

Rent Arrears Recovery Policy

Name	Reason for change	Date
Andrea Baker	Original author	May 2012
Andrea Baker	Review (no material change)	November 2016

Approval process for current version

Presented to	Date	Outcome
Services Committee	May 2012	Approved

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1. Preventing Arrears

Poplar HARCA will:

- a. Carry out an affordability check on all prospective tenants
- b. Before a tenancy is signed, require all prospective tenants to provide:
 - A completed Housing Benefit or change of circumstances form; and/or
 - At least one week/month¹ rent in advance; and/or
 - A completed direct debit form
- c. Advise tenants to take independent advice or seek specialist support
- d. Provide a range of payment options
- e. Make tenants aware of the potential consequences of non-payment

2. Managing Rent Arrears

Poplar HARCA will:

- a. Make contact about the arrears
- b. Advise tenants to take independent advice or seek specialist support
- c. Make an affordable agreement to repay the arrears which will clear the account within a reasonable period
- d. Take legal action if the tenant will not make, or does not keep to, an agreement
- e. Make tenants aware of the potential consequences of arrears
- f. Allocate payments to cover charges in the following order:
 - Rent
 - Service charges
 - Other property charges

3. Former Tenant Arrears

Poplar HARCA will:

- a. Attempt to trace the former tenant

¹ Dependent on tenancy agreement

- b. Make an affordable agreement to pay the debt which will clear the account within a reasonable period
- c. Take legal action or sell the debt if the former tenant will not make, or does not keep to, an agreement
- d. Write-off debts when:
 - After 18 months if the former tenant has not been traced
 - Available recovery actions are exhausted
 - Other circumstances at the discretion of the Director of Housing
 - The debt is statute-barred
 - The debt is under £250
 - The tenant died without an estate

4. Legal Action

Poplar HARCA will

- a. Continue to negotiate an agreement concurrent with taking legal action
- b. Defer legal proceedings if there is an outstanding Housing Benefit claim unless the claim remains outstanding due to something the tenant has done or has failed to do
- c. Advise tenants to take independent advice or seek specialist support
- d. Advise tenants to attend Court
- e. Ask the Court for costs

5. Policy review

- 5.1. Policies are reviewed every 5 years or sooner if they no longer reflect best practice.

6. Appendix 1: Impact assessment

How does the policy/procedure/strategy contribute to Poplar HARCA's aims?	Managing arrears effectively maximises Poplar HARCA's income; minimises the impact on tenants of debt; and protects tenants from possible eviction.
Which group(s) of people benefit from the policy/procedure/strategy? If any group could be disadvantaged, what is the mitigation or justification?	Tenants falling into arrears will be contacted early before arrears become unmanageable. Poplar HARCA's income is invested locally on building new homes and providing services. There is no evidence that any group will be disadvantaged.
How have residents been involved in developing the policy/procedure/strategy? If they have not been involved, why not?	JEP was consulted and endorsed the policy to Services Committee which approved it.
How will the policy/procedure/strategy be monitored and measured? (e.g. performance indicators?)	Performance reported to CMT, F&GP and Services Committees and Poplar Board.
If any, what are the Value for Money implications?	Managing arrears effectively maximises Poplar HARCA's income and costs less to administer.
Will personal data be collected, stored, used or shared? If yes, a privacy impact assessment must be carried out.	