



THAMES VALLEY HOUSING

Rent Arrears Policy

Introduction

This policy covers the framework for collecting rent, for the prevention of rent arrears and for action taken against tenants who fall into rent arrears. Our policy expects tenants to pay their rent or to ensure that rent payments are made on their behalf. However, the Association recognises that for a variety of reasons, tenants do sometimes fall into debt and rent arrears. Our policy is to act in a firm yet fair way to help customers repay their rent arrears, whilst providing a wider financial support through money advice agencies. Support is offered to maximise income but in circumstances where legal action is appropriate the terms of the tenancy and if necessary eviction will be enforced.

Performance Monitoring

The Corporate Plan will include a target to reduce the current debt. This target is cascaded from the Board, to the Chief Executive, to directors and departmental managers through to patch officers whose performance is reported on a monthly basis. Headline performance is reported to the Board on a quarterly basis. Performance is reviewed through departmental management teams to the Housing Management Group and by the Executive Team on a quarterly basis.

Performance in areas, which refer directly back to the Corporate Plan, is reported to the Board in the form of a traffic light report, whereby the Chief Executive highlights key performance areas which are either achieving target, at risk, or where performance not at target levels. The Head of Housing Management will report to the Director of Housing and Neighbourhood Services on performance, who in turn reports to the Board.

The Client Services Team, on a fortnightly basis, produces a detailed rent arrears pack. This pack, which is circulated to front-line staff and managers, provides the following information:

- performance on a patch by patch basis
- the current AGR
- trends over an extended period
- average debt levels
- headline former tenant arrears statistics
- collection rates
- exception reports

Clear service standards for customers are agreed with customers shortly after each policy review. These are published and circulated to customers. Performance against these service standards is reported.

Headline annual performance is summarised within the Annual Report, which is available on request and can be downloaded from the TVHA website (www.tvha.co.uk). Similar information is also available through the Tenants Annual Report, which is made available in a variety of user friendly formats. Additional performance monitoring can take place through the Resident Consultative Group meetings upon request. Annually, performance is benchmarked against peer group RSL's and local authorities, using the Housemark system. Other, informal, benchmarking groups also operate for managers to compare performance on an on-going basis.

Debt Prevention

The Association recognises that the key to debt management is debt prevention. To help customers manage their rent accounts, regular statements are sent to all customers in arrears on a monthly basis, and to all customers quarterly. Customers can also view their rent account through the TVHA website, or have statements sent to them at any time upon request by calling the Customer Service Centre.

The Association believes the culture of rent payment is set during the early contact with perspective new tenants. During the sign-up, new tenants are expected to complete Housing Benefit forms, demonstrate an entitlement to benefit (if applicable) and explore ways rent is paid. The Association expects all incoming tenants to accept full responsibility for rent payment.

For tenants experiencing financial pressure, independent money advice is available. This service assists tenants in providing a money 'health check' and can be provided through regionally based CAB. The service is promoted actively amongst customers experiencing rent arrears but is available to all customers.

The Association seeks to identify those customers who are at most risk of experiencing rent arrears. Additional support systems are provided to

target resources to high risk areas/situations. This provides additional support for customers whilst minimising risk to customers.

By maximising the use of IT software, all cases are monitored regularly and managed in accordance with the procedures. (See procedure notes attached). Early personal contact is promoted either by telephone contact or by home visits. Correspondence will also be made either by letter or a billing arrangement.

Methods of Payment

The Association seeks to make the actual process of paying rent as user friendly as possible and will seek to increase the range of payment methods, in line with best practice, technological development and customer consultative processes.

Housing Benefit

The Association recognises that many of its customers are dependant upon Housing Benefit to pay their rent. In monitoring accounts and taking rent arrears action, this is taken into account.

Officers will seek to establish and maintain effective working relationships with local authority Housing Benefit providers. In addition, strategic assessments are undertaken on an on-going basis, reviewing the current performance of the Housing Benefit Department, together with the risk to the Association and its customers. The high risk boroughs are targeted with a view towards Service Level Agreements and a special relationship to protect the Association and customer rent accounts.

Vulnerable/At Risk Customers

Action against tenants in rent arrears needs to be commensurate with the level of debt, taking into account historical factors and the personal circumstances of the tenants themselves. Whilst there is a general expectation that tenants need to accept a responsibility to abide by the tenancy conditions, many customers may need support through crisis periods to prevent them losing their homes. This support can be provided through either dedicated support providers (using funding through traditional Housing Benefit/Supporting People), through statutory agencies (including Social Services and Education Welfare Officers) or more informal non-statutory groups (which could include voluntary support groups/church groups etc.). When managing rent accounts, officers should seek to operate in a multi-agency framework drawing upon all resources available. Whilst doing

this, officers should also make particular reference to the Confidentiality and Right To Information Policy.

Legal action to enforce the tenancy agreement should only be used where Supporting People funding is in place, in extreme cases with the full knowledge of support providers and where other reasonable attempts to recover the debt have failed.

Enforcing The Tenancy Agreement

The Association believes evictions should only be enforced as a last reasonable option. A Notice of Seeking Possession should normally be served by the time the account falls 6 weeks into arrears although officers may decide to delay a short while, depending upon circumstances. An exception report is monitored on a monthly basis.

Court applications should normally be made at around 10 weeks rent outstanding and will be authorised by the Regional Operations Officers. In cases managed by the Regional Operations Officer, the Operations Manager will authorise the court application. The Operations Manager will check for accuracy all paperwork before cases are finally referred to court.

Evictions can only be enforced with the signed authority of two senior managers. Authority will be given if both managers feel the eviction is the last reasonable option available to the Association. Officers will submit a full report for senior managers to access.

After authority has been given, customers can appeal to the Housing Services Director who will review the case and decide if the eviction is reasonable. The Housing Director may decide to impose new conditions or work flexibly to prevent eviction. Action at this stage is entirely at the discretion of the Housing Services Director.

Under normal circumstances, the Association will only use Discretionary Grounds for Possession. However, the Association reserves the right to apply for Possession using Mandatory Grounds, whereby the Judge must award a Possession Order. This action can be used in cases of persistent debt, usually when the debt is cleared immediately prior to eviction. Officers may recommend the use of the mandatory application although this must be authorised by two senior managers at the time the court application is made. Managers will consider whether the tenants are wilfully abusing the debt recovery system, amongst other factors, when considering whether a Mandatory court Application is made.

The Head of Housing Management will monitor high arrears and at risk schemes. Such as high rent schemes and cluster flats. By monitoring these, a more flexible approach may be required to address a particular need. Such flexibility may include a specific local lettings plan, the use of Assured Shorthold Tenancy, or a more widespread use of Ground 8 possession action – reference is made in the guidance notes on the use of Ground 8. The Head of Housing Management will agree targeted arrears work with the Director of Housing and Neighbourhood Services.

Reviewing The Policy

The Rent Arrears Policy is kept under regular review through the Housing Managers Group meeting (HMG). It is anticipated that the next review of the Rent Arrears Policy will be reported to the Board in 2005.

Promoting The Policy

The Policy is widely circulated amongst stakeholders, including CAB and local authority partners. Copies of the Policy are made available to customers upon request.

Training Commitment

The Association believes that to provide high quality services, staff should benefit from clear policies and guidance notes, they will also receive regular training which could be provided on the job, through peers, supervisors and managers, or through formal off-site training.