



Title of policy:	Rent Arrears Policy & Procedure
Version:	1.1
Purpose:	To ensure robust procedures are in place that are firm but fair to ensure we deal with arrears recovery in a fair and transparent way. Providing staff with the relevant tools effectively collect rent and maximise income into North Star
Updated:	August 2020
Next review:	August 2022
By:	Diane Smith

Introduction

This policy sets out the approach we will take to ensure there are effective income recovery processes.

It is essential that North Star collect the maximum possible income owed to us, as there is a direct link between income collected and the services we provide.

The causes of rent arrears continue to remain unchanged. Research has shown that low income/intermittent work and other financial pressures remain key causes. The administration of the housing benefit system can also be a factor in the development of arrears and also the impact of the benefit changes through Welfare Reform will also significantly impact our ability to collect rental income.

Rent arrears can be a symptom of real financial hardship. Young households are proportionately more likely to fall into arrears due to lack of financial capacity as well as inadequate or irregular income. At the same time, however we have to be mindful that some tenants deliberately avoid payment. We will therefore consider all cases on their own merits with a consistent approach being adapted for all.

The best method of arrears control is prevention, but arrears will occur and our procedure will be based on the following:

- Emphasis on a firm but fair approach to arrears recovery where legal action is taken as a last resort.
- Consider all factors affecting payments.

- Make best use of all remedies for collecting rent arrears with eviction seen as a last resort.
- Keep a comprehensive profile of tenants in arrears.
- Know the reasons why arrears have accrued.
- Refer cases to our Welfare Benefits Officer where additional advice is needed as well as referring to external parties where there is a threat of eviction – such as Housing Options.

We are aware that the most common causes of debt include adverse changes in personal circumstances, multiple debts and low take up of benefits. We will refer all tenants under the age of 35 who take a tenancy with us to our Welfare Benefits Officer for specialised advice and information on income maximisation. Referrals can be made to our Welfare Benefits Officer by all staff members where a tenant needs support and advice or alternatively tenants can make contact direct.

For both new tenants and existing tenants, the current Welfare Reform changes will result in the benefits they receive reducing and the amount of rent they will be responsible for increasing and therefore in order to reduce the risk of this new challenge, we will ensure robust advice is provided including:

- Advising tenants of the impact of under occupying a property and their reduction in housing benefit.
- Identify those tenants who are on Universal Credit or are likely to move across and advise them of the need to pay their own rent. Identify any vulnerabilities and apply for managed payments where possible,
- Reiterate the importance of paying rent at the “sign up” of the tenancy including reminding tenants about the consequences of non-payment of rent following a reduction in housing benefit.
- Highlight the need of tenants to have a bank account.

Aims of Policy

North Star aims to maximise its rental income and achieve its objective of delivering an efficient and cost effective housing management service and to prevent rent arrears accruing where possible.

We aim to maximise income by offering advice and assistance to tenants who cannot pay their rent and by taking firm action against those who will not pay their rent.

We aim to provide a firm but fair approach and provide customers in arrears with sound financial advice.

Policy Statement

In all rent arrears cases, we will:

- Take prompt action.

- Offer advice and assistance in relation to applying for benefits.
- Offer advice and assistance via our Welfare Benefit Officer or if appropriate through a referral to an outside agency.
- Ensure the rent arrears procedure is followed and the appropriate letters and personal contact is made.
- Provide an accurate balance at each contact.
- Document all actions, discussions and agreements.
- Carry out a financial assessment in order to agree a realistic repayment agreement.
- Where possible and appropriate apply for direct deductions.
- Ensure the Pre-Court protocol is followed where legal action is undertaken.
- Seek advice and support from other agencies when dealing with vulnerable customers.
- Pursue all legal remedies in addition to repossession as a last resort to recover rent arrears.

We will use our Abandoned Property Procedure to end tenancies when properties have been abandoned without the use of Court so that rent arrears do not accrue unnecessarily.

We will take action through the Courts to obtain possession of a property if a tenant frequently fails to make or comply with an arrangement to clear their arrears. Before we undertake any legal action, we will comply with the Pre-Court protocol and we will make every effort to ensure the following is carried out:

- Contact the tenant as soon as they fall into arrears.
- Make personal contact with the tenant in order to agree an affordable payment plan.
- Provide an accurate rent statement showing how the rent arrears have accrued.
- Provide advice and assistance in applying for housing related benefits. Where the tenant can demonstrate that they have provided all the evidence for their claim, no legal action will be undertaken.
- Notify tenants in writing of the intention to take legal action.
- Complete possession cases on line in order to reduce costs.

All joint tenants will be treated as jointly and severally responsible for rent arrears.

Legal and Regulatory Framework

We will ensure that this policy meets with legislation and good practice requirements to maximise income collection and minimise rent arrears. This will include the following:

Tenancy Agreement

The rent (as stated in Section 3 of the Assured Tenancy Agreement and Section 1 of the Assured Shorthold Tenancy Agreement) must be paid when due. Failure to pay as agreed will be deemed a breach of tenancy agreement.

Protection from Eviction Act 1977

Protection from Eviction Act contains the legal powers of landlords to repossess the homes of others (i.e. non protected or non-statute) tenants.

Data Protection Act 1984 (amended by the Data Protection Act 1998)

The above is the main piece of legislation that governs protection of personal data in the UK. The 1998 Act broadens the scope of the 1984 Act to include manually stored data in addition to data store electronically.

