

Arrears Prevention Policy

INTRODUCTION

The purpose of this policy is to:

- To monitor rent accounts and to endeavour to reduce arrears occurring. Reduce rent arrears by early and consistent action in line with the debt protocol 2004, therefore ensuring maximum income for the association.
- Comply with the service level agreements for each scheme to ensure all support services are compiled with when assisting the customer with their rent account. Assist customers to claim appropriate benefit payments in order to reduce any possible rent arrears and ensure their ability to pay.

The policy applies to the Associations accommodation stock only.

RESPONSIBILITY

The Housing Services Manager (or other designated employee) is responsible for:

- Ensuring that staff adhere to the following policies;
- Ensuring that Housing officers are designated to deal with the recovery of debt;
- Monitoring the systems and practice at local level in terms of debt recovery ensuring that there is a consistent and fair approach.

The scheme Project Manager (or other designated employee) is responsible for:

- Ensuring that staff adhere to the following policies;
- Ensure that Key Workers/Support Worker's and any other supporting employees are able to advise the customer and liaise with the designated Housing Officer for guidance, with benefit and rental matters.

DEFINITIONS

	HOUSING MANAGEMENT Providence Row Housing Association	Arrears Prevention Policy VERSION: 1
--	--	---

Housing Services Manager: The term Housing Services Manager is used to describe the person who has responsibility for managing the function of arrears recovery.

Housing Officer: The term Housing officer is used to refer to the member of staff who has the responsibility for dealing with debt recovery or part of the process.

Project Manager: The term Project Manager is used to describe the member of staff who is responsible for the management of their designated Project.

Key/Support Worker: The term Key/Support Worker is used to describe the member of staff who is responsible for the management of the customer's individual support.

HB: The abbreviation used for Housing Benefit.

NOSP: The abbreviation used for a Notice of intent to Seek Possession.

NTQ: The abbreviation used for a Notice to Quit.

S21: The abbreviation used for a Section 21 Notice to Quit.

HOW TO USE THIS DOCUMENT

Select from the policies in the next section for area for which you require guidance. Please note that each section describes what **MUST** be done at each stage but also contains advice and suggestions based on best practice. As such, the suggestions made are not exhaustive and alternative approaches may be piloted, having sought the agreement of the Assistant Director Community Services.

Arrears Identifying & Pursuing Policy

ARREARS ACTION

All actions taken are logged on the Omni ledger System, on the individual tenants notes in detail. It is essential that PRHA have accurate detailed records

Effective Date: 12 th December 2012	Review Date: 10 th March 2026
Approved by PRHA SLT 2 nd April 2026	File No: HST001

	HOUSING MANAGEMENT Providence Row Housing Association	Arrears Prevention Policy VERSION: 1
--	--	---

for pursuing arrears cases for possession. Any correspondence, HB documents and all other relevant documents relating to the tenant should be stored on the tenancy file.

TIMESCALE FOR RENT ARREARS ACTION – AST & ASSURED TENANCIES

- **WEEK 2 - 3** First Arrears stage letter & Telephone Contact
- **WEEK 3 - 4** Second stage Arrears Letter & Check HB (if required)
- **WEEK 4 - 5** Third stage Arrears Letter & Visit invite (includes notice warning)
- **WEEK 5 - 6** Forth stage - Serve required Notice for tenancy
- **WEEK 7 - 8** Fifth stage Arrears Letter for pre court application/expiry of notice interview.
- **WEEK 8 - 9** Sixth Stage
- **WEEK 9-10** Court application for tenancy type or eviction referral for licensees.

TIMESCALE FOR RENT ARREARS ACTION - LICENCE

- **WEEK 2** First Arrears stage – Verbal Warning (For Licence)
- **WEEK 3 - 4** Second stage Arrears Letter & Check HB (if required)
- **WEEK 4 - 5** Third stage Arrears Letter & visit invite (includes notice warning & Right to Appeal)
- **WEEK 5 - 6** Forth stage - Serve required Notice for Licence (includes Right to Appeal)
- **WEEK 8** Eviction Approval is sort via Assistant Director of Client Services
- **WEEK 9** Fifth stage – Notice of Eviction date & time.

RENT ACCOUNT MONITORING

All accounts should be monitored on a weekly basis to ensure payments are in receipt and any HB issues are addressed at the point of knowledge and arrears actions to be complied with if required. All actions and reviews that have taken place are to be recorded on the Omni ledger System.

