay rent plus £5.00 - £15.00.

If tenants suggest paying more than these guideline amounts, you should be satisfied that they can maintain the suggested amount before agreeing to it.

Calculating Amount in Default of an Agreement

To calculate the amount that a tenant is in default of a court order or agreement, use the excel file "Agreement Default Calculator", and print a copy for the housefile.

Appendix 1 **Former Tenant Arrears Policy and Procedure**

This policy is designed to follow on from the Rent Arrears Policy. The aim of the FTA policy is to minimise the loss of rental income through tenants leaving the Association owing outstanding rent and Court costs.

All former tenants will be treated fairly and firmly in pursuit of the payments on their former accounts and the message will go out to current tenants that SYHA will pursue all people leaving with outstanding amounts on their accounts. The recovery of former tenancy arrears is good business practice and will be carried out by the FTA officer with the assistance of other members of staff.

It is important that we take ownership of arrears at all levels and impress on members of staff that a bad debt impacts directly on how the Association is able to function effectively and efficiently.

The Policy

Once it has been confirmed that a tenant has left a property either through handing in their notice, through abandonment or eviction and there are any outstanding rent or court costs left on the account the case will be passed over to the FTA officer to pursue the debt. When a tenant hands in their notice it is essential that staff obtain their forwarding address and that this is recorded both on the tenancy termination form and on the QLX system.

All new tenants will sign the New Tenancy information form which has a declaration in regards to disclosure of information to assist us in the collection of former debts. The Voids teams will ensure they record the next of kin and collect as much information as possible on the new tenant(s) which will be recorded on QLX and in the tenant file at signup.

Prior to this the Arrears Officer and the Voids officer will have ensured that they have done all that they can to arrange for repayments of any monies due on the account.

SYHA will always take a firm but fair approach with existing and former tenants to help them repay the money they owe to the Association.

The Procedure

Pre Tenancy Termination

1. As soon as we receive notice from a tenant of their intention to leave, the arrears officer will check their rent account for any outstanding arrears or other housing debts.
2. If there are arrears the Housing Officer will visit or phone the tenant to discuss the arrears and reach a repayment agreement.
3. The Arrears officer will aim to recover the arrears or confirm a repayment agreement in writing before the tenancy ends.
4. The Voids officer will try to ensure they obtain a forwarding address for the tenant at the pre-quit inspection or on first notification of leaving the property.
5. The tenant will be issued with a final statement and a payment card.
6. If a tenant transfers from one of our properties (under management reasons) a repayment clause will be inserted in their new tenancy agreement.

Post – Termination

The FTA officer will take over cases from this stage

1. If no contact is made with the tenant recovery procedures need to be set in place immediately.

2. The rent account will automatically become a former tenant account; the tenant will be able to make payments on their current payment card.
3. The FTA officer will check if any Housing Benefit payments or overpayments are due on the account
4. If the tenant has died the FTA officer will arrange for outstanding housing benefit to be paid direct to SYHA
5. The account will be monitored on a weekly basis
6. Where payments are not being made on a regular basis legal action will be taken such as an attachment of earnings, money judgements or small claims court procedures.
7. Wherever possible the FTA officer will try and get the outstanding debt paid in full, where this is not possible a payment agreement will be set up.

Where we do not have a forwarding address for the tenant the FTA officer will contact the following and record all leads and attempts to trace:

- Neighbours
- Last known place of work
- Relatives, friends, referees, previous addresses on tenancy file or application form
- Benefits agency, statutory authorities, electricity and gas suppliers
- Other social landlords in the area who may have re-housed the former tenant
- Schools of the children
- Visit property to look for evidence of forwarding address or other creditors
- Contact tracing agent

The FTA officer will access the recovery prospects of each case by considering the following;

- Is the tenant contactable
- Has the tenant died or left the country?
- Is the arrear so small that it is uneconomic to pursue?
- Are there special factors which should be considered (e.g. the tenant is hospitalised)?
- Recommend write –offs as appropriate

Write Offs

If the outstanding balance is £100 or less, the FTA officer can pursue it if they have reason to believe they can track the tenant quickly and at minimum cost. If this is not the case the debt will be written off.

If it is considered that it is not possible or economically practical to recover the debt the file should be signed off by the FTA officer giving reasons.

Examples of write offs include;

Gone abroad, deceased, matrimonial dispute, bankrupt, small balance and other.

The FTA officer will have exhausted all avenues of recovery before writing off a case.

In line with the Statute of Limitations legal proceedings will be abandoned if a debt is older than six years.

If a debtor attempts to reapply for re-housing and they have a debt to us over six years old we will, make every effort to recover monies owed short of legal action (see Allocations policy).