Housing Act 1985 (amended by the Housing Act 1996)

The Act (as amended) defines the grounds under which possession proceedings may be brought against a tenant. The Housing Act 1996 also introduced probationary tenancies known as Introductory Tenancies and the procedure for possession of these tenancies.

Landlord and Tenant Act 1987

Section 48 requires the landlord to serve a notice on the tenant giving an address in England and Wales to which any notices, including notices in proceedings may be served on a landlord.

Homelessness Act 2002

The Act sets out further provision about the functions of local housing authorities relating to homelessness and the allocation of housing accommodation. The legislation raises specific issues in relation to the rehousing of people who may be deemed as intentionally homeless due to rent arrears.

Associated Documents

We have the related relevant policies in the following areas:

Starter Tenancy Policy and Procedure

New Tenancy Sign Up Procedure

Abandoned Property Procedure

New Tenants

All new tenants will be made fully aware of the cost of renting one of our homes both on the offer of accommodation and at the accompanied viewing of the property. All new tenants will sign an Assured Shorthold Tenancy Agreement as a Starter Tenant. This will convert to an Assured Tenancy after 12 months provided there has been no serious breach of tenancy agreement.

We will make Starter Tenants aware of their security of tenure and how the process differs from that of a secure tenant if possession is requested.

If the tenant falls into arrears, the Housing Officer will contact the tenant to discuss the matter and come to an arrangement to clear the arrears. If however, the tenant fails to clear their arrears or comply with an arrangement, then a Notice of Possession Proceedings will be issued which will tell the tenant that we will be requesting an immediate possession order. If this happens we will also tell them of their right to appeal and how to do this (see Appendix 2 and 3).

All new tenants will be offered advice and support from our Welfare Benefits Officer on income maximisation as well as assessing affordability for their new home.

Sign Up

In order to maximise tenancy sustainment and to reduce the risk of a new tenancy failing, tenants must be provided with advice, support and assistance by maximising financial inclusion and concentrating on issues around affordability such as access to welfare benefits advice, financial advice and developing the most convenient payment methods with promoting direct debit. Where possible new tenants will be signed up using DocuSign.

All new tenants will be given advice on:

- Level of rent due and if they are affected by “under occupancy” benefit changes.
- Seek clarification as to whether the tenant is on Universal Credit or is likely to move to it in the near future. Identify any vulnerability and apply for managed where possible. Advise the tenant of the need to pay the rent themselves and clarify their method of payment.
- Agree the frequency of payments in line with income. Tenants should be encouraged to pay weekly or in advance if paying at longer intervals.
- Advise the requirement for a bank account and explain all ways in which rent can be paid.
- Referrals to the Welfare Benefits Officer to maximise income and to provide advice and assistance on welfare benefits.

Tenants will also be advised about the rent arrears recovery procedures. A copy of our Tenants Handbook which provides further advice and information on their responsibility to pay rent will also be given.

Current Tenants

Tenants falling into arrears will receive prompt notification via letter, telephone call, Whatsapp message. A home visits could be considered as a last resort when all other methods of communication have failed ensuring social distancing and PPE are used.

Tenants can receive guidance on how to manage their rent payments, arrears and other debts from their Housing Officer, or the Welfare Benefits Officer. Referrals can be made to external agencies to provide independent financial advice as needed such as the Citizens Advice Bureau (CAB).

The following will also be provided:

- Income and expenditure assessment to be carried out to provide tenants with information on debt management and their ability to pay their rent and arrears in order to negotiate realistic and affordable arrangements (see Appendix 5).
- Referral to Welfare Benefit Officer to ensure income maximisation and assist tenants applying for housing related benefits.
- Identify any tenants who may be vulnerable and require more support.

Early Intervention

Individually small arrears may not be regarded as a significant problem but collectively they can represent a large part of total arrears. With the onset of Welfare Reform, early action is essential as arrears can rapidly grow.

We will strive to get to know our tenants and build an effective working relationship with them. They will help us to understand their problems and enable us to be more proactive in offering advice and support which will assist tenants in complying with the terms of their tenancy agreement.

We will use the information on our profiling survey to address issues of possible vulnerability and meet with the tenant to offer support.

Tenants who fall into arrears should be quickly identified in order that a swift, positive and appropriate response can be made.

Rent accounts will be monitored on a weekly basis and a comprehensive record of all action taken and contact with tenants in arrears should be recorded on IBS.

Arrears Management/Processes

Arrears must be managed and checked on a weekly basis and all contact with tenants either by telephone, visit, text or other communication must be recorded on IBS. Personal contact is to be encouraged rather than the reliance of letters, although key letters must still be sent at different stages of the recovery procedure. All agreements made must be formally acknowledged in writing and recorded on IBS.

Rent actions will be carried out on an escalation basis from the first week a rent account goes into arrears. The escalation process can be found at appendix 1.

Agreements

The importance of paying rent should be stressed to tenants, as should the seriousness of falling into arrears. If arrears are caught at an early stage it is more likely that this will stop the arrears increasing and allowing the tenant to settle the debt in full. At every stage during the arrears procedure the tenant is to be encouraged to settle the debt in fully. When this is not possible, tenants should be offered the opportunity to clear the arrears by agreed instalments. The making an agreement which is acceptable to both parties, will save money and prevent the situation from becoming more serious. All agreements should be confirmed to the tenant in writing.

Housing Officers have the discretion to make agreements but the following guidance should be followed:

- An income and expenditure guide should be completed and any agreement is realistic and affordable.
- As a guideline, those on benefit should be asked to pay the amount used by the Department of Work and Pensions (DWP) and those on higher income should agree an affordable amount.
- Any agreement should be confirmed in writing and tenants advised of the consequences of not complying with this agreement.

