



RENT ARREARS POLICY

May 2019

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Introduction

Queens Cross Housing Association recognises that to discharge its obligations as a Social Landlord and housing provider properly, it is required to maximise its rental income. Among other actions, this requires efficient and effective procedure for dealing with rent arrears. At the same time the Association recognises the need for a sensitive and supportive approach to arrears recovery.

This document outlines the Association's Arrears Policy, one of the key documents we produce. In line with good practice, the underlying principles are to (i) help tenants avoid having rent arrears accrue on their rent accounts and (ii) ensure that these are dealt with in a fair but effective manner when they do.

The Association is committed to prevention of arrears through early action and this will have a positive impact in the prevention of homelessness.

Rent is the Association's main source of income and it is essential that arrears of rent be kept to a minimum to ensure the Association's financial viability and to help sustain tenancies.

The object of an Arrears Policy is to minimise loss of rental income by prompt, effective recovery of rent arrears.

It is recognised that many tenants get into difficulties through an inability to pay and that there is only a small minority who will wilfully refuse to pay. The Association's objective is to provide support, advice and guidance to assist those on low incomes or those who have trouble with household budgeting to maintain regular rent payments, while at the same time to adopt firm measures to deal with the minority who refuse to pay.

This policy has been developed by considering the Association's existing good practice and experience together with the Scottish Federation of Housing Associations' Raising Standards in Housing guidance on Rent Arrears; Prevention Management and Recovery.

1.0 LEGISLATIVE AND REGULATORY FRAMEWORK

Relevant legislation and regulatory guidance includes:

1.1 The Housing (Scotland) Act 2001

This establishes the regime of Scottish Secure Tenancies, the terms of such Tenancies and the arrangements for repossession of a tenancy

1.2 The Housing (Scotland) Act 2010

This set out the terms of Pre-action Requirements under sections 14 and 14A of the Housing (Scotland) Act ("the 2001 Act") as amended by section 155 of the 2010 Act and Repossession Orders under section 16 of the 2001 Act as amended by Section 153 of the 2010 Act.

1.3 The Equality Act 2010

The Public Sector equality duty requires public authorities to have due regard to the need to eliminate discrimination, promote equality of opportunity and foster good relations. This duty covers RSLs in the exercise of public functions. There are specific duties which also require some public authorities to publish schemes setting out how they will promote equality, including their method for formal impact assessment of policies and practices. While RSLs are not subject to these specific duties, the Equality and Human Rights Commission (the enforcement

body for these duties) encourages other bodies to take on board the principle of these duties and do equality impact assessments.

The Equality Act 2010 has introduced 9 protected characteristics:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion or belief;
- sex;
- Sexual orientation.

1.4 The Data Protection Act 1998

Sets standards for the gathering and sharing of personal information.

1.5 The Human Rights Act 1998

Has an effect on housing management functions, including Recovery of Possession Proceedings.

1.6 The Bankruptcy and Diligence (Scotland) Act 2007

Sets out the legal framework for recovery of debt, including rent arrears

1.7 The Social Housing Charter

The Social Housing Charter Outcome 11 requires Social landlords to:

Ensure that tenants get the information they need on how to obtain support to remain in their home; and ensure suitable support is available, including services provided directly by the landlord and by other organisations. This outcome covers how landlords can help tenants who may need support to maintain their tenancy. This includes tenants who may be at risk of falling into arrears with their rent, and tenants who may need their home adapted to cope with age, disability, or caring responsibilities.

The Social Housing Charter Outcome 13 requires Social Landlords to manage all aspects of their businesses so that tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay. This standard covers the efficient and effective management of services. It includes minimising the time houses are empty; managing arrears and all resources effectively; controlling costs; getting value out of contracts; and giving better value for money by increasing the quality of services with minimum extra cost to tenants, owners and other customers.

2.9 Welfare Reform Act 2012

The Welfare Reform Act 2012 made changes to the rules concerning a number of benefits offered within the social security system and became law on 8 March 2012 although its provisions will be phased in over a number of years. The Act includes

- The introduction of Universal Credit
- Stronger penalties for fraud and error
- New "claimant commitment"
- Phasing out of Disability Living Allowance and replacement with Personal Independence Payment
- Reform of Housing Benefit, including introduction of under-occupancy charges
- Changes to the Social Fund, including greater power to local authorities
- Reform of Employment and Support Allowance
- Changes to child support

While the most significant of these is the introduction of Universal Credit, all aspects of the Act will have significance for tenant's ability to pay their rent and meet the other essential costs associated with maintaining a tenancy, and so may impact on rent payment and arrears.

1. Management Board Control

The Management Board will, on a Quarterly basis, receive a key performance indicator (KPI) report on the performance level of arrears control.

The Associations Management Board will receive arrears management information as part of their regular reports to allow them to make informed decisions on the effectiveness of arrears management and rental income maximisation.

