



PRIMA
GROUP

Rent Arrears Policy

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Rent Arrears Policy

1 Aim of the Policy

The aim of the policy is to prevent rent arrears arising and to effectively deal with arrears if they do arise.

Rental income is a major source of income for the Prima Group and enables us to meet financial commitments of maintaining our housing stock.

Prima Group promotes a positive payment culture, supporting tenants to meet their tenancy obligations and creating sustainable communities.

We recognise that some tenants may require more advice and support to enable them to manage their rent account effectively and we will put measures in place to assist tenants with this. It is, however, the tenant's responsibility to ensure that their rent is paid.

2 Who does this Policy apply to?

This policy applies to general needs and sheltered tenants, whether this be social rented or affordable housing for both Pierhead Housing Association Limited and Leasowe Community Homes Limited.

This policy will also apply to tenants of residential properties for PHA Commercial Limited.

3 Policy Statement

3.1 Prevention

Prima Group will ensure that pre-tenancy checks are undertaken, including obtaining income and expenditure information to ensure that the property is affordable. We will make tenants aware of their responsibility of paying their rent, discuss the variety of payment methods available and the consequences of falling behind with rent payments.

Prior to commencement of all tenancies, tenants are required to make their first week's payment, including any part-week payment for a tenancy that does not start on a Monday, in advance as detailed in line in the tenancy agreement.

If the tenant wishes to pay their rent on a monthly basis, the first payment should be a month in advance. The Housing Manager has the discretion to agree a realistic instalment arrangement for this payment if they believe that the new tenant cannot pay in full, however, it is expected these will be on an exceptional basis.

Officers will seek to identify any tenant that is experiencing financial difficulties and where appropriate will make referrals to our Tenancy Sustainment Officer or supporting

agencies, for debt advice, income maximisation or budgeting help.

3.2 Collection

Prima Group offers a wide range of payment methods to ensure that it is convenient for tenants to pay their rent. These methods will be reviewed regularly to ensure that these meet tenants' requirements.

Information is provided in a number of ways to advertise all payment methods available to tenants, including letters, online, home visits and telephone calls.

Prima Group encourages tenants to pay by direct debit in the first instance or by re-occurring card payment.

All payments are due in advance, and where the frequency is any other than weekly, the advance payment will be required for that period. For example, where a tenant wishes to pay on a monthly basis the payment is required a month in advance. Where the tenant cannot make the payment a month in advance, an agreement will be made for rent plus an affordable amount for that tenant until the account is in credit.

Where a credit is accrued, any refund will leave the equivalent amount of credit on the account in line with the tenant's payment frequency.

Example:

- If you pay weekly in advance, and your weekly rent payment is £100.00 and you have a credit of £150.00 on your account, we can only refund you £50.00 as you need to retain the advance weekly payment of £100.00 on your account.
- If you pay monthly in advance, and your monthly rent payment is £400.00 and you have a credit of £550.00 on your account, we can only refund you £150.00 as you need to retain the advance monthly payment of £400.00 on your account.

Tenants are able to download and register to the Prima Customer App which enables them to view their rent account balance and statement of recent transactions online. It also includes a link to make an online payment, a link to check their benefit entitlement and a request for us to contact them about their rent account.

3.3 Recovery

Prima Group operates a firm but fair approach to rent arrears and will minimise loss of rental income by taking prompt and appropriate action to recover arrears.

We understand the importance of personal contact (phone calls and/or visits) with tenants in arrears to ensure that we develop an effective and supportive relationship with tenants that is built on trust and co-operation.

Prima Group recognises that a blanket approach to tenants in arrears is not appropriate. Therefore, officers will seek to deal with cases individually and tailor our approach to the tenant's circumstances and needs, whilst working to ensure a consistent outcome. Where tenants require additional support or extra help, we will provide this where we are able. If they require an advocate or more specialised support, we will refer to specialist agencies as appropriate.

Prima Group's main aim is to support tenants to sustain their tenancies, however, legal action may become necessary after all reasonable efforts to encourage tenants to clear their arrears have failed.

If legal action does become necessary as a last resort Prima Group reserves the right to repossess the property detailed in the tenancy agreement. We will do this through the Courts using the relevant legal processes and on the appropriate Grounds for Possession set out in the tenancy agreement.

Prima Group will follow guidance set out by the Courts in the Pre-Action Protocol for Possession Claims by Social Landlords should legal action become necessary.

Should the property detailed in the tenancy agreement be recovered, the Prima Group will pursue the tenant for the outstanding debt from the rent arrears as set out in the Group's Former Tenant Debt Recovery Policy.

4 Making sure we do what we say

This policy will be reviewed as and when needed but as a minimum of every two years.

Prima Group will ensure consistent application of this policy and continuous improvement through regular reporting and monitoring.

One-to-one meetings between managers and officers will focus on day-to-day service delivery and compliance with the policy, including specific monitoring on cases in arrears, compliance with court orders and average level of service of Notice of Seeking Possession (NSP) and applications to Court.

On a weekly basis performance reports will be run by area and by officer.

On a monthly basis the performance figures will be produced, any increase in figures will be reported on, with reasons by the managers.

Performance indicators for rent collection and rent arrears will be reviewed quarterly by Board. Any cases which escalate to eviction will be shared with Customer Board (in an anonymised format) outlining the reasons for eviction.

5 Other things to consider

5.1 Prima policies and procedures

This policy should be read together with:

- Arrears Escalation Procedure.
- Former Tenant Debt Recovery Policy.

5.2 Legislation and Guidance

The following legislation and guidance have informed this policy :

- Housing Act 1980.
- Housing Act 1985.
- Schedule 2 Housing Act 1988 (assured tenancies).
- Housing Act 1988 section 8 as amended by section 151 of the Housing Act 1996, section 97 of the Anti-social Behaviour, Crime and Policing Act 2014, and section 41 of the Immigration Act 2016 and modified by section 81 of, and paragraph 6 of Schedule 29 to, the Coronavirus Act 2020.
- [Pre-Action Protocol for possession claims by social landlords.](#)

6 What we mean

For the avoidance of doubt any reference to rent will also include any Service Charges that may be included in the gross rent figure.

Word	Meaning
Credit	Any additional money on a tenant's rent account.
Grounds for Possession	The grounds for possession set out in legislation under which the Prima Group may seek to recover a property which is subject to a tenancy agreement. This may be a mandatory ground for possession (where the Courts must order possession) or a discretionary ground for possession (where the Courts may order possession).
Pre-Action Protocol	Guidance issued by the Government that social landlords should take before issuing a possession claim against a tenant.

7 Equality Impact Assessment

Prima welcomes feedback on this policy and the way it operates. We are interested to know of any possible or actual adverse impact that this policy may have on any groups in respect of gender or marital status, race, disability, sexual orientation, religion or belief, age or other characteristics.

The policy has been screened to determine equality relevance for the following equality groups: gender or marital status, race, disability, maternity or pregnancy, sex, sexual orientation, religion or belief, age or other characteristics.

8 Data Protection

All handling of the personal data will be conducted under the Group's Data Protection Policy ensuring compliance with the Data Protection Act 2018.

Personal data that is inappropriately accessed or disclosed may constitute a data breach. The GDPR (General Data Protection Regulation) requires organisations to keep a record of all data breaches and, where the breach is likely to result in a risk to the rights and freedoms of individuals, the organisation must notify the Information Commissioner within 72 hours of becoming aware of the breach. If the data breach results in a high risk to the rights and freedoms of individuals, those individuals must be notified without undue delay.

9 Document Control Data

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