Agreements should be monitored each week and the next stage of action should be taken if the agreement is not complied with.

Referrals should be made to the Welfare Benefit Officer to ensure that the tenant is receiving all of the income that they are entitled to.

We will have a “cascading system” in place for dealing with money owed by tenants. This will be used to allocate payments made by the tenant to the priority debt of their rent arrears. Only when the tenants rent account is clear, will any payment made be allocated to any other debt the tenant owes us.

Payments will be cascaded in the following order of priorities:

- Main rent account
- Court costs
- Former tenant arrears
- Rechargeable repairs

Debt Respite Scheme (Breathing Space)

On the 4th May 2021 the Government have introduced a scheme called Breathing Space to assist people in debt of which rent is included.

There are two kinds of breathing space, a standard breathing space and a mental health crisis breathing space.

A standard breathing space is available to anyone with a debt problem. It gives them legal protections from creditors for up to 60 days.

The mental health crisis breathing space is only available to someone who is receiving mental health crisis treatment and it has some stronger protections. It lasts as long as the persons mental health crisis treatment, plus 30 days (no matter how long the crisis treatment lasts)

If an approved Mental Health Professional certifies that a person is receiving mental health crisis treatment this can be used by a debt advisor the start a mental health crisis breathing space.

If we are notified that debt owing to North Star is in a Breathing Space, you must stop all action relating to the debt and apply the protections. These protections must stay in place until the breathing space ends.

Breathing space can only be started by:

- A debt advice provider who is authorised by the FCA to offer debt advice
- A Local Authority (where they provide debt advice to residents)

You will receive a notification which will tell you what debt is included in the breathing space and the date the breathing space started.

Tenants can only access a breathing space by seeking debt advice from a debt advisor.

If you are aware of debt within the household or the tenant is receiving mental health crisis treatment you should refer them to a debt advisor a week 8 of the escalation process.

Notice of Seeking Possession

Following the early intervention, if there is no improvement in the rent arrears after sending out the initial rent arrears letters and all other communication has failed, a Notice of Seeking Possession (NSP) should be served when the rent account is in arrears of four or more weeks rent (net rent).

A NSP should not be served unless contact has been made with the tenant or the Housing Officer has exhausted all means of contacting the tenant.

A NSP should not be served if there is an outstanding housing benefit claim unless it has been proved that the tenant has failed to supply any relevant information.

The NSP can be signed by the Housing Officer and should be accompanied by a letter of explanation with a statement of their rent account.

The NSP can be served by posting through the tenants letterbox or by recorded delivery.

The NSP is valid for a period of 12 months from the effective date. If however, the arrears are still present on the account after 11 months and no court proceedings have been undertaken, a renewal of the NSP should be served.

If the arrears have been settled in full after a NSP has been served, the NSP is no longer effective and the records should be amended.

NSP UC & APAS

When you are notified that a tenant is going onto UC you will need to update the UC spreadsheet this can be found on the housing shared drive.

If an issue is identified you should refer the case to the WBO who will assess the needs of the tenant and carry out a home visit to provide advice and support.

The DWP portal should be checked on a weekly basis to get the current position with the UC claim.

Tenants in arrears when waiting for UC should still be served a NTQ and the escalation process followed even where confirmation of the UC has been received from the DWP. The claim status can often change at short notice without any notification.

Where a tenant is vulnerable or has high rent arrears (more than 8 weeks full rent) an APA should be applied for at the earliest opportunity.

APA will be used where ever possible with the exception of those tenants on a variable income where an APA will not be considered.

Court Proceedings

A NSP declares the intention to seek possession of the property.

Court proceedings for possession cannot commence until after the date specified in the NSP and must commence within 12 months of the specified date.

Court action should be considered carefully taking into account factors such as pending housing benefit. Every effort must be made to contact the tenant and reach a reasonable agreement prior to a Court application being submitted with weekly visits being made. All actions must be recorded. If deductions can be made directly from tenant's benefits, this should be done to avoid the need for legal action and incurring court costs.

The Pre-Action Protocol for Possession Claims by Social Landlords must be followed in all instances. A copy of the protocol can be found at appendix 2.

In all cases, a Pre Court Protocol Checklist must be completed and submitted together with a rent statement to the Housing Services Manager (HSM) for approval. Appendix 3

When applying to court you are required to send the tenant a copy of the pre court protocol along with a rent statement.

The following should be carried out:

- The Pre Court Protocol Checklist should be completed and submitted for the approval of the HSM.
- Once approval has been given, an application should be made online via Possession Claims Online (PCOL).
- Each tenant should be informed in writing that a court application has been made together with a rent statement.
- Efforts should continue to be made to make contact with the tenant and agree a payment option to be presented at the Court hearing. All actions must be recorded.

Once the Court hearing date is received, the tenant should be informed in writing. The tenant should be encouraged to attend the hearing.

If there is an outstanding query in relation to Housing Benefit, the Housing Benefit team should be contacted prior to the court date to ascertain the current situation.

A letter should be sent to both the tenant and the Court 2 weeks before the Court hearing providing details of date and time of the hearing and the order you intend to seek. The tenant must be advised to attend the court hearing.

If prior to the Court date, the arrears have been substantially reduced then the case can either be withdrawn or an application made to the Court to adjourn the case (with liberty to restore). This means that no order will be sought but the case can be referred back to Court without re-serving the NSP or incurring further Court costs. Approval to cancel/withdraw a court hearing must be given by the HSM.