In addition, the Board will, on an annual basis, consider the annual KPI targets within which the Association should seek to control arrears levels.

Each year the Board will be asked to authorise the writing off of former tenants arrears that it is considered cannot be recovered, (**see section 17 of this document**)

2. Delegated Authority

The Neighbourhood Housing Manager, (within the guidelines and procedures that form part of this policy) and their Housing Officers have delegated authority to take necessary action to control arrears, in full consideration of the individual circumstances of each case.

Managers will have the authority, within agreed procedures, to pursue serious arrears through court action to the point of obtaining decree for repossession. The decision on whether or not to enforce the decree will be taken by the Chief Executive who has been given delegated authority from the Board to approve evictions. The report used to make a decision on whether a tenant is evicted will be anonymised with evidence to support the eviction request presented using the template at appendix 2.

Any eviction agreed will be reported to the Board via the Performance Reporting process that is provided to Board Members each quarter

3. Aims and Objectives

This policy objective is to:-

- Maximise Rental Income
- Maintain an effective and efficient arrears control system
- Prevent arrears rising by ensuring tenants have been made aware of welfare benefit entitlement, utilising the Financial Inclusion Team to maximise income and Benefit entitlement.
- Implement recovery of arrears with voluntary co-operation of the tenant.
- In Partnership with the Associations Service providers for Older Persons service and supported tenants, deal with arrears cases in a sensitive, fair, but rigorous manner, utilising their knowledge of the tenants.
- Maintain appropriate information systems that enable both staff and Board to monitor the effectiveness of the arrears policy.

4. Prevention of Rent Arrears

The Association will undertake preventative measures to minimise rent arrears, these will include but are not limited to:

Pre tenancy information will be given to all prospective tenants by the Tenancy Sustainment Team and Financial Inclusion Team during the completion of the Association Housing List Application Form, as well as during the time that an applicant is waiting for an offer of housing as part of their application review which is undertaken each year.

All new tenants will be asked to pay a full month's rent in advance when they sign for a tenancy.

Advise tenants of any arrears or an unacceptable payment pattern immediately after these arise.

Emphasise personal contact between tenants and housing services staff as the key to successful prevention, control and recovery. The clear majority of arrears work by housing staff should involve personal contact with tenants. In order to achieve this we recognise that some time working outside usual office hours may be necessary to accommodate the needs of working tenants.

Secure lump-sum repayment wherever possible and if not possible, secure an agreement for payment of arrears that is affordable and based on an updated income and expenditure.

All new tenants are visited by the Housing Officer within 6 weeks of taking up occupancy. This enables early identification of any problems and gives the tenant an opportunity to raise any issues they may wish clarified. The Association aims to complete 100% of all New Tenancy Visits, however priority will be given to:

- those in their first tenancy,
- those who are under 25, receiving support or are vulnerable,
- tenants who are formerly homeless, with a history of arrears or anti-social behaviour

Housing Officers should offer a referral to tenants in arrears to the Financial Inclusion Team when arrears arise and at any point where they feel that a significant change of circumstances has occurred.

Apply for arrears direct deductions from Benefits for those tenants who are in receipt of a Legacy Benefit or Alternative Payment Arrangement where the tenant is in receipt of Universal Credit, where the conditions for such deductions are met.

5. Rent Payment Methods

The Association has a variety of options available for tenants to pay their rent however the preferred payment method is by Direct Debit.

- **Direct Debit Mandate** – This can be arranged by obtaining a Form from the Associations Office. It can be set up for weekly, fortnightly or monthly payments.
- **Payment Card** – A payment card is available to all our tenants to allow them to pay at a variety of Convenience stores, Garages and Post Offices. Details of outlets in the area are available at the Associations office on Firhill Road and the Courtyard Office.
- **Housing Benefit** – If a tenant is on a low Income or in receipt of Benefits they may be entitled to Housing Benefit. Application for Housing Benefit is made on line. Regular contact will be maintained with the City Council Housing Benefit officers to deal with outstanding cases. Tenants will be encouraged to authorise payments of Housing Benefit direct to the Association.
- **Online Payments** – the Association is continually looking to enhance its Digital business and has the option for tenants to pay on-line.
- **Callpay** – payment can be accepted over the phone using this method that links into the Allpay card payment option
- **Cash Payments** – No cash payments will be accepted. However, in exceptional circumstances may be accepted which will require the approval of the Neighbourhood Manager and agreed with the Finance Section (see appendix 2)

Following the introduction of the Universal Credit, the Association will assist tenants in making, and updating claims for Universal Credit. Where a tenant meets any of the criteria for an Alternative Payment Arrangement (i.e. the direct payment of Housing Costs from Universal Credit to the Association) we will apply for such a payment to be made.

6. Rent Arrears Recovery

Rent Accounts will be monitored on a weekly basis to identify arrears at an early stage and take prompt action to contact tenants. Housing Officers will at all times be aware of the need for early action and intervention. Housing Officer's will take into account benefit payments, backdates and first benefit payments with set delays for payments i.e. Universal Credit.

