



Belmont House, 57 Belmont Road, Cambuslang, G72 8PG
www.wwhc.org.uk E: enquiries@wwhc.org.uk T: 0141 641 8628

Policy Name	Rent Arrears Policy
Policy Author	Head of Housing Services
Approved by Sub Committee	N/A
Approved by Management Committee	May 2024
Latest date of Next Review	May 2027

West Whitlawburn Housing Co-operative will provide this policy on request at no cost, in larger print, in Braille, in audio or other non-written format, and in a variety of languages. Please contact the office.

Registered with the Scottish Housing Regulator No. 203
Registered Charity No. SCO38737, VAT Registration No. 180223636
Registered society under the Co-operative and Community Benefit Societies Act 2014



Contents

1. Introduction	3
2. Context and Policy Objectives	3
3. Equality	4
4. Legal and Regulatory Requirements	4
5. Legislative framework	5
6. Charter Obligations	5
7. Allocations where tenant has rent arrears	7
8. Prevention of rent arrears	8
9. Debt recovery of arrears	9
9.1 Arrangements to repay debt	9
9.2 Early intervention	10
10. Legal and court action	10
11. Operational Procedures	11
12. Former tenant arrears	12
13. Irrecoverable Arrears	12
14. Performance reporting	12
15. Role of Management Committee	13
16. Complaints procedure	14
17. Consultation and Review	14
Appendix 1 – Relevant legislation	15

1. Introduction

West Whitlawburn Housing Co-operative is a community owned and controlled fully mutual Housing Co-operative based in Cambuslang on the outskirts of Glasgow. It is a Registered Social Landlord, set up in April 1989, to improve the living conditions for residents in the area. It operates on a “not-for-profit” basis and is run by an elected Management Committee. The Management Committee employ a staff team to manage the Co-operative on a day to day basis.

The Co-operative owns and manages 704 properties. 543 flats were transferred from Glasgow District Council to community ownership. Since then 1 property was acquired under the Mortgage to Rent scheme, 100 properties were built in 2009 and a further 60 properties built in 2022. The current stock breakdown is:-

Apartment size	Property type	Number
2 apt	Multi-storey	13
	Cottage flat	24
	Low rise	15
3 apt	Multi-storey	406
	Low rise	79
	Terraced	46
	Semi Detached	12
4 apt	Low rise	42
	Semi Detached	40
	Multi-storey	13
	Terraced	4
	Bungalow	1
5 apt	Semi Detached	4
	Terraced	4
	Detached	1

2. Context and Policy Objectives

Rental income is the Co-operative’s main source of income for operational costs. The Co-operative expects all tenants to pay their rent on time in accordance with their tenancy agreement. This policy will set out how we will provide an arrears and rent management service. We aim to ensure efficient and effective collection of rent. We will provide information and advice at every stage to tenants, including prior to them being offered a tenancy, on how to pay their rent and how to maximise their income and pay their rent along with any other debt they may have.

We recognise where a tenant's circumstances may result in them accruing rent arrears. We will at all times act in accordance with the policy and promote a preventative arrears culture. We will employ discretion and support where required depending on the individual circumstances. Where necessary, we will take court action up to and including the eviction of the tenant (as a last resort) to safeguard the Co-operative's interests in being able to operate and continue to provide excellent housing and services to our members, residents and service users.

As part of our commitment to preventing homelessness caused by eviction for rent arrears, we commit to:

- Only act in accordance with the current regulatory and legal framework outlined by the Scottish Government and Scottish Housing Regulator;
- Preventing rent arrears from the start of a tenancy and throughout the tenancy;
- Engage with tenants in arrears through telephone, email, letter, face to face interactions and home visits;
- Adopt a firm but fair approach treating tenants with dignity and not acting in a threatening way;
- Be open, honest and transparent on the steps we may take and impact this may have on the tenant;
- Promote our welfare rights service along with other agencies who can help tenants with debt in every contact regarding rent arrears;
- Actively promote income maximisation and take an individual approach to assisting, where possible, a tenant experiencing financial hardship;
- We will only evict a tenant as a last resort where all other avenues of assistance and engagement have failed.

3. Equality

We are committed to providing fair and equal service to all stakeholders. With reference to the Equality Act 2010, we will try to ensure that no person is discriminated against including the protected characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation. Where English is not the first language of our tenants, or for those who are hearing or sight impaired for example, we will take steps to communicate taking account of individual needs.