Once at Court, the following may be required as evidence:

- A copy of the NSP with details of service.
- Weekly rent due.
- Accurate rent arrears figures.
- Tenancy commencement date.
- Details of all action leading up to Court hearing.
- Statement of Truth.

The Housing Officer can request the following judgements:

Postponed Possession Order (PPO)

This will order the tenant to pay their rent due weekly as well as an amount from the arrears. This differs slightly to an SPO in that you cannot apply directly for a bailiff if they default on payments you would have to go back to court to ask for a date and then apply for a bailiff after that date has passed.

Suspended Possession Order (SPO)

This will order the tenant to pay the weekly rent due as well as an agreed amount from the arrears. Failure to comply with the terms of this order can result in you making an application for the bailiff to attend the property to evict the tenants.

Outright Possession Order

This entitles the Association to the possession of the property immediately and should only be requested in severe cases where the tenant has made no effort to make payments or to reach an agreement to pay the arrears off or the tenant cannot pay their on-going rent liability or anything towards the arrears.

Post Court Hearing

After the Hearing, the Housing Officer should:

- Notify the tenant in writing the outcome of the Hearing.
- Arrange for the Court costs to be debited to the tenants rent account.

If an Outright Possession order has been awarded, the Housing Officer should apply for a warrant to evict the tenant if they have not left the property by the date specified by the Court. The tenant should be informed to seek advice the Councils Housing Option Team as well as seeking independent legal advice such as CAB, etc.

If a SPO has been awarded, the will remain in force until the arrears and court costs have been paid in full or until six years have elapsed. If after six years, arrears remain on the account the order is broken, then new proceedings should commence, including the service of a new NSP.

At no point should the Housing Officer accept a new arrangement to pay the arrears. The Housing Officer should advise the tenant that they need to contact the Court direct to vary the terms of the Court Order.

Breach of Court Order (see Appendix 7)

For tenants who are in breach of the SPO, a formal letter should be sent advising tenants that if payments are not brought up to date within 14 days, an application for eviction will be made.

This can be made online via PCOL.

Eviction should always be the last resort when all other avenues have been exhausted. High levels of personal contact should be attempted and maintained throughout.

Evictions

There will be circumstances where it will be necessary to seek to evict tenants following the award of a Court Order for possession.

This policy will ensure that we have a consistent approach towards eviction due to serious rent arrears. As a responsible social landlord, we will treat sympathetically any serious attempts by the tenants to remedy the breach of their tenancy conditions in order to avoid eviction.

We will:

- Use eviction only as a last resort and only where all endeavours to ensure compliance with the tenancy conditions have been exhausted.
- Ensure that the tenant and all parties are kept informed throughout.
- Ensure that approval by the HSM is provided before a Warrant of Possession is sought.

Letters should be sent to the Courts including details of the Court order and action which has been taken and a request for a bailiff's appointment should be made.

The tenant should be informed in writing of the eviction application.

Social Services should be informed that an eviction application has been made.

Even after an eviction application has been made every effort should be made to contact the tenant to avoid the eviction proceeding.

All tenants should be advised to seek independent legal advice as well as being advised on their right to appeal against the eviction, how to do so and that Courts will charge for this.

Appeals

The tenant has a right of appeal against the decision to evict, by making an application to the County Court. The tenant may dispute the details of the warrant application or seek to have the warrant suspended on certain conditions.

Should the eviction proceed, a risk assessment should be carried out in advance of warrant of execution.

A joiner should be booked to attend at the appropriate time to arrange access to the property.

All evictions must be carried out by a Court appointed Bailiff who will attend the property at the appointed time and should be the first person to enter the

property. The relevant Housing Officer should also attend and where possible, be accompanied by another member of staff.

Legal Action for Joint Tenants

Where tenancies are held jointly by two or more persons it is essential that before legal action commences, all of the tenants have been informed about the arrears. This is to ensure that all joint tenants are aware of the arrears and the consequences if they do not clear the arrears. In exceptional circumstances it may be evident, that a joint tenant is not occupying the property and a forwarding address is not known.

In such instances, advice for next steps should be sought from the HSM.

If any goods are left in the property then a full inventory should be taken and arrangements made for the tenant to remove them. A disposal of goods pro-forma should be completed and retained on file if the tenant no longer wants their goods.

Ground 8

What is Ground 8

Ground 8 is a mandatory ground for possession. This means that the judge does not have any discretion and must grant an outright possession order.

Ground 8 of Schedule 2 to the Housing Act 1988, as amended by the Housing Act 1996 reads:

Both at the date of the service of the notice under section 8 of this Act relating to the proceedings for possession and at the date of the hearing--

- a) if rent is payable weekly or fortnightly, at least eight weeks' rent is unpaid;*
- b) if rent is payable monthly, at least two months' rent is unpaid;*
- c) if rent is payable quarterly, at least one quarter's rent is more than three months in arrears; and*
- d) if rent is payable yearly, at least three months' rent is more than three months in arrears;*

and for the purpose of this ground "rent" means rent lawfully due from the tenant.

When to use Ground 8

Ground 8 should be used in **exceptional** circumstances where a tenant has made no attempt to pay rent and failed to engage with North Star to deal with the arrears. Ordinarily a NOSP on grounds 10 & 11 will have already been served, but the tenant has ignored this and continued to not make payments.