The Associations Housing staff follows a clear procedure for managing rent arrears and will follow this as outlined in **Appendix 1**.

In addition to this staff will also follow the Arrears Action Plan introduced in October 2016 which outlines the proactive measure that should be used when managing arrears. This plan can be seen in **Appendix 2**.

Monthly rent is due on the 1st of each month and rental payments should be received on or before the 1st of the month and no later than the 7th day that month.

Action should start as soon as a rent payment is missed; however staff should gather as much information as they can to get a clear picture of the tenant's circumstances and the reason for the

arrears. The personal circumstances of the tenant may influence how arrears are managed and also the method of contact. In some cases, a standard reminder letter will be sufficient. However, when the tenant is elderly, infirm, receives support or has a previous record of missed payments, a home visit will be more appropriate with support worker or external organization if support is delivered by agency.

The Housing Team may use a variety of methods to contact tenants from home visits, telephone, email, Fax, Mobile Phone Texting Services or other Communications Technology to make contact with tenants in arrears.

Home Visits or other methods of communication between the Association and tenants in arrears will be used out with normal office hours if it is proving difficult to make contact with the tenant.

7. Tenancy Transfer

Transfer will not be granted where a Tenants account is in arrears. The Account should be clear for a continuous period of six months. In exceptional circumstances the Association will consider a realistic repayment arrangement.

8. Housing Benefit and Financial Inclusion Team

Access to Housing Benefit and managing Housing Costs have a crucial role in minimising arrears.

All tenants will be referred to the associations Financial Inclusion Team in order to receive up to date advice on Welfare Benefits and Money/ Debt advice. As part of the process that will be provided the team will determine the tenants' entitlement to benefits, maximise Housing Benefit, and to assist with money and debt advice should other debt be the cause of issues affecting the ability of the tenant to pay their rent.

The pre-action requirements under sections 14 and 14A of the Housing (Scotland) Act ("the 2001 Act") Amended state that the landlord must provide information to the tenant on the following information before the Notice of Proceedings in relation to advice:

- Make reasonable efforts to give help and advice on eligibility for housing benefit and other types of financial assistance;
- Give information about sources of help and advice with the management of debt;

Information and advice will also be provided to the tenant of other local advice agencies that the tenant can arrange to get advice from if they would prefer.

Over and above this we will also advise the tenant to consider receiving legal representation in relation to the action being taken against them.

The Association will also seek to negotiate a service level agreement with Local authorities to ensure efficient processing of benefit payments. The Housing Benefit Department will notify the Association of tenants' failure to return Benefit Review Forms.

Serious arrears can be caused by the over payment and subsequent claw back of Housing Benefit when household circumstances change or tenants fail to complete Housing Benefit Application Review Forms on time. Tenants will therefore be encouraged to inform Housing Benefit of any changes to their household or income. They will also be informed of the importance in returning Benefit Review forms.

This Financial Inclusion service is available to all tenants whether they are in arrears or not.

9. Information

All Tenants are will be able to request up to date information on their current rent account. This at present will be by contacting the Associations offices. Future developments with the Associations digital business will allow tenants to access their own accounts on-line to check on their balance, payments and debits.

Tenants will be given information on rent levels, including other charges where these are applicable, and appropriate methods of payment.

The Financial Inclusion Team can also be accessed by tenants with an appointment system in place to manage the demand on this service.

Tenants who fall into arrears will be notified by Association Staff who will give clear information on the Associations Arrears Recovery Procedures.

All correspondence relating to arrears will include information on how to pay, advice on where else to seek help should they wish independent assistance, and contact details of their Housing Officer so they can contact them to discuss payment concerns.

10. Legal Action – Grounds for Recovery

In cases where the Association requires to raise court action for repossession the relevant law for Scottish Secure Tenancies, is the Housing (Scotland) Act 2001.

The Grounds for Recovery are stated in Schedule 2 of the 2001 Act. The relevant ground for rent arrears is found under Schedule 2, Part 1, Ground 1, i.e.

‘Rent lawfully due from the tenant has not been paid or any other obligation of the tenancy has been broken’.

Prior to court action a Notice of Proceedings will be issued to the tenant and all qualifying occupants, (all known members of the household over the age of 16). This will allow the Association to take legal action over the duration of a six-month period starting 1 month from the date the Notice is delivered.

11. The Pre-Action Requirement

The Housing Scotland Act 2010 has established the requirement for Registered Social Landlords to meet a number of conditions, together referred to as the Pre Action Requirements, and to document how they have done so, before beginning legal action to end a tenancy. The Associations Notice of Proceedings outlines where we have fulfilled the requirements outlined below;

- Give clear information about the tenancy agreement and the unpaid rent or other financial obligations;
- Make reasonable efforts to give help and advice on eligibility for housing benefit and other types of financial assistance;
- Give information about sources of help and advice with the management of debt;
- Make reasonable efforts to agree with the tenant a reasonable plan for future payments;

- Consider the likely result of any application for housing benefit that has not yet been decided;
- Consider other steps the tenant is taking which are likely to result in payment within a reasonable time;
- Consider whether the tenant is complying with the terms of an agreed plan for future payments
- Encourage the tenant to contact their local authority (where the local authority is not the landlord).