4. Legal and Regulatory Requirements

Through this policy and detailed working procedures for Rent Management, our staff will comply with the legislative and regulatory requirements of the Scottish Government and the Scottish Housing Regulator. Staff will receive

ongoing training and development to ensure the overarching aims of the policy of reducing rent arrears and preventing homelessness is maintained whilst following the statutory requirements outlined in the following legislation.

5. Legislative framework

Schedule 2 of the Housing (Scotland) Act 2001 and section 155 of the Housing (Scotland) Act 2010 provides the legal framework in relation to rent and arrears management. The 2001 Act outlines the grounds in which we can initiate legal action to recover possession of a tenancy, including for rent arrears. The 2010 Act sets out the pre-action requirements that we must satisfy before serving a notice and raising legal action. The 2010 Act also clarifies the Co-operative’s position following the court granting a decree for eviction. The Scottish Secure Tenancy agreement contains the contractual obligations each tenant is required to observe. It includes the rental charge, any services charges and the frequency of payment.

Appendix 1 details a summary of further legislation relative to the recovery of rent and arrears.

6. Charter Obligations

The Scottish Social Housing Charter sets out outcomes a registered social landlord is expected to achieve in their business. The following table outlines outcomes and how we will achieve them as part of our Rent Arrears policy:

Outcome	How we will achieve this
<p>1: Equalities Social landlords perform all aspects of their housing services so that: <i>every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing service</i></p>	<p>Where English is not the first language of our tenants, or for those who are hearing or sight impaired for example, we will take steps to communicate taking account of individual needs. We will work with tenant’s representatives where authorised to do so where there are health issues which effect the tenant. Our office is fully accessible and is equipped to assist tenants who are mobility or hearing impaired. We will offer home visits should a tenant be unable to attend our office.</p>

Outcome	How we will achieve this
<p>2: Communication Social landlords manage their businesses so that: <i>tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides.</i></p>	<p>We will utilise technology to communicate effectively with tenants based on their needs and wishes including translation into community languages. Before letting the property we will explain how they need to pay their rent and how entitlement to help with rent costs can change. We will publish in our annual report and newsletters to tenants how their rent is spent and how we perform in collecting monies due. We will actively engage with tenants at an early stage to assist them with paying their rent.</p>
<p>Access to housing and support 7, 8 and 9: Housing options Social landlords work together to ensure that: <i>people looking for housing get information that helps them make informed choices and decisions about the range of housing options available to them. Tenants and people on housing lists can review their housing options. Social landlords ensure that: people at risk of losing their homes get advice on preventing homelessness.</i></p>	<p>Our allocations policy sets out clearly the circumstances where we will accept an application if the person has rent arrears. We will advise in advance of offering a tenancy what the rent charge and any other costs are. We are open, honest and transparent in working with tenants who have accrued arrears. All engagement with tenants will detail how they can access free independent money and benefit advice. Where rent arrears are increasing and we are taking steps to legally recover possession of the home, we will provide clear information and warning of steps being taken along with the risk that the tenant may lose their home. We will work with the Council homelessness team and social work department where we intend to evict a tenant from their home. Eviction will only be considered as a last resort if all other resolution attempts have failed.</p>
<p>11: Tenancy sustainment Social landlords ensure that: <i>tenants get the information they need on how to obtain support to remain in their home; and ensure suitable support is available, including services provided directly by the landlord and by other organisations.</i></p>	<p>We are open, honest and transparent in working with tenants who have accrued arrears. All engagement with tenants will detail how they can access free independent money and benefit advice. Where we issue notice that we are considering taking legal action, we will advise tenants to seek independent legal advice.</p>

Outcome	How we will achieve this
<p>13: Value for money Social landlords manage all aspects of their businesses so that: <i>Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.</i></p>	<p>We will actively manage all rent accounts to ensure the tenant accounts which are in arrears are progressed by staff to achieve repayment of debt and sustainment of the tenancy. We will only consider court action and ultimately eviction where absolutely necessary for tenants who won't pay their rent.</p>
<p>14 and 15: Rents and service charges. Social landlords set rents and service charges in consultation with their tenants and other customers so that: <i>a balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and service users can afford them. Tenants get clear information on how rent and other money is spent, including details of any individual items of expenditure above thresholds agreed between landlords and tenants.</i></p>	<p>We will consult with tenants each year before considering any increase in the rent or service charge. We aim to contain and reduce costs to keep any rent increase as low as possible, whilst being able to continue to provide services and maintain properties.</p> <p>We publish how we have spent the rental income in tenant newsletters, in our annual report and the annual performance report to the Scottish Housing Regulator.</p>

7. Allocations where tenant has rent arrears

Tenancy references will be requested for all housing applicants who have, or have had, a tenancy.