There should be a case conference held between the Housing Officer, Housing Manager and Housing Service Manager when deciding to use Ground 8. The discussions should include checking the following:

- That the tenancy agreement allows for Ground 8 to be used

- That the account is at least eight weeks / two months in arrears
- That the pre-court action protocol has been covered
- That every aspect of the arrears procedure guide has been followed

Approval is needed by the Housing Service Manager before using Ground 8.

The Ground 8 Process

This process sits alongside the Current Tenant Arrears process. .

Producing the NOSP

Once authorisation to use Ground 8 has been granted, the Housing Officer will produce a NOSP that includes grounds 8, 10 & 11. This ensures that if the debt falls below eight weeks / two months of arrears when at court, the possession can still be requested on discretionary grounds 10 & 11.

The earliest date that we can apply to court is four weeks from the date the NOSP is served.

The NOSP includes a covering letter that advises the tenant of the right to appeal the decision to use ground 8. If a tenant wants to appeal, they must do so in writing, giving the reasons why and details of personal circumstances or other matters they wish to be taken into account. Assistance should be given to any residents that have difficulties with making a request in writing.

Enclosed with the NOSP is a form the tenant can use if they wish. The appeal must be made within two weeks of the date the NOSP was served. (Appendix 3)

Appeals (Ground 8)

Appeals will be heard by a Head of Service. The tenant should be given at least five days' notice of the appeal hearing. The tenant may be accompanied or represented by a person of their choice. If they do not attend, the appeal should still be considered on the representations the tenant has made in writing.

If it is decided to continue with the use of Ground 8, they must log the reasons on IBS and write to the tenant within two days of the hearing, outlining the reasons for doing so.

Applying to Court (Ground 8)

The Housing Officer must hand deliver the Court Intention Letter before making an application to court, since this contains a copy of the Pre-Court Action Protocol. They should post this through the tenants letterbox.

Applications to court can be made through PCOL as normal. The particulars of claim must include that possession is being sought on grounds 8, 10 & 11. The Court Date Confirmation Letter must be sent.

At least two days before the hearing date, the Housing Officer must complete a witness statement and hand deliver this to the tenant and send a copy to court.

What Happens at Court (Ground 8)

If the arrears at court are at least eight weeks / two months, then the judge must give outright possession if the pre-court action protocol has been covered. If the arrears are less than this, possession can still be awarded on grounds 10 & 11, but this is at the discretion of the judge.

The judge will set the date of possession and this should not be any more than six weeks after the court date.

The judge may adjourn the hearing, but this is unlikely and there must be good reason for doing so.

The reasons for an adjournment could be:

- The tenant says money is due
- The tenant states he lacks capacity to deal with legal proceedings
- The tenant states using ground 8 is disproportionate. This is known as proportionality argument- this is because we are using ground 8 where the court has no discretion and the tenant says we are acting disproportionately by seeking possession. Our witness statement should set out how we have assisted the tenant, followed policy/procedures etc, steps taken.

At the court hearing the Housing Officer must be up to date with the rent arrears pre- court action protocol and be able to confirm how it has been complied with they should also be familiar with the contents of the witness statement, the steps we have taken to assist the tenant and why Ground 8 is now being used for possession.

Eviction (Ground 8)

If the tenant fails to return the keys on the date of possession, permission to evict should be sought from the Head of Housing & Support..

The tenant can appeal to the court once an eviction date has been set, but the judge cannot suspend the eviction. They can however delay the eviction by up to six weeks.

Support to Vulnerable Tenants

Throughout the prevention and recovery processes we will seek to identify any circumstances that may affect tenant's ability to make payment or understand the debt and the implications of non-payment.

Vulnerable tenants will be identified at sign up however we recognise that tenants may not disclose information to us or later in the tenancy, or may become vulnerable during their tenancy.

The vulnerability may be long standing or may be caused by a recent life event. Whilst we need to take action, we do not want to evict a tenant who has a genuine difficulty.

If a situation exists where intervention by support agencies or a referral to a more specialised agency may be beneficial to the process, we will temporarily

suspend recovery action to enable the appropriate help and support to be put in place.

We will also ensure the use of language line is available for staff to use when working with tenants and former tenants whose first language is not English. We will also ensure that communication and information exchange is provided in an appropriate manner to meet the needs of the tenant.

Below is a list of tenants who may be vulnerable, however this list is not exhaustive and we will remain vigilant when interviewing our tenants to identify any problems that they may have.

The tenants who may be deemed vulnerable include the following:

- First language is not English.
- Have literacy difficulties.
- Who are receiving support from social care services.
- Who have a learning disability.
- Who have a mental health problem.
- Re-housed as homeless.
- Have had or are having major medical treatment.
- Are under 25 years old.
- Have recently been bereaved.

Monitoring and Reviewing Rent Arrears

Performance targets are set each year and it is important to monitor and review rent arrears cases to ensure consistency and timely actions.

With the onset of Welfare Reform, monitoring arrears and identifying emerging trends and patterns in arrears management will be fundamental in our approach to not only income management but Business Plan assumptions for the Association.

The HSM will be responsible for providing regular reports on arrears management including outcomes at court hearings, tenancy failure rates and any significant changes in income management.

Credit Balances

Whilst we encourage tenants to pay their rent in advance it is still necessary to check accounts and monitor credit balances. Credit balances should be checked bi monthly and where the credit exceeds 1 months rent the tenant should be contacted and arrangements made to refund the credit to them. The necessary paperwork should be completed and forward to finance.