The Association will not commence repossession action unless these requirements have been met and we can document that we have done so.

12. Section 11 of the Homelessness etc (Scotland) Act 2003

The Association will apply the duties expected of it within the provisions of Section 11 of the Homelessness etc (Scotland) Act 2003.

Section 11 places a duty on landlords to inform the relevant local authority when they raise proceedings for possession of a property. The duty applies to all landlords with the exception of local authority landlords themselves. The aim of placing a duty on landlords to inform local authorities of repossession proceedings is to alert authorities to households at risk of homelessness. Local authorities have statutory duties to people who are homeless or threatened with homelessness and early notice of potential homelessness means that they may be able to respond on an individual basis. This might include the early provision of advice and information to tenants facing eviction, including discussion of rights and responsibilities.

13. Summons

This stage will be handled by the Association's Solicitors who will arrange a date for the case to be heard in Court and a Summons issued to the tenant accordingly.

14. Court Appearance

The Association will be represented at Court by its Solicitors who will confirm with the Housing Officer the sum outstanding along with all other relevant information as at the date of the hearing.

If the tenant appears as summoned and states his or her proposals regarding the payment of arrears, the case will invariably be continued for an arrangement to be made and thereafter "sisted", i.e. withheld, but if the arrangement is not adhered to the case can be immediately recalled to Court.

Legal costs involved in Arrears action will be added to the tenants account if awarded by the court.

15. Eviction

Wherever possible the Associations staff will seek to recover any rent arrears with the voluntary co-operation of the tenant concerned. Once a Decree for eviction has been granted by the Courts, the Association will confirm this with the tenant inviting them for an interview with the Housing Manager to provide a final opportunity to avoid repossession action. If the tenant attends the Association will consider the following options that will prevent the eviction from proceeding.

1. First option is to ask the tenant to make full payment of the balance on the account.

2. Second option is to accept a payment that will cover half of the balance on the account plus a suitable repayment arrangement that will clear the arrear over an acceptable period, generally no longer than 6 months.
3. A payment arrangement based on the outstanding balance that will clear the arrears over a realistic period of time, generally no longer than 6 months to clear the debt.

The tenant will be informed that failure to keep to the arrangement made will result in the Eviction proceeding. Eviction Decrees can be used within six months of them being awarded by the Courts.

The Association will evict a tenant for failure to pay the rent, when all other methods of recovery have been tried and failed and when the arrear is significant.

Where there is no agreement made as part of the final interview stage, the next course of action is to get approval from the Delegated authority, the Associations Chief Executive, to proceed with the action.

In dealing with every such case, the Associations Chief Executive, before deciding on whether or not to authorise the eviction, will consider a report provided by the Housing Officer, and authorised by the Housing Manager. This will provide details of the circumstances of the case, confirming that all proper procedures have been carried out as per above and that every assistance has been offered by staff. The identity of individual tenants will be anonymised and reference will be made by the tenant's rent account number, **(See Appendix 3, Template - Summarised Arrears Case History)**.

Once an Eviction request has been granted by the Chief Executive, the Association will instruct Sheriff Officers to carry out the eviction. The Tenant will be notified of this giving 14 days written notice and advised to contact the Local Authority Homeless Service regarding alternative accommodation. If children are involved the Association will inform the Children and Family section of the Social Work Department informing them of the impending action.

When the Eviction takes place, the Sheriff Officers, Housing Officer and a Joiner will attend at an appointed time and the locks to the property changed. The tenant should clear all furnishings from the property by the date of the eviction and if not these can be uplifted and suitably disposed of as legal guidelines indicate. However the Association can take a flexible approach and where applicable give one weeks grace from the Eviction date to allow the uplift of any belongings from the repossessed property. The remaining items within the property will then be disposed of after this period. However should there be any items of value left, the Association, using its own discretion, could, where appropriate, store these for a limited period or sell to recover some of the outstanding debt.

16. Former Tenant Arrears

Queens Cross Housing Association will aim to recover arrears from Former Tenants. All efficient and economic means will be used, including debt recovery agencies, where appropriate. Debt Recovery Agents have a low-level success rate and as such the Association will review the use of particular Debt Recovery Agents as and when required.

Former Tenant Arrears will be pursued with the same commitment as current arrears. Former Tenant Arrears Recovery will be through a similar process to current tenant arrears recovery with monthly action being taken where possible.

