|  |
| --- |
| **HOUSING POLICY** |
| **Area** : Housing **Department**  : Housing Management**Subject**  : Rent Collection Policy  |

**Owner**: Housing Management Team Manager / Senior Housing Officers

**Date approved: Effective date:**

Please state what other documents (if any) this Policy is linked to:

* Conditions of Tenancy
* Rent Collection Procedure
* Fair Debt Policy (Corporate Debt Policy)
* Former Tenants Arrears Policy
* Former Tenants Arrears Procedure
* Sign Up Procedure
* Possession Claim On Line (PCOL) Procedure
* Delegated Authorities Protocol

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Version** | **Date** | **Details of amendment** | **Creator/****amender** | **Approved by** | **Next review due** |
| 1 | June 2010 | N/A  | Andrew Wallace | Amanda Harper | 2012/13 |
| 2 | October 2012 | Amended to respond to emerging challenges from the Welfare Reform Act 2012, and the changing local and national context  | Peter Oliver |  | 2014/15 |

Copies of this document are available upon request and can be obtained in large print or translated into other languages, if required.

**Rent Collection Policy**

1. **Purpose**
	1. North West Leicestershire District Council has a retained housing stock and is self financing. There is a direct link between rental income, service charges and other fees and charges collected, and resources available to spend on housing and related services, including improvements to tenants’ homes.
	2. The Council aims to maximise the rental income it generates to deliver excellent housing and related services. Preventing tenants falling in to rent arrears is a key priority for the Council’s Housing Service.
	3. The Council recognises that household incomes are under pressure and the likelihood that tenants will struggle to pay their rent is increasing.
	4. This policy outlines the Council’s aims, objectives, and approach to income maximization and rent arrears recovery.
2. **Scope**

* 1. This policy applies to the efficient and effective maximisation and recovery of rental income, service charges and other associated fees and charges relating to the Council’s housing stock, garages, garage sites, and caravan site.
	2. The policy will be implemented by Officers of the Council undertaking housing management activities.
	3. The policy aims to maximise rental income and recover arrears or costs incurred by the Council in the following areas
* Current rent arrears and other fees or charges - This is unpaid rent / fees or charges that are due from current tenants in the Council’s residential (living accommodation) and non-residential housing stock and land (garages and garage sites and caravan pitches).
* Former tenant arrears - This is rent that is owed to the Council after a tenancy has ended.
* Mesne profits - This is money that is paid to the Council by a person/s that is using a property on a use and occupation only basis. This situation may arise where a tenancy ends, and a person that has no right to the property is still living there whilst they are seeking alternative accommodation.
* Service charges - These are charges that are paid in addition to the rent for a property. Typically these charges are for services that people benefit from, including shared facilities like lighting or door entry facilities in communal areas.
* Legal Fees - These are costs that are incurred by the Council when taking legal action against tenants or former tenants for non-payment of rent or other fees or charges.
1. **Aims and objectives**
	1. Protect the Council’s income stream, efficiently and effectively maximising income from rents, service charges, and other fees and charges associated with the Council’s housing stock, garages, garage sites and caravan site.

3.2 Maintain top quartile current rent arrears performance against other local authorities (at 2011/12 this was 1.60% arrears from current tenants).

* 1. Help tenants to pay their rent, service charges, and other fees or charges by providing information and advice.
1. **Tenancy Agreement**

4.1 Tenants have a responsibility to pay rent to the Council. This is detailed in the Tenancy Agreement which forms the contract between the Council and each tenant. For example, for current tenants of residential housing stock, our Tenancy Agreement states: “The rent must be paid when due.”

