South Yorkshire Housing Association
COME HOME

Rent Arrears Policy Statement

To deliver our strategic objectives and remain financially viable we need to maximise our income. To do this we will:

- take a firm but fair approach with tenants to help them repay the money they owe.
- Be sensitive to the individual circumstances and giving regard to their needs and welfare.
- Remind customers of their responsibility to pay the rent
- use pre-emptive processes and early interventions
- try & resolve rent issues without Court proceedings.
- aim to minimise the number of tenancies ending due to rent arrears.
- communicate with our customers without judgement, maintaining a firm but fair approach to arrears recovery.

This policy applies to the collection of all rental and service charge income from all current general needs tenants and LiveWell residents. The policy applies to all SYHA tenancy types. It includes any legal costs associated with the collection of the rental income.

Primary responsibility for the collection of the Association's income and the day to operation of this policy will be with the Income Management Team. The Head of Service in Landlord Services is accountable for maximising income collection.

Prevention

We will take a preventative approach to allocate our homes with a focus on long-term sustainability. To do this we will:

- Undertake an affordability assessment prior to allocating a tenancy to allow us to assess the customers' ability to pay the rent and any relevant service charges.
- Carry out checks with previous Landlords for information on their rent payment history. Where there is a history of previous arrears, we

will reserve the right to refuse a tenancy, unless the incoming resident can demonstrate that the arrears were beyond their control and/or that there is evidence of a commitment to clear the previous arrears.

- Look at each individual case separately and work closely with the referral agency in our LiveWell Services to assess affordability.
- Ensure customers have easy access to their rent account through the customer portal.
- Set up direct debit as the default payment method to pay rent
- Make effective use of Third-party deductions and Alternative Payment Arrangements (APA's) under Universal credit.
- Use rents data to identify trends to allow us to target our interventions and make best use of resources.

Responding

SYHA believes that paying rent is the primary responsibility for tenants in effectively managing their tenancy and expects tenants to pay their rent when it is due. This means:

- rent payments must be paid at the beginning of the charge period **(weekly or monthly in advance**)
- the responsibility of paying the rent will always lie with the tenant regardless of the payment source.
- tenants whose primary source of income is from housing benefits/universal credit must ensure all benefit related issues are resolved as not to delay or hinder the paying of their rent.
- we will make available support and assistance in navigating the welfare benefit system for those that require it and prioritise support for those customers that are at risk of losing their home.
- every effort will be made to support customers internally and externally to help maximise their income and minimise their arrears
- we will keep customers informed about changes in legislation and welfare benefits that may affect them.
- the association will pursue enforcement of collection which could include legal action, if there is evidence that the customer:
    - Is unwilling to engage to agree a suitable repayment plan to clear the arrears
    - has failed to effectively prioritise rent payments
    - has failed to make appropriate claims for benefits or failed to resolve issues that impact on rent payments

- o Has refused our support or assistance around a claim.
- o withholds payment of rent for any other reason.

Taking Action
SYHA will take legal action to recover rent owed and ultimately repossess the property if we feel that the customer has not made reasonable attempts to clear their arrears or fails to engage with SYHA. In these circumstances we will:

- make regular contact when a customer who is in arrears using their preferred method of contact which includes; telephone, text, e mail, visits or letter.
- make sure that repayment agreements are based on the disposable income of customers after taking into account earnings and outgoings. Repayment agreements will ensure customers are not left in financial hardship.
- only commence Legal action after reasonable attempts to contact and engage with the customer have failed
- serve Notices if appropriate: Notices will be served (for assured tenancies) using mandatory ground 8, ground 10 and ground 11 of schedule 2 of the 1988 Housing Act (as amended). Legal action to recover possession of a secure tenancy is taken under Ground 1, schedule 2 of the 1985 Housing Act.
- seek payment for the Court costs from the customer which will be included in the Money Judgement order.
- continue to offer support If a suspended possession order is granted and a customer breaches their terms, including financial assessments, benefit checks and making appropriate referrals with the aim to bring the order back in line.
- continue to support and work with our customers where a warrant of eviction has been applied for to prevent them losing their home.
- consider granting a new tenancy where an eviction has been carried out and the customer agrees to repay the full debt within 24 hours. The Head of Service will be responsible for this discretionary decision.
- we may seek to obtain an attachment of earnings order for those in full time employment