Diane Smith
Housing Services Manager
 Updated May 2021
 Review May 2022

Appendix 1. Minimum contact required (more contact can be made as appropriate)

Timescale	Action	Document to be Issued
1 week Arrears	Housing Officer to make contact with the tenant via any means they feel is appropriate for the tenant. Telephone, letter, Whatsapp. Messenger. Post out a copy of the rent statement. The contact will be recorded on the diary screen.	Letter (if sent) Rent Statement Update diary screen
2 weeks Arrears	Housing Officer to make contact with the tenant via any means they feel is	Letter (if sent) Rent Statement

	appropriate for the tenant. Telephone, letter, Whatsapp. Post out a copy of the rent statement. The contact will be recorded on the diary screen.	Arrangement Letter Update diary screen
3 weeks	Sent Notice of Seeking Possession letter	Letter 3 Rent Statement
5 weeks	Serve tenant with Notice of Seeking Possession or Notice to Quit. This should be posted through the letterbox or sent by recorded delivery.	NOSP/NTQ Rent Statement Update diary screen
6 weeks	Reminder letter. Contact via telephone to get their Income & Expenditure assessment should be completed.	NOSP/NTQ letter Rent Statement Income & Expenditure Update diary screen
7 weeks	Housing Officer to make contact with the tenant via any means they feel is appropriate for the tenant. Telephone, letter, Whatsapp. Post out a copy of the rent statement. The contact will be recorded on the diary screen.	Rent Statement Update diary screen
8 weeks	Formal court warning letter. Send the Pre-action court protocol. If you are aware the tenant has debt issues or is receiving mental health crisis treatment refer them to a debt advisor	Court Warning Letter Rent Statement Pre-action Court Protocol
9 weeks	Complete court application including pre-court check list for Housing Service Managers approval. Submit court application. Hand deliver letter informing tenants and provide advice agencies contact details	Court app check list Court letter Rent Statement Apply to court on-line (PCOL)
While waiting to attend the court hearing	Carry out weekly home contact with the tenant via any method the HO feels appropriate in an attempt to reach an agreement. If an agreement is reached write to the tenant outlining the arrangement made and the timescales for review/repayment	Note on diary screen on IBS Arrangement letter
4 weeks prior to court hearing	Contact HB or the DWP if there are any outstanding HB or UC claims to ascertain the pending status	Update diary screen on IBS
2 weeks	Sent letter advising the tenant of the	Court letter

prior to court hearing	date and time of the court hearing and the order being sought. Advise the tenant to attend court	Rent Statement
If arrears are cleared	Contact the court and withdraw the case. Advise tenant they will be liable for the court costs	Court withdrawal letter Update IBS Apply court costs to rent account
If agreement made & arrears are reducing	Attend court and request either a Postponed Order or a Suspended Possession Order. Send a letter to the tenants advising of the outcome. A court hearing can only be cancelled/withdrawn with prior approval from the HSM	Letter to Tenant
No contact and arrears are high with no payments	Attend court and seek an outright possession order. Send letter to tenant notifying of the outcome of the court hearing	Court outcome letter
Week after first missed payment	Send letter to tenant advising there has been a breach of the order. Warning of further action	Warning letter to tenant
Prior to eviction proceedings	Sent 7 day warning letter.	Warning letter to tenant
Arrears not brought in line with court order	Complete a pre eviction checklist for approval by Manager. Make application to the court for a warrant for possession. Where there are children or vulnerable adults contact Social Service and Housing Options advising them of the pending eviction	Pre eviction checklist Letter to tenant Application to Court Contact Social Service & Housing Options
Weekly Home Visits	Where an eviction has been applied for visit the tenant weekly to try and secure an agreement	Update IBS Diary details
Eviction date received	Hand deliver eviction letter to the tenant advising of the eviction date and time include details on how they can appeal. Contact Social Service & Housing Options and advise of the eviction date. Book joiner for the eviction.	Update IBS Contact Social Service & Housing Options
Eviction Appeal	Discuss with the Housing Service Manager the impending eviction and agree if the appeal will be opposed. Housing Officer to attend court. The tenants must attend the hearing	All eviction paperwork
Eviction	If there is no appeal or it is dismissed by	Inventory List

	<p>the court the Housing Officer will attend the eviction with the bailiff and joiner. They should consider taking a colleague if they feel there is a potential risk.</p> <p>The bailiff will enter the property first and execute the warrant he will then hand the property back.</p> <p>The housing Officer will take a full inventory and photographs where appropriate</p>	
Re-issue of warrant	If a previous eviction was suspended and the tenant defaults a further warrant for possession should be applied for and a letter sent to the tenants advising of the intention	Warrant application Letter to tenant

Appendix 2.

Pre-Action Protocol for Possession Claims by Social Landlords

Table of contents	Paragraph
Aims and scope of the protocol	1
Possession claims based upon rent arrears	2
Initial contact	2.1
After service of statutory notices	2.8
Alternative dispute resolution	2.10
Court proceedings	2.11

PART I AIMS AND SCOPE OF THE PROTOCOL

1.1 This Protocol applies to residential possession claims by social landlords (such as local authorities, Registered Social Landlords and Housing Action Trusts) and private registered providers of social housing. Part 2 relates to claims which are based solely on claims for rent arrears. Part 3 relates to claims where the Court's discretion to postpone possession is limited by s89(1) Housing Act 1980. The protocol does not apply to claims in respect of long leases or to claims for possession where there is no security of tenure.

1.2 Part 3 of the protocol applies to cases brought by social landlords solely on grounds where if the case is proved, there is a restriction on the Court's discretion on making an order for possession and/or to which s89 Housing Act 1980 applies.