The Association will pursue all former tenant arrears cases. Should there be no results from the Association efforts, cases will be passed to the Debt Collection Agency to pursue. Each case will be

regularly reviewed up to the point where there is no prospect of recovery. If this situation arises then the Association will consider Writing off the arrear as bad debt and non recoverable.

Details of these cases will be held on file in the event that should any Former Tenant apply to the Association for re-housing they will be asked to pay their debt. **(See Appendix 4, Former Tenant Arrears Recovery Procedure) (5 years in Scotland from the last date of contact regarding the debt before debt is prescribed.)**

17. Former Tenant Arrears Write Offs

Where the Association has exhausted all efforts to recover a debt the Housing Officer will apply to have debt written off. This will be done twice each financial year and will be presented to the Associations Management Board for approval prior to rent accounts being adjusted of the debt.

Write Offs

Twice a year the Board are asked to consider writing off debts owed to the Association that are considered non recoverable. This is done mid-year and at the year end.

In accordance with the Rent Arrears Policy, the Association pursues all former tenant arrears cases. Each case is regularly reviewed up to the point where there is no prospect of recovery or it becomes financially unviable to pursue the debt. When this situation arises the Association will consider writing off the arrear as bad debt and not recoverable.

The housing services team aims to prevent tenants, including those on low incomes or benefits, from going into arrears. The procedures in the Association's Rent Arrears Policy have been followed in each of the cases recommended for write off, to minimise loss of rental income by prompt, effective management of rent arrears

The Association's Financial Inclusion team actively assist in maximising benefits uptake, and preventing arrears particularly for those tenants on low to medium incomes.

Where appropriate, cases proposed for debt-write off have been passed to the Association's current debt recovery agent. Any monies recovered are credited to the tenant's account.

The categories for write off vary and are determined by the amount owing on the account and the circumstances of what happened to the former tenant that the debt applied to. Categories for write off include;

- The Association will automatically consider writing off any debt on account below £50.00 as it is uneconomical to pursue, i.e. the costs involved in chasing the debt would exceed the debt.
- The debt belongs to a tenant who is deceased and we are unable to recover from the estate.
- Housing Benefit underpayments that result in an arrear that we are unable to reclaim after tenancy terminates. This is the technical arrears on an account.
- Tenants that the Housing Officer has pursued without success and has been passed to the Debt Collection Agency that they in turn have exhausted or closed down the case due to a negative trace.

The Housing Officer will submit the cases they want considered for Write off twice a year with an explanation as to why and include the outstanding balance. The Neighbourhood

Manager will scrutinize each case and then pass to the Housing Manager to prepare a report covering all four neighbourhoods and submit a report to the Management Board to consider. If approved the Housing Team will complete the process by removing the balance from the account with a record of when the Board approved the debt write off.

18. Training

The Association will ensure that provision is made within the training budget to enable both staff and Board Members of the Association to acquire training and retraining to adequately cope with the problems and stresses of dealing with people and their financial difficulties.

19. Review

This Policy will be reviewed every three years and amended as necessary.

The Associations Board will assess and review KPI targets relating to arrears recovery on an annual basis to ensure their appropriateness.

Appendix 1

	HOUSING BENEFIT (1st payment 4 wks)	NO BENEFIT	UNIVERSAL CREDIT (1st payment 6 wks)	COMMENTS
Week 1	Confirm claim submitted/live	No payment 5 days after debit issue letter 1	Confirm housing cost claimed any vulnerabilities that meet criteria 1 & 2 consider MPTL	During the period where letters have been sent, HO should complete house visits (weekly) in addition to telephone calls and text to get the tenants to pay or engage in arranging a repayment schedule. This will help meet the Pre-action Requirements that are needed before an NOP can be served. Housing Officers should continually use HB/DWP portals. Check care first for any vulnerabilities investigate reason for non-payment. Entitlement to benefits etc. checked. Check whether financial problems. Repayment arrangement negotiated. Under the Housing Scotland Act 2010 – Pre Action Requirements, (See paragraph 9 page 5 for the seven pre-action requirements) , the Association are required to make every effort to communicate/negoti
Week 2	Liaise with GCC/tenant monitor for payment	Home visit/text/card tenant to contact	Monitor Check DWP Portal (HO has flexibility to commence escalation process within 6 week timescale)	
Week 3	Monitor for payment/check portal/contact tenant for any issues	No payment issue letter 2	Monitor Check DWP Portal	
Week 4	No payment issue letter 1 Home visit/text/care first	Home visit/text/complete housing options interview	Monitor Check DWP Portal	
Week 5	No payment issue letter 2 Home visit/text	No payment issue legal letter	Monitor Check DWP Portal	
Week 6	No payment issue legal letter, complete housing options interview, home visit/text/telephone	Home visit, telephone, text Arrange managers interview	No payment issue letter 1, liaise with DWP/tenant Home visit/text	
Week 7	Home visit, telephone, text Arrange managers interview	Home visit, telephone, text	No payment issue letter 2, liaise with DWP/tenant Home visit/telephone/text	
Week 8	Home visit, telephone/text Check GCC portal	Home visit, telephone, text, etc.	No payment issue legal letter, liaise with DWP/tenant Home visit,	