Support and Vulnerability
SYHA recognises that vulnerability can take many forms (see Vulnerability Policy) and we will always consider customers individual circumstances. Where a vulnerability is identified we will:

- intervene early to allow the maximum opportunity to help customers sustain their tenancy and prevent arrears escalating
- offer help and support to prevent arrears by assessing benefit entitlements and financial commitments
- assist new tenants in making a claim for Housing Benefit or Universal credit or other income related benefits (including discretionary HB payments)
- refer to appropriate support, either within SYHA or to external providers.
- make affordable payment agreement to stop their account falling further into arrears.
- recognises other debts and that they may be declared bankrupt or take out Debt Relief Orders (DRO) or seek temporary reprieve under the Breathing Space debt respite scheme
- For those customers under the protection of Breathing Space, we will stop all action related to the rent arrears and apply the relevant protections. We will engage with the debt advisor where appropriate and support the tenant.
- Work with an appointed trustee/deputy/attorney acting on behalf of our customers, to resolve arrears and reduce the risk of legal action being taken.
- For tenants that are made subject to a Bankruptcy order or debt relief order, consideration will be given to seeking possession of the property as although the debt cannot be recovered it remains a breach of the tenancy as rent remains unpaid

Credit Balances and Refunds
In line with the terms of the Association's tenancy agreement where possible we will expect customers to pay one week or one month in advance, dependant on the frequency of payment. Rent is due on the Monday each rent week so residents rent accounts should never show in arrears if payments are made on time.

When a resident requests a refund of any credit balance on their account refunds will only be given if the customer:

- has no other outstanding debts due to SYHA. This includes any void rechargeable repairs once the customer has left the property. If other debts exist any credits will be transferred to clear or reduce these debts.
- Where a tenant owes a debt to the Local Authority or the Department of Works & Pensions for an overpayment of Housing Benefit or Housing costs to their rent account, any credit available would be offered before a refund being issued to the tenant.
- refunds will be in the preferred payment method of the customer which for example be a direct bank transfer to the customers bank account.

Operational Monitoring

The following roles are responsible for the operational monitoring of accounts:

- Housing Officers: Weekly Monitoring of accounts in arrears are/or where we have received no payment.
- Team Leaders are responsible for Monitoring Officer performance via 1-1's and Mobysoft/Power Bi/Reporting Services
- The Income and Lettings Manager is responsible for Team Leader for performance via 1-1's and appraisal review
- Head of Landlord Services is responsible for overall performance and Board and ELT reporting.

Court and Possession proceedings

- The Income and Lettings manager will sign off Court action
- The Head of Landlord Services will sign off eviction.

Performance

The key performance indicator is used as part of a wider performance management framework, which is broken down to induvial income officers.

Description	**Audience**	**Year**	**Target**	**Tolerance**
Rent arrears as a percentage of rent debit (current)	Board	2025/26	2.9%	3.1%
Former Tenant arrears	ELT	2025/26	1.75%	N/A
Mobysoft completion percentage Officers	Head Of Landlord Services	2025/26	>92%	N/A

Reporting
Strategic oversight is provided by Board and the Executive Team. Reporting will be by exception if arrears are over target and will include an explanation of the arrears and a projection of year end figure. Reporting cycles are:

- To Board on a Quarterly basis.
- To Executive Leadership Team monthly.

Equality and Diversity
SYHA recognises that it has a diverse customer base and we will therefore make reasonable adjustments to ensure customers understand this policy and, in any contact, we have with customers in the course of liaising with them about their rent accounts.

We will continue to monitor the impact of this policy by profiling arrears cases and analysing data on the action we take to ensure no groups are being disadvantaged.

SYHA strives to be an open, inclusive and diverse organisation where everyone has a right to be treated with dignity, fairness and respect.

PROCEDURE

Application Stage

If we 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