1.3 Part 2 of the protocol reflects the guidance on good practice given to social landlords and private registered providers in the collection of rent arrears. It recognises that it is in the interests of both landlords and tenants to ensure that rent is paid promptly and to ensure that difficulties are resolved wherever possible without court proceedings.

1.4 Part 3 seeks to ensure that in cases where Article 8 of the European Convention on Human Rights is raised the necessary information is before the Court 109 at the first hearing so that issues of proportionality may be dealt with summarily, if appropriate, or that appropriate directions for trial may be given.

1.5 The aims of the protocol are:

(a) to encourage more pre-action contact and exchange of information between landlords and tenants;

(b) to enable the parties to avoid litigation by settling the matter if possible; and

(c) to enable court time to be used more effectively if proceedings are necessary.

1.6 Courts should take into account whether this protocol has been followed when considering what orders to make. Social Landlords and private registered providers of social housing should also comply with guidance issued from time to time by the Homes and Communities Agency, the Department for Communities and Local Government and the Welsh Ministers.

(a) If the landlord is aware that the tenant has difficulty in reading or understanding information given, the landlord should take reasonable steps to ensure that the tenant understands any information given. The landlord should be able to demonstrate that reasonable steps have been taken to ensure that the information has been appropriately communicated in ways that the tenant can understand.

(b) If the landlord is aware that the tenant is under 18 or is particularly vulnerable, the landlord should consider at an early stage–

i. whether or not the tenant has the mental capacity to defend possession proceedings and, if not, make an application for the appointment of a litigation friend in accordance with CPR 21;

ii. whether or not any issues arise under Equality Act 2010; and

iii. in the case of a local authority landlord, whether or not there is a need for a community care assessment in accordance with National Health Service and Community Care Act 1990.

PART 2 POSSESSION CLAIMS BASED UPON RENT ARREARS

Initial contact

2.1 The landlord should contact the tenant as soon as reasonably possible if the tenant falls into arrears to discuss the cause of the arrears, the tenant's financial circumstances, the tenant's entitlement to benefits and repayment of the arrears. Where contact is by letter, the landlord should write separately to each named tenant.

2.2 The landlord and tenant should try to agree affordable sums for the tenant to pay towards arrears, based upon the tenant's income and expenditure (where such information has been supplied in response to the landlord's enquiries). The landlord should clearly set out in pre-action correspondence any time limits with which the tenant should comply.

2.3 The landlord should provide, on a quarterly basis, rent statements in a comprehensible format showing rent due and sums received for the past 13 weeks. The landlord should, upon request, provide the tenant with copies of rent statements in a comprehensible format from the date when arrears first arose showing all amounts of rent due, the dates and amounts of all payments made,

whether through housing benefit, discretionary housing payments or by the tenant, and a running total of the arrears.

2.4 If the tenant meets the appropriate criteria, the landlord should arrange for arrears to be paid by the Department for Work and Pensions from the tenant's benefit.

2.5 The landlord should offer to assist the tenant in any claim the tenant may have for housing benefit, discretionary housing benefit or universal credit (housing element).

2.6 Possession proceedings for rent arrears should not be started against a tenant who can demonstrate that –

(a) the local authority or Department for Work and Pensions have been provided with all the evidence required to process a housing benefit or universal credit (housing element) claim;

(b) a reasonable expectation of eligibility for housing benefit or universal credit (housing element); and

(c) paid other sums due not covered by housing benefit or universal credit (housing element).

The landlord should make every effort to establish effective ongoing liaison with housing benefit departments and DWP and, with the tenant's consent, make direct contact with the relevant housing benefit department or DWP office before taking enforcement action.

The landlord and tenant should work together to resolve any housing benefit or universal credit (housing element) problems.

2.7 Bearing in mind that rent arrears may be part of a general debt problem, the landlord should advise the tenant to seek assistance from CAB, debt advice agencies or other appropriate agencies as soon as possible. Information on debt advice is available on the Money Advice Service website

<https://www.moneyadviceservice.org.uk/en/tools/debt-advice-locator>.

After service of statutory notices

2.8 After service of a statutory notice but before the issue of proceedings, the landlord should make reasonable attempts to contact the tenant, to discuss the

amount of the arrears, the cause of the arrears, repayment of the arrears and the housing benefit or universal credit (housing element) position and send a copy of this protocol.

2.9 If the tenant complies with an agreement to pay the current rent and a reasonable amount towards arrears, the landlord should agree to postpone issuing court proceedings so long as the tenant keeps to such agreement. If the tenant ceases to comply with such agreement, the landlord should warn the tenant of the intention to bring proceedings and give the tenant clear time limits within which to comply.

Alternative dispute resolution

2.10 The parties should consider whether it is possible to resolve the issues between them by discussion and negotiation without recourse to litigation. The parties may be required by the court to provide evidence that alternative means of resolving the dispute were considered. Courts take the view that litigation should be a last resort, and that claims should not be issued prematurely when a settlement is still actively being explored.

2.11 The Civil Justice Council and Judicial College have endorsed The Jackson ADR Handbook by Susan Blake, Julie Browne and Stuart Sime (2013, Oxford University Press). The Citizens Advice Bureaux website also provides information about ADR:

http://www.adviceguide.org.uk/england/law_e/law_legal_system_e/law_taking_legal_action_e/alternatives_to_court.htm. Information is also available at: <http://www.civilmediation.justice.gov.uk/>

Court proceedings

2.11 Not later than ten days before the date set for the hearing, the landlord should–

(a) provide the tenant with up to date rent statements; and

(b) disclose what knowledge it possesses of the tenant's housing benefit or universal credit (housing element) position to the tenant.