- If the arrears are entirely due to HB paid in arrears then note the date of the next payment and check the account then.
- If the tenant is keeping to an arrangement or court order, check that this is recorded accurately and confirmation in writing sent.
- If the arrears are static or increasing you should contact the tenant immediately. This should always be by some form of personal contact, and if telephone numbers are known, contact by telephone first for convenience. If this is not possible, arrange a visit

Effective Date: 12 th December 2012	Review Date: 10 th March 2026
Approved by PRHA SLT 2 nd April 2026	File No: HST001

	HOUSING MANAGEMENT Providence Row Housing Association	Arrears Prevention Policy VERSION: 1
--	--	---

or send the appropriate arrears letter.

- Once you have made contact, always start by asking for the arrears to be paid off in full. If this is not possible, then obtain as much information about the reasons for the debt. Then make an arrangement to recover the debt in as short a timescale as possible.
- You must attempt to do basic budgeting so you can reach an affordable repayment amount. Confirm any arrangements in Writing and copies sent to service users file and recorded on the Omni ledger System.
- If a tenant owes 4 weeks of arrangement instalments or more than 6 weeks of rent and does not respond within 7 days of being contacted, you must serve the required Notice to Seek Possession, by personal service/recorded delivery or seek assistance from the Project staff if appropriate. You should always aim to make Personal contact before the resident receives a notice. Send arrears letter/s prior to the service advising of the action to be taken. If a visit is not possible, advise the Housing Services Manager and serve the relevant notice.
- For properties where PRHA act as Managing Agent you will need to seek the permission of the Landlord in writing before taking this step. Applications need to be sent to the Housing Services Manager for review who will then forward to the relevant RSL if no further action is required by PRHA.
- If the tenant makes contact after the serving of the Notice then you must engage to negotiate an arrangement for the debt to be settled. This should be within an equivalent timescale over which the debt accrued, and after offering budgeting and/or give appropriate benefits advice. If the resident is in serious difficulties then suggest professional debt counselling, this may be provided by the Local CAB, Money Advice Trust, CCCS or similar.
- If there is no response or no acceptable arrangement can be reached then you must proceed with the arrears procedure which may result in applying to court. Please see section Court Procedure Guidance for further information.

SUGGESTIONS

- You should have access to up to date benefits regulations and liaise with all relevant benefit services for guidance.

Effective Date: 12 th December 2012	Review Date: 10 th March 2026
Approved by PRHA SLT 2 nd April 2026	File No: HST001

	HOUSING MANAGEMENT Providence Row Housing Association	Arrears Prevention Policy VERSION: 1
--	--	---

- Develop a good working relationship with both your local Court and housing benefit departments. Most Courts have 'User Groups' to attend which should be where possible; you may be able to agree a level of service with the Court over issuing Court dates.
- You may find that convening a meeting with your local HB Department to discuss specific cases, or faxing or emailing information, is beneficial in getting difficult cases resolved.
- You may be able to use other project based staff to assist e.g. Project workers who may have useful information as to the movements of a resident. They may also be willing to deliver leaflets or other urgent mail, and may act as witnesses to serving of notices for example.
- Accelerate the process for cases where the tenant repeatedly goes into arrears.

2.2 Rent Account Refunds

When processing a credit refund on a tenant rent account, the following guidance should be complied with. When a tenant requests a refund from their rent account, they will need to do so in writing. Once this is received if the tenant is in receipt of Housing Benefit entitlement then the responsible Housing Officer will need to ensure that there are no outstanding overpayments outstanding.

- For refunds under £50.00 verbal confirmation from Housing Benefit would be acceptable, any amount over this would require confirmation of no outstanding overpayment due in writing to PRHA. This information would assist PRHA with any future overpayment discrepancies after the refund has been granted.

Effective Date: 12 th December 2012	Review Date: 10 th March 2026
Approved by PRHA SLT 2 nd April 2026	File No: HST001

	HOUSING MANAGEMENT	Arrears Prevention Policy
	Providence Row Housing Association	VERSION: 1

The refund request can be raised once all required information has been obtained and the credit owed on the rent account is due to the tenant, this process should take no longer than 14 days after receipt unless delays are caused by obtaining Housing Benefit written confirmation.

- Collaborate all the above stated paperwork and complete a cheque request form to which is to be given to the Housing Services Manager or in their absence an Assistant Director for review and authorisation. This request would then be sent to the Finance department, who would send the cheque to the named tenant once processed. Or in special circumstances contact the responsible Housing Officer to liaise with the tenant when seeking a one off cash refund for under £50.00.

All paperwork in regards to this request is to be filed on the appropriate tenant file and notes made on the omni account.

Effective Date: 12 th December 2012	Review Date: 10 th March 2026
Approved by PRHA SLT 2 nd April 2026	File No: HST001