Applicants for housing to the Co-operative who have rent or other outstanding arrears which are less than one month's liability: will still be eligible for an offer being made.

Applicants with significant rent arrears including rechargeable repairs: we will only consider making an offer where the applicant has made and continued to meet an arrangement to pay the debt which they have fully maintained for a minimum of three consecutive months.

Technical arrears (for example where Housing Benefit is paid after the rent charge date): will be regarded as a zero balance where the applicant has evidenced this.

Tenants who wish to transfer from one Co-operative property to another (transfers) or wish to complete a mutual exchange: must have an arrangement to repay the debt in place. This needs be prior to the transfer being approved. Payments must be maintained for at least three consecutive months and be reconfirmed before the new tenancy commences.

Section 5 Homeless Referrals: where a former tenant who was evicted for rent arrears has been referred back to us for permanent accommodation an arrangement to repay the debt should be agreed at the earliest opportunity available. As above, the arrangement must be maintained for at least three consecutive months and be reconfirmed at the time their new tenancy starts and for a balance of less than one month's rent charge.

8. Prevention of rent arrears

The effect of homelessness on an individual or family and the wider community and financial impact on a landlord and wider economy cannot be understated. We will seek to prioritise sustainable communities and individual tenancy sustainment to help tenants keep their home. The most common reason for seeking an eviction is non-payment of rent. With this in mind we have established the following requirements for prospective and existing tenants:

Before an offer of tenancy: we will provide clear information relating to our tenants' obligations to pay their rent from the earliest stage possible. This includes discussion during the application interview with prospective applicants, and at any home visit their obligations as a tenant. Details of the requirement to pay rent will be confirmed in the offer letter and again during the accompanied viewing.

When signing for the tenancy: a discussion will take place regarding the different payment methods. A rent card can be ordered or a direct debit will be set up while the tenant is in the office. A payment amount and frequency will be agreed, if necessary using online calculators which can give an indication of the extent of help which is available. We will provide information on any help that is available, and will signpost to other support agencies who can assist with online claims. We can assist with Housing Benefit and Discretionary Housing Payment applications, and will direct the tenant to update their Universal Credit journal with housing costs. We will assist with a claim for two homes (Housing Benefit) if required. If the tenant is transferring within our stock we will advise of the rent-free period (up to

14 days). We will reinforce that the tenant should contact us immediately if there are any delays or issues with their benefit claim or making a payment.

For new tenants: we aim to complete a settling-in visit within six weeks of the start of tenancy. At this visit we will ensure rent payments have been set up and help the tenant with Housing Benefit or Universal Credit claims and encourage the tenant to have their rent paid direct to the Co-operative.

Throughout the tenancy: we will engage with tenants through our website, newsletters, and with personal contact where a tenant is identified as being in arrears or asks for help. Our communication with tenants will be in plain English. Where English is not the tenants' first language we will offer a translation service.

9. Debt recovery of arrears

We will adopt a firm but fair approach to debt recovery of rent arrears. This will involve intervention at the earliest stage. We will take into account the financial pressures placed upon our tenants and the stress coping with rent arrears can cause.

9.1 Arrangements to repay debt

In our recovery of rent arrears we expect the following:

- Any debt accrued will be required to be repaid in a single payment.
- Where a tenant is unable to pay the debt in full, we will complete an income and expenditure assessment with the tenant to determine how much they can afford to pay.
- All arrangements will be expected to clear the debt within 12 months. The Head of Housing Services can authorise an extended period where this is not affordable to the tenant
- Agreements must be both manageable for our tenant and acceptable to us.
- Should there be any default of arrangements the tenant must bring their account up to date or accept a revised arrangement whereby the debt will be paid over the same timescale (as it would have been if the tenant had adhered to the arrangement).
- We acknowledge that tenants may have a limited income and an acceptable arrangement to clear the debt may not always be possible. In such cases we will use discretion to accept regular nominal payments towards the debt and review circumstances regularly. Providing the debt continues to reduce, we will not normally initiate court action.