2.12

(a) The landlord should inform the tenant of the date and time of any court hearing and provide an up to date rent statement and the order applied for. The landlord should advise the tenant to attend the hearing as the tenant's home is at risk. Records of such advice should be kept.

(b) If the tenant complies with an agreement made after the issue of proceedings to pay the current rent and a reasonable amount towards arrears, the landlord should agree to postpone court proceedings so long as the tenant keeps to such agreement.

(c) If the tenant ceases to comply with such agreement, the landlord should warn the tenant of the intention to restore the proceedings and give the tenant clear time limits within which to comply.

2.13 If the landlord unreasonably fails to comply with the terms of the protocol, the court may impose one or more of the following sanctions–

(a) an order for costs; and

(b) in cases other than those brought solely on mandatory grounds, adjourn, strike out or dismiss claims.

2.14 If the tenant unreasonably fails to comply with the terms of the protocol, the court may take such failure into account when considering whether it is reasonable to make possession orders.

PART 3 MANDATORY GROUNDS FOR POSSESSION

3.1 This part applies in cases where if a social landlord proves its case, there is a restriction on the Court's discretion on making an order for possession and/or to which s. 89 Housing Act 1980 applies (e.g. non-secure tenancies, unlawful occupiers, succession claims, and severing of joint tenancies).

3.2 In cases where the court must grant possession if the landlord proves its case then before issuing any possession claim social landlords–

(a) should write to occupants explaining why they currently intend to seek possession and requiring the occupants within a specified time to notify the landlord in writing of any personal circumstances or other matters which they wish to take into account. In many cases such a letter could accompany any notice to quit and so would not necessarily delay the issue of proceedings; and

(b) should consider any representations received, and if they decide to proceed with a claim for possession give brief written reasons for doing so.

3.3 In these cases the social landlord should include in its particulars of claim, or in any witness statement filed under CPR 55.8(3), a schedule giving a summary—

(a) of whether it has (by statutory review procedure or otherwise) invited the defendant to make representations of any personal circumstances or other matters which they wish to be taken into account before the social landlord issues proceedings;

(b) if representations were made, that they were considered;

(c) of brief reasons for bringing proceedings; and

(d) copies of any relevant documents which the social landlord wishes the Court to consider in relation to the proportionality of the landlord's decision to bring proceedings.

Updated: Tuesday, 28 July 2015

Appendix 3

«LName»

«LAddress»

«CurrentBalanceDate»

Dear «SName»

**THE OUTSTANDING DEBT ON YOUR RENT ACCOUNT IS £«Actual Balance»
Notice of Seeking Possession on Mandatory Grounds
Account reference: <<Account Ref>>**

You have not paid your rent, so we are now taking the first legal step towards repossessing your property. A Notice of Seeking Possession is enclosed.

We will start repossession action on <<NOSP Effective Date>> unless your debt is paid in full. If you do not pay in full, we will apply to court and the judge is required to give us possession of your home. There are various ways you can pay including Direct Debit, credit/debit card and swipe card.

Right to make representations

You have the right to make us aware of any personal circumstances or other issues which you would like us to consider before we apply to court. This should be done in writing, but we can help you with this if needed. A review form is enclosed should you wish to use it.

You must inform us of any reasons you want us to consider within two weeks of the date of this letter. If you are in any doubt please contact us urgently.

If you need independent advice about this letter, you can contact the Citizens Advice Bureau, a Housing Advice Centre, a Law Centre or a solicitor.

Yours sincerely

Head of Housing and Support

ASSURED TENANCY

Request For Review of Decision to serve Notice Seeking Possession
Absolute ground for possession: Section 8 Housing Act 1988

To be returned to:
North Star

Property:
<Resident's address>

Name(s) of Tenant(s):
<Full name of tenants>

Please Note:
This form must be received by us no later than: <NOSP Effective Date>

We are sending you this form because we have served you with a Notice Seeking Possession in respect of the above property relying on an Absolute Ground for possession. If the court is satisfied that this Ground is established then an outright possession order must be made.

This form is to enable you to request a review of our decision to issue the Notice and to seek possession of the property.

You do not have to use this form; you can if you prefer write to us with your reasons for objecting to the notice and we will carry out a review – but you must ensure that we receive your reasons by the date above. You may wish to seek advice from a Law Centre, CAB, solicitor or housing advice agency.

The review will be carried out by an officer senior to the officer who issued the Notice, and who was not involved in the decision to issue the Notice

Review Appointment

On receipt of your request for a review we will fix an appointment for the review; we will give you at least 5 days' notice of this appointment. You may attend the appointment, and may be accompanied or represented by a person of your choice; you and/or your representative may make representations.

If you do not attend, the matter will be considered in your absence and any written representations you have sent will be taken into account.

Our decision

We will write to you within 7 days of the review appointment to inform you of the decision made.

Date Notice served: <Date notice served>	Date of expiry of Notice: <NOSP effective date>
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Please set out on this form your reasons for requesting a review of the Notice
Please sign and date before returning to us

This is your opportunity:

- to explain why you object to the Notice, and to explain why you feel we should not seek possession of the property
- to set out any matters you wish us to take into account in reviewing the notice and reaching a decision; you may attach or include additional pages if you need more room.

**Your reasons
(continue on separate sheet if necessary)**

Signed:	Dated:
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