			telephone/text	ate with tenant including advising of Welfare Rights and Money advice assistance. This should continue throughout the course of action taken against tenant up to the Notice of Proceedings stage and beyond. These stages and the response from the tenant, and there financial circumstances will determine the action taken. All actions recorded on QL
Week 9 (2 months rent)	Serve NOP Home visit, telephone text liaise with GCC	Serve NOP Home visit, telephone text	Home visit, telephone, text Liaise with DWP Arrange managers interview	NOP served on tenant and Qualifying Occupants. As good practice Housing Officer at this point should make a referral to Glasgow City Council services, if HO knows that the tenant is vulnerable or has any vulnerable family members such as children, elderly, disabled, or have mental health or addiction issues. Also when notice issued if the recipient does not respond to this then an interview should be arranged between the Tenant and the HO and Assistant Manager; if the tenant does not keep the appointment then a

				home visit should be undertaken as soon as possible after the missed appointment. This will emphasise the seriousness of the case
Week 10	Issue pre court letter Home visit, telephone, text	Issue pre court letter Home visit, telephone, text	Serve NOP Home visit, telephone text liaise with DWP	Tenant advised Court Action will be taken if no arrangement is made. No HB & HB cases only at this stage
Week 11	Home visit, telephone, text	Home visit, telephone text	Issue pre court letter Home visit, telephone, text Liaise with DWP	UC cases Tenant advised Court Action will be taken if no arrangement is made.
Week 12 (3 months rent)	NM/HO interview, check procedure followed all pre requirements completed NM approves court action	NM/HO interview, check procedure followed all pre requirements completed NM approves court action	NM/HO interview, check procedure followed all pre requirements completed NM approves court action	Conducts interview in appropriate cases. Facts of case considered. Checks proper procedures have been followed. Assistant Director Approves Court Action.
Week 13	Instruct court action, letter tenant	Instruct court action, letter tenant	Instruct court action, letter tenant	Letter sent to tenant informing them that court action requested. HO prepares Court Report for and send to Solicitor with up to date rent statement and all associated documentation relating to the case

Appendix 2

Rent Arrears Action Plan

The Associations rent arrears are currently managed by following a procedure (see appendix 1). This is a straight forward process and is designed to ensure that all staff are consistent in the actions they use in their arrears recovery management.

At 1st April 2018 overall arrears, (Net), performance was standing at 2.9% for the Association with a target of 2.5% for 2018-19, but this hides fluctuating differences in performance with some staff .

To bring about improvement across all teams we have looked at drawing up an action plan so that improvements are seen across all Housing Officers. It is clear that the process can work as we have good performance in some patches and it is the application of the process that needs to be tightened up. The Current process has been tweaked slightly to ensure the guide explains the actions that should be followed. (The process is attached to this plan).

There are additional actions that should be followed in conjunction with the current process that will see improvements in recovery rates.

1. Intense monitoring of arrears recovery process.

At present the Neighbourhood Managers carry out patch reviews once a month for all Housing Officers. This will change so that those whose arrears increase continually (2-3 months) will have a patch review once a fortnight. This will cover all arrears cases to ensure that actions are where they should be in terms of the arrear recovery process. Those officers with arrears under target will be provided with new targets, these will be determined by the Neighbourhood Managers through discussion with Officers to look at realistic but challenging targets. These will be monitored by having monthly arrears meetings unless there are issues with the action that is being taken. These regular meetings are designed to support and guide staff who may be struggling with the management of cases.

2. Arrears Management

Housing Officers are responsible for all the arrears within their patch and need to monitor low arrears effectively. The introduction of Rent Sense identifies tenants that need to be contacted due to a change in their rent payments therefore reducing the housing officers work load and allowing early intervention.

3. Letter Delivery

The main method to inform tenants of arrears is by letter. To encourage more face to face contact and discussion about arrears, **ALL** arrears letter will be hand delivered, with all envelopes stamped, **HAND DELIVERED**. This won't be just about putting a letter through a letterbox, this will be knocking on the recipient's door to explain what they are receiving and to get the dialogue started early to inform tenants about what they need to do and the implications if they don't.

4. Start of Tenancy

All new tenants will be asked to pay their rent in advance. This is outlined in their tenancy agreement and therefore will be part of the discussion when someone completes an application, when we complete pre-

lets, and when we offer out a property. Staff need to ensure they are informing prospective tenants that rent is due the day they sign for a tenancy, and if they don't and their account goes into arrears then we start the recovery process immediately, i.e. If rent is not paid within 5 days from the start of tenancy we issue the initial letter and start the process, tenants will be informed that arrears action is starting (includes new tenants applying for HB/UC which is based on the possibility that HB/UC will not be awarded). Housing Officers have the ability to alter arrears letters to ensure that the tenant is aware that action is being taken in case there is no entitlement and this safeguards the Association. Staff also recognise that an NOP cannot be issued if there is confirmation that HB/UC is pending therefore this will avoid action being taken that does not meet our pre-requirements. Where a new tenant is in receipt of Universal Credit the first payment is due 6 weeks later therefore the arrears process can be delayed until this point.

