

Policy Name	Rent Arrears
Lead Directorate	Housing
Author	Dawn Box, Head of Housing Operations
Reason for change	Review
Date	14 March 2022

1. Introduction

This policy relates only to Poplar HARCA Assured and Assured Shorthold Tenancies relating to general needs social housing stock.

The statutory debt and property recovery process will be followed for arrears accrued on other tenures offered by Poplar HARCA and its subsidiaries.

2. Arrears prevention

Poplar HARCA will:

- Make tenants aware of arrears when they accrue
- Advise tenants to take independent advice and/or seek specialist support
- Provide access to the account statement and balance via its online portal

3. When arrears accrue

Poplar HARCA will:

- Attempt to make contact

If contact is made:

- Make tenants aware of the potential consequences of non-payment
- Agree an affordable payment plan to clear the debt
- Advise tenants to take independent advice and/or seek specialist support
- If criteria is met, apply for arrears to be paid by the Department for Work and Pensions

If contact is not made:

- Make tenants aware of the potential consequences of non-payment
- Advise tenants to take independent advice and/or seek specialist support
- If criteria is met, apply for arrears to be paid by the Department for Work and Pensions

4. If a payment plan is not agreed, or is not complied with

Poplar HARCA will:

- Attempt to make contact

If contact is made:

- Make tenants aware of the potential consequences of the breach
- Agree a new affordable payment plan to clear the debt
- Advise tenants to take independent advice and/or seek specialist support

If contact is not made:

- Serve a legal notice
- Advise tenants to take independent advice and/or seek specialist support

5. Legal action

Poplar HARCA will initiate legal action when:

- Arrears increase, or the debt does not decrease
- An agreed payment plan is not complied with
- There is no response to contacts

6. Payments

Poplar HARCA will allocate payments in the following order:

- rent
- service charge
- other property charge
- other debt

Payments due from Poplar HARCA will be used to off-set arrears.

7. Housing applications

Except where there are extenuating circumstances (e.g. health priority award or risk to safety) once a legal notice is served re-housing applications will be suspended.

8. Former tenant debt

Former tenant debt will be passed to a debt collection agency or sold.

It will be written-off when:

- available recovery action is exhausted
- the debt is statute-barred
- the debt is under £250
- the tenant died without an estate
- at the discretion of the Director of Finance or Director of Housing and Corporate Services

9. Policy Review

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

10. Impact assessment

How does the policy contribute to Poplar HARCA's aims?	Managing arrears effectively maximises Poplar HARCA's income; minimises the impact debt on tenants.
Which group(s) of people will benefit from the policy? If any group could be disadvantaged, what is the mitigation or justification?	There is no evidence that any group will be disadvantaged. Tenants falling into arrears will be contacted as soon as arrears accrue and before they become unmanageable. Poplar HARCA's income is invested in building new homes and providing services.

	<p>There is an exemption from housing application suspension for those experiencing extenuating circumstances.</p> <p>There is no evidence that any group will be disadvantaged.</p>
<p>How have residents been involved in developing the policy? If they have not been involved, why not?</p>	<p>The original policy was endorsed by JEP.</p> <p>This version of the policy was consulted on with residents whose suggestions have been incorporated.</p>
<p>How will the policy be monitored and measured? (e.g. performance indicators?)</p>	<p>Arrears performance is reported to F&GP and Services Committees, and Poplar Board.</p>
<p>If any, what are the Value for Money implications?</p>	<p>Managing arrears effectively maximises Poplar HARCA's income, and costs less to administer.</p>