Appendix 2

Procedure for the Pre – Offer Interview

1. The voids officer or voids assistant notifies the waiting list team that a property is coming up for letting and provides relevant information on type of client required and anything specific to the area that the property is in.
2. The waiting list staff will run off the waiting list for the area and check details before contacting people off the list for interviews. The applicants will be phoned & contacted by letter to arrange the pre offer interview. The letter confirms the purpose of the interview and advises them what information they need to bring with them.
3. The interview will take place at the office or the current residence of the applicant with the customer services officer (waiting list)
The CSO will provide the applicant/nominee with information about our average rents, council tax band, a guide to gas/electric bills & water bills
4. The CSO goes through the income/expenditure budget form with the applicant/nominee. They will also go through the original application form & check for any change of circumstances. The CSO will check the documents brought in by the applicant/nominee.
5. If at this stage there are any special needs or special requirements identified the CSO will provide the necessary advice and make a record of them (manually or on QLX).
6. If after the interview it is felt the applicant/nominee is suitable the Voids Officer and Voids Assistant will be notified that the applicant's details are up to date and they are eligible for an offer of a property.
7. If after the assessment it is felt the applicant/nominee will not be suitable for a property, the decision will be explained to them and discussions about alternatives will take place & this decision will be confirmed by letter.
8. The various rent payment methods will be discussed and the emphasis put on the rent payments being a priority and that if the applicant/nominee is entitled to housing benefit they are responsible for making the claim & providing any change of circumstances to the council.
9. At the end of the interview the applicant/nominee will sign a declaration to say they have provided the full & correct information at the interview.

10. The CSO will use the checklist to go through the required information from the applicant.
11. The CSO will then inform the voids officer and voids assistant that the necessary checks have been carried out and who is eligible to be considered for an offer of a property.
12. The VO or VA will let the waiting list team know the outcome of the offer i.e. who was allocated the property. They will also let the waiting list team know if there were any problems with any of the applicants interviewed.

PERSONAL BUDGET SHEET

--

No. of People in Household:

Address:

1 Income Weekly		2 Outgoings Weekly	
Wages / Salary		Rent	
Wages / Salary (Partner)		Council Tax	
Job Seekers Allowance		Water Charges	
Income Support		Buildings / Contents Insurance	
Tax Credits		Life Insurance / Pension	
Pension		Gas	
Child Benefit		Electricity	
Incapacity Benefit		Other Fuel	
Maintenance		Housekeeping	
Non-dependant contributions		TV rental / licence	
Other (please specify)		Telephone	
Total Box 1	£	Hire Purchase	
		Magistrates' Court Fines	
		Maintenance payments	
		Travel Expenses	
		School meals	
		Clothing	
Total Box 1	£	Laundry	
Take Away		Childminding	
Total Box 2	£	Prescriptions	
Money available	£	Other Debt repayments (please specify)	
		Total Box 2	£

Appendix 3

Procedure for Taking the First Week's Rent at Sign-Up

Before Sign-Up

All new tenants should be warned well in advance about the necessity of paying the first week's rent at sign –up. They should receive information when the application form is sent out; they should be advised again at the pre offer interview, the accompanied viewing and again when they are offered the property both by letter and over the phone.

Tenant's payments

The ideal scenario for paying the first week's rent at sign up would be to send out an allpay card to the new tenant prior to them actually signing up. They can then pay at the post office or at an allpay pay point and bring the receipt in at the sign up. It is however, accepted that it will only be in limited circumstances that we can do this as it requires being able to pre allocate well in advance and for allpay to send the payment card out to either the office or the tenants present address.

Voids Officers, Voids Assistants and Housing Officers (arrears) will all have their own allpay card allocated to them to enable them to take cash payments and phone payments from new and existing tenants. The Officer will be responsible for this card and will be the only person able to use it.

If the tenant has a debit card they can pay the first weeks rent over the phone at sign up using the Housing Officers allpay card, thus ensuring that no money or cheques are having to be taken. The tenant would either use the office phone or a mobile phone provided by the officer carrying out the sign up. If the tenant does not have a debit card or wants to pay by cash or cheque then see the following.

Wellington Street, Sheffield

The tenant brings in cash or a cheque to pay their rent. The Voids Officer/Assistant notifies the finance officer who will come down and take the cash from the tenant. The finance officer and voids officer/assistant will sign the receipt given to the tenant. If no one from finance is available a team leader or manager will take the money from the tenant and ensure it is kept safe until it can be handed over to finance.

Taking Payments at the Property

In the majority of cases the sign up will be carried out at the new property so the Officer can then pay the collected rent into the nearest allpay site using their allpay card giving the tenant a receipt from their designated receipt book.

The receipt books will be sequentially numbered and checked on a monthly basis by finance. The Housing Officer can bring any cash with the receipt book straight back to the Wellington Street office and hand them over to finance on their return to the office.

Health & Safety

There is a risk element collecting cash especially away from the office so it is essential that the Voids Officer/Assistant and Arrears Officers take the necessary steps to minimise risk.

Pay any money collected into an allpay site (shop or garage) as soon as possible or return to Wellington Street and hand it over to Finance at the earliest opportunity. ***Do not take monies home at any time.***

They should ensure that they follow the signing in and out policy and make sure that other people know of their whereabouts and any changes of plans. Trust your intuition, if you feel scared or uneasy, act on it straight away.

Always carry a mobile phone and ensure it is working, be aware of your surroundings and potential hazards.

Where possible take a colleague with you.

Plan routes carefully and if you have a regular schedule, vary them.