5. Continuity & Persistence

Where possible we keep the same Housing Officer with the patch to allow them to get to know their tenants and vice versa. This is essential in building good relationships with the customer as well as getting to know the problem cases. Staff should be persistent in their pursuit of a suitable solution to the arrears not just following the process but all the intervening work such as phoning, texting and visiting should be recorded on QL. Where we struggle to get hold of a tenant during normal office opening times, there may be occasions where staff will try to contact tenant outwit these times. We will also consider asking caretakers to update staff if they are having difficulty in getting a tenant to engage with us.

6. New Arrangements

Those tenants who have had an arrangement for 6 months or more will have their cases reviewed by the Housing Officer to see whether a new improved payment arrangement could be made.

7. Housing Assistant's Role, (Satellite Offices Only)

Housing Officers will ensure low level early intervention work is carried out within procedural timescales. They will ensure that all methods use to engage with non-payers and that all actions updated on QL. In addition to this work Housing Assistant's will also assist in the management of arrears in the delivery of letters, homes visits, dealing with HB enquiries, contacting tenants as requested by the Housing Officer and also advising the Housing Officer about lack of response to arrears communication that may be as a result of Abandonment. All action must be recorded accurately on QL as this will go towards building a strong case should we need to take legal action and will form part of the pre-requirements needed to allow us to issue an NOP. Housing Officers have overall responsibility of managing arrears at all levels.

8. Former Tenant Arrears

The Housing Officer will manage FT arrears to reduce the arrears levels associated with former tenancies. Officers will investigate methods of recovery while Housing Managers will investigate new Debt collection approach including a review of who we use as our debt collection agent.

9. Texting

Staff will be more diligent in managing arrears arrangement's by texting reminders via callpay, we will also look at Task Centre on QL and get an automated process put in place to send out text reminders to tenants who have an arrangement in place.

10. Payments

No cash payments will be accepted in the association's offices. Only in exceptional circumstances will a cash payment be considered and will require authorisation from the Neighbourhood Manager and agreed by the Finance Section (appendix 5). These occasions should occur very rarely as most people have bank cards which allow payments to be made via allpay. Prior to cash being accepted within the office housing officers will need to evidence that all other methods of payment have been explored. If agreed it will be the Neighbourhood Managers responsibility to ensure cash is delivered to the Finance Section. Where a cash payment has been agreed at one of our satellite offices the Neighbourhood Manager will arrange for a manager within the main office at 45 Firhill Road to be available as the tenant will be required to come into the main office to deposit the cash.

An example of exceptional circumstance would be to prevent an eviction proceeding where the tenant has left it last minute to clear rent arrears and has no rent payment card or suitable bank card to make payment.

We will encourage all rent payments to be made by Direct Debit, these are easier to monitor and manage and go into accounts quicker.

11. Solicitors

We will meet with our Solicitors to try and speed up cases being heard in court, reduce the amount of continuations for cases where we have no shows by tenants.

12. Housing Options

Where a tenancy is at possible risk the relevant housing options paperwork should be completed to establish any vulnerabilities or support needs. Staff will use all options to get arrears reduced including the use of contact through Housing Options.

13. Eviction Decrees.

When we receive a Decree at Court that allows us to evict, we proceed with this repossession. If the tenant wants to avoid losing their home they will be asked to clear the full arrear. We can consider 50% payment of the debt, and arrangement to have the remainder paid within 3 months of the Decree being awarded, and if not we proceed with using the Decree as it is valid for 6 months.

14. Arrears Session with Staff

Sessions will be undertaken by Managers to outline the new steps and to remind staff of how the recovery process will work. Managers will go over the process and ask staff if they can identify where improvements' can be made.

15. Review

Managers will review this plan at the end of the financial year and make changes where necessary to ensure our approach is fresh and we adopt good practice methods. This review will take into consideration views of all staff involved in arrears management.

Appendix 3

Case Reference: Eviction –

To: Shona Stephen, Chief Executive
From: Housing Manager
Date:
Subject: Request To Grant Approval For Eviction Of Tenant
Classification: Private and Confidential

1.0 Purpose

1.1 The purpose of this report is for the Chief Executive to consider a request from Housing Services to proceed with the eviction of a tenant for non-payment of rent and arrears.