1. **Approach**
	1. We will be proactive in preventing rent arrears, and will focus on early intervention to collect rent and minimise losses.
	2. We will undertake debt recovery action and arrears prevention using letters, emails, visits, text messages, legal notices and the courts. Actions taken will be on a staged and escalating basis, culminating in legal action, and using eviction as a last resort.
	3. We will be sensitive and sympathetic, and fair but firm when determining what action to take to recover rent arrears.
	4. We will take appropriate and proportionate action against tenants for non-payment of rent.
	5. A *Rent Collection Procedure* and a *Former Tenant Arrears Procedure* will be used to provide the framework for action to be taken to recover rent arrears and other fees or charges.
	6. At each stage of the *Rent Collection Procedure* and the *Former Tenant Arrears Procedure* we will ask for the rent owing to be paid.
	7. We will seek to make affordable and satisfactory repayment arrangements.
	8. Tenants will be encouraged to put their rent payments first, as they could lose their home through non-payment of rent. Tenants will be advised of the consequences of non-payment of rent.
	9. Where all other options have been exhausted, legal action will be taken against tenants for non-payment of rent. Ultimately, this action may result in the tenants losing their home.
	10. We will provide information and advice to tenants to make sure that they are aware of the support and options available to them.
	11. Tenants will be encouraged to maximise their income by applying for welfare benefits and grants.
	12. We will work in partnership with other agencies, and will direct tenants to advice, support, and financial services.
	13. We will provide a range of payment options, including direct debit, pay online, telephone payment by debit or credit card, home banking (including BACS and TV services) pay point, standing order, and at the post office.
	14. We will operate within the Data Protection Act, and will offer private appointments to tenants.
	15. We will provide rent account statements to tenants on a quarterly basis and rent account balances on request.
	16. We will seek to recover legal costs from tenants where legal action is taken.
2. **Monitoring and reporting**
	1. On a weekly basis, we will monitor the level of rent arrears.
	2. On a quarterly basis we will record the level of rent arrears and recovery action on the Councils performance management system. This information will be shared with elected members and tenants.
	3. We will benchmark our rent performance against comparable organisations, using the information to analyse and reflect on our own performance, and make changes to working practices to improve our performance and services for tenants.
	4. We will monitor the number of tenancies brought to an end though eviction for non-payment of rent.
	5. On a regular basis, we will conduct a rent recovery quality survey to ask tenants what they think of the service that they receive from us. We will use the results to improve services for tenants.
3. **Right to a Review**

7.1 Where tenants, former tenants or those people occupying a property on a use and occupation basis feel that we have not carried out our duties under this Policy, they have the right to make a complaint to us under the Council’s *Complaints Policy*.

1. **Equality and diversity**
	1. All tenants (and their advocates) will have access to this document upon request or from our websites.
	2. This document and accompanying leaflets / letters can be translated or provided in alternative formats (e.g. Braille, large print, and audio) upon request.
	3. In implementing this policy we recognise and value diversity, and will meet all statutory, moral, and organisational duties across the equality and diversity strands:
* Age
* Disability
* Gender reassignment
* Pregnancy and maternity
* Race
* Religion or belief
* Sex (gender)
* Sexual orientation
	1. An Equality Impact Assessment has been completed on this policy.

1. **Publicising our approach**

9.1 Our approach to rent collection will be publicised to tenants, potential tenants, former tenants, persons occupying properties on a use and occupation basis, officers and partner agencies in a variety of ways including, but not limited to:

* At the pre-tenancy stage
* At the tenancy sign up
* Tenants’ Handbook
* The Tenancy Agreement
* Verbally: face to face, and over the phone
* Letters
* Leaflets and / or guidance documents
* Internet, including social media
* InTouch newsletter
* Policy briefings and training

1. **Policy development and responsibility**
	1. This policy has been developed in consultation with tenants, officers, elected members, and other stakeholders.
	2. This policy has been approved by elected members on the Council’s Cabinet (Executive Board Meeting).
	3. The Team Manager for Housing Management (or their equivalent post) is responsible for the implementation and review of this policy, and will delegate responsibilities to the Senior Housing Officers for any decision making arising from this policy.
	4. Officers will be trained to deliver this policy and are responsible for reporting any difficulties with its administration to a Senior Housing Officer.
	5. This Policy will normally be reviewed every three years; however any impact arising from new legislation and case law will be implemented before the planned policy review date.