Full details of the working safely policy can be found in public folders under health and safety.

Appendix 4

South Yorkshire Housing Association

New Tenancy Information

1. Tenancy/Tenant Details

Property ID _____

Tenancy Start Date _____

Name:		Bank Details	
Name:		Branch Name:	
Address:		Acc Number:	
Landline:		Sort Code:	
Mobile:			
E-mail:			

2. Household Details

Name	Relationship to tenant	Income source/Employer details	Income £ per wk/mth	DOB	NINo	First Language	Ethnic Origin	Disability
	TENANT							Y/N
								Y/N
								Y/N
								Y/N
								Y/N
								Y/N
								Y/N
								Y/N
								Y/N

Rent Arrears Policy & Procedure

									Y/N
									Y/N
									Y/N

3. Other Details

	Relationship	Name	Address	Phone No:
Contact Person /Next of Kin *				
Other persons e.g. support worker etc				
Other persons e.g. support worker etc				

* Can we contact your next of kin to discuss your tenancy if we are unable to contact you? **Y / N**

4. Rent details

Rent and service charges are payable weekly. Monthly payments will only be agreed if paid at least two weeks in advance. Recovery action **WILL** be taken for arrears which could result in the loss of your home. **A Notice seeking Possession will be served at 6 weeks arrears.**

The total weekly charge is £ _____ Made up of: Rent £ _____
 Services £ _____
 Services £ _____
 Services £ _____ Total £ _____ x 48 / 52 Weeks

The tenant will pay (method) on each (day) starting on(date)

Agreed Method of Payment	Direct Debit	Y / N	Form given/completed	Y / N
	Standing Order	Y / N	Form given/completed	Y / N
	Allpay Card	Y / N	Card ordered	Y / N
	Telephone Debit Card	Y / N	Advised to ring 0870 1100472	Y / N
	Internet	Y / N		

5. Housing Benefit Information

Will the tenant be claiming HB? **Y / N** Claim form completed **Y / N** Change of Address form completed **Y / N** All proofs supplied **Y / N**
Contact Details for local HB office given? **Y / N** Is the tenant aware of any benefit overpayment (claw back) **Y / N**

Evidence required _____ By _____
_____ By _____
_____ By _____

Is the tenant aware of any benefit overpayment (claw back) **Y / N**

Details _____

Trial calculation of Housing Benefit **Y / N**

This calculation is based on information provided from the customer and is an indication only of the possible amount of Housing Benefit that could be received. Any change in circumstances must be reported to SYHA immediately as a new trial calculation may be required.

Agreed amount to be paid until Housing Benefit is received or the payment is reviewed £ _____

Liberata's helpline Tel No: 01142 736 777
Rotherham Housing Benefit Tel No: 01709 336 006

Appointment line Tel No: 0114 273 6187

It is important that you inform SYHA & Housing Benefit, if applicable, of any changes in your circumstances as it could affect your rent. i.e.

- * Any changes in income
- * Household members changing, by either moving in or leaving
- * Dependants either leaving school, reaching 18, or going onto further education. (In the case of dependants going onto further education proof of this needs to be provided every year from the college/school)

6. Former Tenancies

Does the tenant have any former tenant arrears **Y / N**

Complete the address section even if no former arrears.

Rent Arrears Policy & Procedure

Address	Ref No:	Amount	Arrangement

Date for the post tenancy visit

Date:.....Time.....Housing Officer.....

Preferred Method of contact _____

Best time to contact _____

E.mail _____ Work No if can contact there _____

Any other factors _____

DECLARATION.

This declaration gives South Yorkshire Housing Association your consent to ask other people or organisations to give details of how to contact you and to authorise them to disclose this information to SYHA. We will only use this consent if there is money owing to SYHA and we do not have your contact details.

Where there is a debt to SYHA in connection with a property rented by SYHA to me, I authorise SYHA to ask any person or organisation that is likely to hold my contact information to disclose that information to them, I also consent to any person or organisation approached by SYHA disclosing my contact information to it.

Some of the organisations that we may disclose information to or request information from could be:

- | | |
|-----------------------------|-----------------------------------|
| Other Local Authorities | Department of Work and Pensions |
| Registered Social Landlords | Banks/Building Societies |
| Utilities | British Telecom |
| Mobile Phone Companies | Driver & Vehicle Licensing Agency |

Debt Collection Organisations/Tracing Agencies

As this consent is a major feature of the relationship with SYHA, any revocation of this consent will not take effect until 60 days after I have given SYHA written notice of revocation.

I/We have read, understood and have been given or agreed that a copy of the completed form will be forwarded to me.

I/We understand the responsibilities for ensuring the rent account is up to date, including the payment of any Housing Benefit, if due.

I/We understand the responsibilities for ensuring that all conditions of tenancy are met according to the tenancy agreement and tenant handbook.

I/We understand that SYHA may contact other people or organisations regarding my/our whereabouts as outlined above.

Customer's signatures: _____

Date: _____

Officers Signature: _____ **Date:** _____

The completed form should be passed onto the Admin Asst, who must ensure that the information is accurately and correctly entered onto the QLX system. Once done the form should be filed in the house file