

INCOME RECOVERY FOR CURRENT RESIDENTS

Introduction

The prevention and effective management of rent arrears is crucial, in terms of maximising the resources available to us to maintain our stock, provide services to residents and respond to the performance management requirements of best value, the efficiency agenda and inspection.

As a landlord, Midsummer recognises that its residents, particularly tenants, often live in considerable hardship. As an Association serving those in considerable need, we will assist sympathetically with the financial and social problems facing our residents, in order to minimise social exclusion.

Policy Statement

The Association will adopt a firm, fair and caring approach, when recovering arrears of rent and other charges, with a particular emphasis placed on early identification of debt and early contact with the resident.

The Association will comply with all legislation and regulations relating to debt recovery and will refer where appropriate to all relevant Codes of Practice and will:

- Provide payment and arrears advice throughout the term of a tenancy or lease, including at tenancy/lease commencement stage.
- Offer an extensive range of payment methods, to make it as convenient as possible for residents to pay their rent and other charges, noting that the Association's shared ownership lease requires lessees to pay by Direct Debit
- Ensure staff receive training in order to offer good quality advice on housing and other welfare benefits.
- Liaise closely with Housing Benefits and other Welfare Benefit agencies to ensure that resident's income is maximised.
- Offer tenancy support services to those at risk of tenancy failure.
- Refer vulnerable residents or those with multiple debts to specialist debt counselling services as soon as possible and maintain communication with advice agencies and other parties, who have a relevant interest in any individual case.
- Inform residents when debts are arising as early as possible and take appropriate action, including legal action when required.

- Ensure that possession proceedings for rent arrears are not started in cases where a resident can demonstrate that there is a reasonable expectation of eligibility for housing benefit, having provided the local authority with all of the evidence required and paid any required personal contributions towards the charge.
- Ensure that property repossessions are only used as a means of last resort and that each case, apart from leasehold repossessions instigated by the mortgage lender, is approved by the Association's Chief Executive. Possession proceedings will not normally be taken where a resident has maintained an agreement to pay the arrears.
- Provide notice to any mortgage lender, in accordance with the terms of the relevant lease, of the Association's intention to commence legal proceedings against a lessee for rent or service charge arrears. Rent payments made by lenders to protect their security will be accepted by the Association. Such payments will be monitored to ensure that the shared owner does not become reliant on the lender to meet their rent payment obligations.
- Ensure all residents are given advice and assistance, which reflects their varying needs and abilities in accordance with the Association's Equality and Diversity Policy.
- Report performance information quarterly to Board and Directors.

Legislation

In fulfilling its obligations under this Policy the Association will have regard to a range of legislation including:

- The Law of Property Act 1925
- The Rent Act 1977
- The Protection From Eviction Act 1977
- The Landlord and Tenant Acts 1985 and 1987
- The Housing Acts 1985, 1988, and 1996
- The Human Rights Act 1998
- The Data Protection Act 1998
- The Commonhold and Leasehold Reform Act 2002

Linked Policies

- Rental Allocation
- Former Tenant Debt
- Recharges
- Equality and Diversity
- Service Charge