

## RENT RECOVERY POLICY



<b>Title</b>	<b>Rent Recovery Policy</b>
<b>Author</b>	Policy Task Group
<b>Date approved</b>	Approved by Shadow Board 1 October 2007
<b>Review Date</b>	1 October 2010

# Three Oaks Homes

	<b>SECTION 1 – DEFINITION</b>	<b>Cross Reference/ Notes</b>
1.1	This Policy includes the recovery of rent and any associated charges such as the service charge. Therefore, any references to rent throughout this policy, also includes these charges whether stated or not.	Service Charge Policy

	<b>SECTION 2 – POLICY STATEMENT</b>	<b>Cross Reference/ Notes</b>
2.1	Three Oaks Homes (the Association) takes rent arrears very seriously and we expect all tenants to pay the rent that is due each week.	
2.2	As a Registered Social Landlord, the Association's aim is to take all possible steps to keep tenants in their homes. Legal action is therefore taken only as a last resort.	
2.3	The aim of the Rent Recovery Policy is to: <ul style="list-style-type: none"> <li>• Increase the collection of rent due, service charges recovered, and the recovery of bad debts</li> <li>• Prevent rent arrears by giving early advice and help</li> <li>• Increase the take-up of Benefits, including Housing Benefit, by eligible tenants</li> <li>• Ensure our approach reflect Best Practice at all times.</li> </ul>	
2.4	We know that sometimes tenants may have financial difficulties and problems in paying the rent due. In these cases we are committed to a firm, fair and consistent approach to the prevention and recovery of arrears.	

	<b>SECTION 3 – PREVENTION OF ARREARS</b>	<b>Cross Reference/ Notes</b>
3.1	<b>Prevention Not Possession</b> is our approach. Eviction is always the final course of action after all other measures have failed.	
3.2	In October 2006, The Court Service introduced a <b>Pre-Action Protocol</b>	

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3.3	<p>for rent arrears. This protocol means landlords need to prove they have taken every opportunity to save the tenancy rather than apply for possession. Three Oaks Homes’ Policy fully supports this Protocol.</p> <p>The Association will provide support and assistance to tenants to ensure they understand their rent payment obligations. This will be provided at all stages of the rent arrears process and is not limited to assistance once actual difficulty in paying rent occurs.</p>	Court Service Pre-Action Protocol
3.4	<p>The support and assistance will be achieved by:</p> <p><b>Helping the tenant to pay</b></p> <p>The Association will:</p> <ul style="list-style-type: none"> <li>• Collect the first week’s rent at the start of the tenancy</li> <li>• Provide clear information on the rent due during the tenancy</li> <li>• Provide quarterly rent statements</li> <li>• Provide additional rent statements on request</li> <li>• Provide a range of methods to pay rent</li> <li>• Promote the take up of benefits including Housing Benefit</li> <li>• Provide benefits advice or referrals to other agencies</li> <li>• Help to complete Housing Benefit forms</li> <li>• Encourage the payment of Housing Benefit directly to the Association.</li> </ul> <p><b>Working with tenants to reduce debt</b></p> <p>The Association will:</p> <ul style="list-style-type: none"> <li>• Ensure tenants understand they should keep in touch with the Association if they have difficulty paying rent</li> <li>• Encourage tenants to contact us straight away if they are having problems paying</li> <li>• Provide regular training for staff on benefits entitlement and other basic debt counselling</li> <li>• Link with specialist advice services to help residents with more complex debt problems</li> <li>• Provide affordable warmth advice</li> </ul> <p><b>Taking a firm approach to those who refuse to pay</b></p> <p>The Association will:</p> <ul style="list-style-type: none"> <li>• Provide early notification when any payments are missed</li> <li>• Respond quickly to promised payments which are missed</li> <li>• Identify quickly, tenants who are at risk of not paying and prioritise action against them</li> <li>• Ensure staff are fully trained on collecting debt and how to present cases to court.</li> <li>• Use different court processes and possession actions as needed. This might mean using the small claims court and attachment of earnings orders in some cases.</li> </ul>	

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	<b>SECTION 3 – PREVENTION OF ARREARS</b>	<b>Cross Reference/ Notes</b>
3.5	Where all possible recovery action has been taken and the tenant still does not pay, the Association will take eviction action against the tenant.	

	<b>SECTION 4 – LEGAL FRAMEWORK</b>	<b>Cross Reference/ Notes</b>
4.1	The Association will ensure that it follows the Housing Corporation's and legal frameworks including the Pre-Action Protocol and that it complies with the Housing Corporation Circular 02/07 relating to evictions.	Court Service Pre-Action Protocol
4.2	The Association's tenancy agreement sets out the grounds for possession that may be used by the Association in relation to rent arrears. The use of Ground 8, Schedule 2 of the Housing Act 1988, a mandatory ground for possession where rent arrears are owed, is not included in the tenancy agreement and therefore cannot be used without consultation and agreement of tenants in the future, in line with the Housing Corporation Circular 02/07.	Housing Corporation Circular 02/07  Housing Act 1988

	<b>SECTION 5 – MONITORING AND REPORTING</b>	<b>Cross Reference/ Notes</b>
5.1	The Association will ensure that rent accounts are monitored on a weekly basis to ensure that non-payment can be tackled quickly.	
5.2	Targets for the reduction of arrears will be set annually and agreed by Board.	
5.3	Reports will be presented to the Board on a three monthly cycle that will summarise: <ul style="list-style-type: none"> <li>• Arrears levels against target</li> <li>• Notice Seeking Possession served</li> <li>• Court Action Taken</li> <li>• Evictions Taken</li> </ul>	

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	<b>SECTION 6 – POLICY REVIEW</b>	<b>Cross Reference/ Notes</b>
6.1	This Policy will be reviewed every three years or sooner if required as a result of legal requirements, essential changes to the delivery of the arrears recovery service or where a service failure prompts a review through the complaints process.	