1.2 The Chief Executive has the final responsibility for the decision to instruct Sheriff Officers to evict any tenant

1.3 The Arrears Action Case History details are outlined in this report following procedures set out in the Association's Policy

2.0 Case History

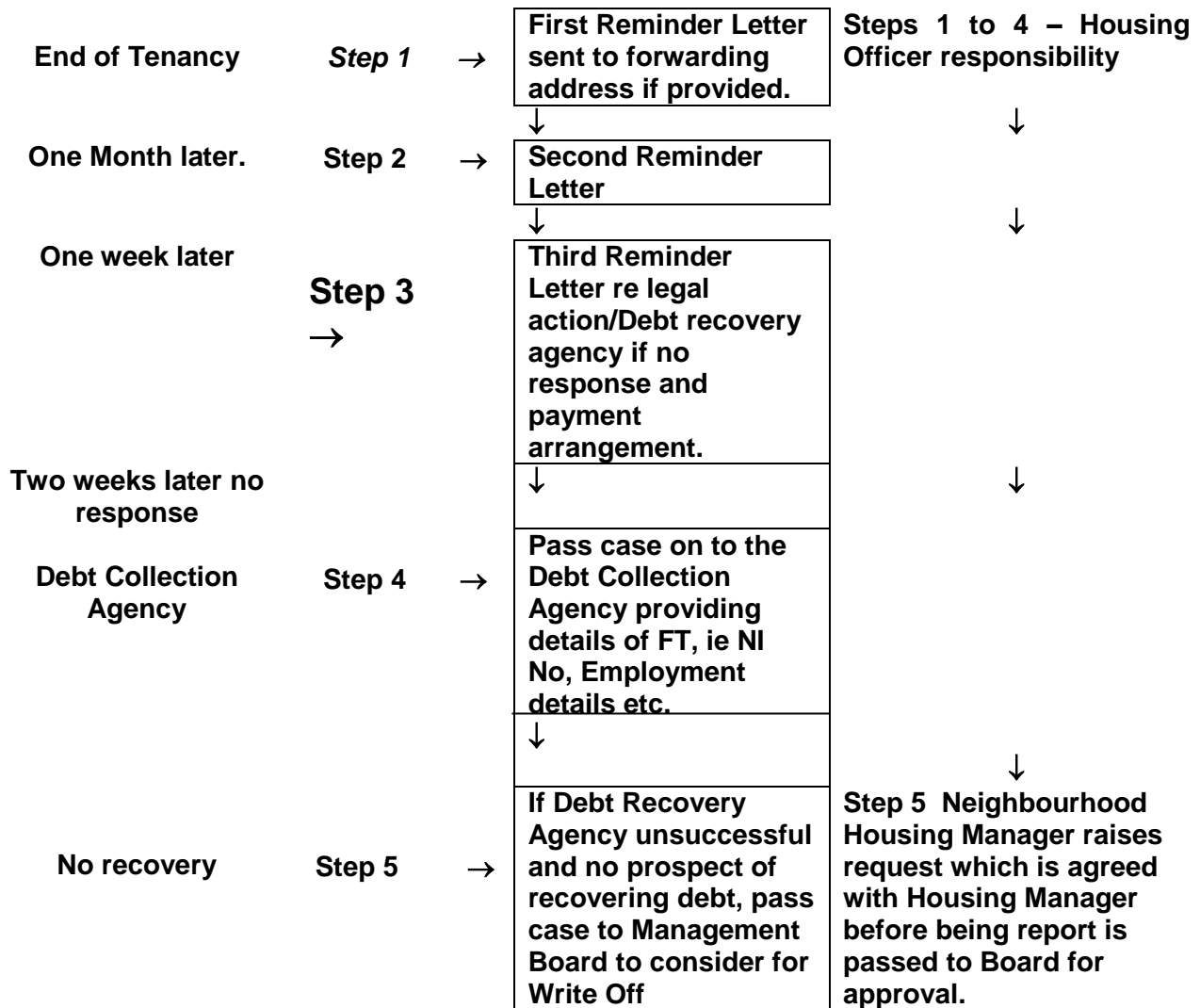
1. Family Composition: -
 - Tenant =
 - DOB =
2. Income: -
3. Tenancy Reference Number –
4. Start of Tenancy: -
5. Rent Charge – £.....per month
6. Arrears as at date of report - £

3.0 **Summary of case outlining main points of action and reasons why we are seeking permission for Eviction to proceed.**

4.0 Recommendation

Appendix 4

Main Stages in Former Tenant Arrears Recovery Procedure



Appendix 5

CASH PAYMENT AUTHORISATION

TENANTS NAME	
ADDRESS	
ARREARS	
COURT ACTION	
EVICTON GRANTED	

HAVE THE FOLLOWING PAYMENTS METHODS BEEN EXPLORED WITH THE TENANT

	YES/NO	COMMENT
ALL PAY PAYMENT		
PAYPOINT		
ONLINE PAYMENT		

AMOUNT RECEIVED	BY WHOM	VERIFIED BY	DATE

AUTHORISED BYHOUSING SERVICES

RECEIVED BYFINANCE SECTION

DATE