9.2 Early intervention

Our debt management process will begin as soon as a missed payment is identified by the member of staff responsible for that property. Staff will run a report after the monthly rent charge has been applied. Staff will follow a comprehensive set of procedures which places personal contact as crucial to effective recovery and sets out timescales and priorities for engaging with tenants. We will offer support and assistance to maximise income and improve our tenants' ability to pay and manage debts. This will include our staff working closely with our in-house Welfare Rights Officer and external agencies the tenant has mandated for us to deal with.

10. Legal and court action

Our intention is to commence legal action for recovery of the property only when all other reasonable steps to recover the rent arrears have failed. The initial stage of legal action is to serve a Notice of Proceedings (NOP) on the tenant, joint tenant and any qualifying occupiers (persons over the age of 16 who are not the tenant) who reside in the property.

Before we serve a NOP, we will record what actions we have taken to address the issue with the tenant in accordance with pre-action requirements set out in legislation

We will keep the tenant informed at all stages of the process taking account of any support or communication needs the tenant has. If we deem the tenant or any member of their household to be vulnerable or at risk we will notify South Lanarkshire Council Social Work Services of our actions. Where we are unable to reach a reasonable solution from the tenant to repay their debt and maintain their ongoing rent, we will seek a decree to bring the tenancy to an end and recover the property.

At each stage we will encourage the tenant to come to an arrangement and offer support and advice if they want to keep their home.

If the sheriff court grants an order for possession of the property for rent lawfully due, we will end the tenancy on the date we recover possession. This is the final opportunity for the tenant to resolve the arrears up to the date of the eviction. Where a tenant makes a significant payment of the debt, we will make the Management Committee aware before the decision to enforce the decree.

11. Operational Procedures

We will implement and maintain comprehensive rent management procedures based on the overarching principles and obligations on this policy. Only staff who have overall responsibility for management of rent accounts will have access to rent and other payment information. Staff will receive adequate and ongoing training and support as part of their continuous professional development. The Head of Housing Services has delegated authority to interpret and implement the policy following approval by the Management Committee. Key areas of responsibilities for Staff are as follows:

Action	Delegated Authority
Prevention & control of arrears actions up to issuing a Notice of Proceedings for Recovery of Possession	Housing Assistant/Housing Officer
All aspect of arrears management and subsequent actions for any arrears case which falls under the remit of MAPPA protocol.	Head of Housing Services
Making a decision to issue a Notice of Proceedings for Recovery of Possession. Preparation and signing of Notice of Proceedings for Recovery of Possession	Housing Officer with countersignature of Head of Housing Services
Serving of Notice of Proceedings for Recovery of Possession	Sheriff Officers as instructed by Housing Officer. In some cases, served by Housing Officer with Head of Housing Services authorisation.
Instruction to Solicitor to raise Legal Action	Housing Officer with the authority of Head of Housing Services
Instruction to Solicitor at court hearing (<i>e.g. dismiss; continue; sist; or seek Decree for payment of arrears and/or seek Decree for Recovery of the Property, and/or expenses</i>)	Housing Officer with the authority of Head of Housing Services
Instruction to Solicitor to re-call a sisted case	Housing Officer with the authority of Head of Housing Services
Instruction to Solicitor to enforce Decree for payment of arrears (<i>e.g. wages arrestment</i>)	Housing Officer with authority of Head of Housing Services

Instruction to solicitor to enforce Decree for Recovery of Possession of the Property	Head of Housing Services
Decision not to enforce decree despite approval/authorisation from the Management Committee having been granted	Senior Staff
Enforcement of Decree by Eviction of tenant from the property	Sheriff Officers with a Housing Officer

12. Former tenant arrears

Tenants who have rent arrears and end their tenancy, are expected to make an appropriate arrangement to clear what will become their former tenant arrears and this will be discussed with them when they submit their notice to end their tenancy.

The Co-operative will fully pursue all legal debt owed including legal costs awarded from former tenants. The Housing Assistant will manage these arrears and will pass cases to a debt collection agency as appropriate. The Head of Housing Services will oversee this.

13. Irrecoverable Arrears

The Housing Assistant, with support from the Housing Officers, will identify irrecoverable, former tenant arrears each financial year and the resultant write off will be agreed by the Head of Housing Services. The cases will be identified in line with the Bad Debt Provision Policy

Former tenant arrears will only be written off with the approval of the Management Committee. The write off will be done prior to the year end.

Current tenant arrears that are irrecoverable due to bankruptcy will be written off throughout the year as they are identified after the approval of the Performance Assurance and Risk (PAR) Sub-Committee

14. Performance reporting

The Co-operative is regulated by the Scottish Housing Regulator on behalf of the Scottish Government. We are required to provide the regulator with details of our performance on an annual basis. The performance indicators

we report on are based on the outcomes and standards set out in the Scottish Social Housing Charter.

The Management of the Co-operative will formally report on a quarterly basis to the Management Committee on key performance indicators, trends and progress in managing rent arrears and preventing homelessness.

15. Role of Management Committee

Committee Members will be concerned with the overall strategy and policy to be adopted in relation to rent arrears. They will monitor performance in arrears management against Key Performance Indicators to assess the impact on financial viability and delivery of services.

Quarterly and Annual statistical reports on arrears performance will be presented to the Management Committee and the PAR Sub-Committee. The content of these reports and the amount of detailed information provided will reflect the Co-operative's standing orders and scheme of delegated authority between the Committees. In accordance with the scheme of delegated authority, Committee Members on either the Management Committee or the PAR Sub-Committee will be responsible for:

- Reviewing and approving the Rent Arrears Policy
- Considering and implementing as appropriate recommendations made by the Performance Monitoring groups
- Considering and implementing as appropriate recommendations made by any member of Senior Staff based on any findings in the internal and external audits.
- Scrutinising and monitoring performance in rent collection and arrears management.
- Comparing the Co-operative's performance against targets and the performance of peers.
- Considering arrears cases where Decree for Recovery of Possession has been awarded or is likely to be awarded to the Co-operative and authorising eviction of the tenant if appropriate to do so.

Confidentiality will be observed when individual arrears cases acquire to be considered and reports will be presented without the tenant being identified through use of case numbers.

Any Committee Member who experiences difficulty with rent payments and accumulates rent arrears will not be treated differently from other tenants in the same position.

The Head of Housing Services has delegated authority to interpret and implement the Rent Arrears Policy following its approval by the Management Committee. Housing staff at all levels, under the direction of the Head of Housing Services, will take the same action in the management and recovery of arrears from Committee Members as they would do from tenants in accordance with this Policy and its procedures.

Any Committee Member who has been served a Notice of Recovery of Possession and where legal action has been instructed and has not been dismissed will be expected to terminate their committee membership by offering their resignation under rule 40.1.3 of West Whitlawburn Housing Co-operative.

16. Complaints procedure

We recognise that despite our best efforts, sometimes things go wrong. Where a tenant is dissatisfied with how we have managed their rent payments or acted in relation to their debt, they may complain to us. We will treat all complaints seriously and in accordance with our two stage Complaints Policy. Where a tenant remains dissatisfied with our response only after stage two of our complaints procedure, they may escalate their complaint to the Scottish Public Services Ombudsman.

17. Consultation and Review

We will review the policy every three years. Where there is a significant change in effecting the policy (for example legislation or changes to standing orders) we will complete a review sooner.

Internal operational procedures will be amended from time to time as required to reflect best practice, changes to legislation or information technology improvements for example. Amendments likely to significantly affect the tenant will be subject to consultation with tenants and any registered tenant organisation in accordance with Section 54 (2)(a) of the Housing (Scotland) Act 2001.

Appendix 1 – Relevant legislation

- Housing (Scotland) Act 1987
- Housing (Scotland) Act 2001
- Housing (Scotland) Act 2010
- Management of Offenders (Scotland) Act 2005 (Multi Agency Public Protection Arrangements – MAPPA)
- Scottish Secure Tenancies (Repossession Orders) (Maximum Period) Order 2012
- The Scottish Secure Tenancies (Proceedings for Possession) (Pre-action Requirements) Order 2012
- Debtors (Scotland) Act 1987
- Debt Arrangement and Attachment (Scotland) Act 2002
- Data Protection Act 1998
- The Children (Scotland) Act 1995
- The Human Rights Act 1998
- Disability Discrimination Act 2005
- Matrimonial Homes (Family Protection) (Scotland) Act 1981
- Homelessness (Scotland) Act 2003
- Equality Act (2010)
- The Scottish Secure Tenancies (Proceedings for Possession) (Pre-Action Requirements) Order 2012
- The Scottish Secure Tenancies (Repossession Orders) (Maximum Period) Order 2012
- The Scottish Secure Tenancies (Proceedings for Possession) (Confirmation of Compliance with Pre-Action Requirements) Regulations 2012
- The Scottish Secure Tenancies (Proceedings for Possession) (Form of Notice) Regulations 2012
- Data Protection Act 2018