

**North and East Housing Association CLG:  
Arrears Management Policy**

### Version History

	Modification	Date modified
<b>1</b>	Initial approval of policy	Version 001 – 2018 Version 002 - 2020
<b>2</b>	Most recent review and approval by Board	2/12/24
<b>3</b>	Date of next review by Board	2027

### Amendments to policy

Old version number	Reason for updating	New version number & date of issue
002	Significant update to facilitate: <ul style="list-style-type: none"> <li>(a) Separation of policy from procedure</li> <li>(b) Alignment with ICSH model bad debts policy</li> <li>(c) As a management action following internal audit</li> <li>(d) Lessons learned from RTB referrals</li> </ul>	003

## 1. Purpose

North and East is an approved housing body that currently provides homes across a large number of local authority areas. We aim to deliver consistent services to achieve efficiency and improve the quality of life for our tenants. We are committed to providing new homes to help tackle the housing shortage and help those in housing need.

North and East depends on the rent collected from tenants as its main source of income. This income allows for the delivery of an effective and efficient housing management and property maintenance service. It is therefore important that a policy is in place to keep rent arrears to a minimum and within threshold parameters set by the Board.

## 2. Objectives

The prevention and effective management of rent arrears is essential to enable North and East fulfil its responsibilities as a social housing landlord particularly, although not exclusively, to enable it:

- a) Secure and provide the resources needed for proactive service delivery.
- b) Sustain and improve housing stock and neighbourhood liveability.
- c) Ensure equity of approach across tenancies.
- d) Fulfil Lender and Local Authority covenants in respect of rent collection.
- e) Maintain overall financial viability.

## 3. Scope

The scope of this policy relates to all North and East tenants. It takes account of guidelines issued by the Irish Council for Social Housing (2022) and reflects operational procedures currently active in North and East as well as recommendations arising from internal audit (2023).

## 4. Prevention of Arrears

North and East will provide as many rent payment options to tenants as possible whilst at the same time ensuring that the options are cost effective and convenient for both tenants and landlord. North and East staff do not accept cash payments.

The following steps will be taken to prevent rent arrears arising:

### 4.1 New Tenants

4.1.1 When allocating homes, North and East will clearly advise the applicant on the level of rent and any service charges payable for the property.

4.1.2 New tenants should be advised of their responsibility to pay rent and given an

information leaflet in relation to the Association's rent arrears policy.

4.1.3 New tenants should also be sign-posted to relevant money advice services.

4.1.4 New tenants should be clearly advised on methods of payment and encouraged to make regular payments in advance. Specifically, tenants should be encouraged to facilitate either Standing Order or Household Budget.

4.1.5 Sign up meetings will be used to identify whether the tenant or any member of the household requires additional support around budgeting or receives a service from or works with any other group or agency. If so, tenant consent will be sought for data protection waivers, to enable information sharing.

4.1.6 New tenants will have their rent account closely monitored for early signs of difficulties and should receive a 'settling in' visit within 6 weeks of the start of their tenancy when any queries or problems on payment of rent can be dealt with promptly.

#### 4.2 Existing tenants

4.2.1 All tenants will receive clear information on any rent increases. Following any increases, rent accounts should be carefully checked to ensure increased payments are being received.

4.2.2 All tenants will be encouraged to approach the Association in the event of any changes in circumstances.

4.2.3 All North and East staff should evidence a sympathetic and non-judgemental atmosphere, which encourages early and sustained contact with tenants in relation to debt management.

4.2.4 North and East will use newsletter articles and routine contact on tenancy matters to make all of its tenants aware periodically of the importance of paying rent; the importance of contacting the Association at the earliest possible stage if difficulties in paying rent are being experienced; and money advice services.

### 5. Arrears Management

To minimise the amount of unrecoverable income, North and East will implement operating guidelines and systems to identify all income due to be received and will ensure that, so far as is possible, all monies due are paid.

North and East will ensure that all reasonable steps to recover arrears are taken and that no further recovery action is practicable. The only circumstance in which North and East will write off rent arrears is for former tenants. (See Section 8)

The key principles underpinning the management of arrears are as follows:

- To collect all rent as it falls due in order to meet financial obligations.
- To prevent rent arrears where possible by providing tenants with appropriate advice and assistance.
- To adopt a firm but fair approach where arrears do accrue, and which is applicable to all tenants.
- To assist tenants in arrears to help prevent their debts from becoming unmanageable.
- To use re-possession as a last resort.

## 6. Approaches to Arrears Control

6.1 In the first instance we will seek to ensure early prevention of rent arrears.

- 6.1.1 Pre-tenancy information will be given to all prospective tenants.
- 6.1.2 All new tenants will be asked to pay the equivalent of two weeks' rent up-front when they sign for a tenancy to offset any delay in account set-up.
- 6.1.3 Tenants will be advised of any arrears or an unacceptable payment pattern immediately after these arise.

6.2 All tenants will receive a quarterly statement to ensure that they are kept up to date with the balance of their rent account. Up to date statements can be requested at any time.

6.3 Annual rent reviews are undertaken each year. Where a tenant is disadvantaged through a change in circumstance in the intervening period between annual rent reviews, an ad hoc rent review may be undertaken. Any such ad hoc review, if conducted within six months of the next annual review due, will replace the need for a further full rent review.

6.4 Personal contact is key to the successful prevention, control and recovery of debt, and will remain the preferred approach between tenants and the Tenant Services and Engagement team.

- 6.4.1 All new tenants will be contacted within six weeks of taking up occupancy to enable early identification of any problems/issues.
- 6.4.2 North and East will ensure that all tenants in debt are aware of their social welfare entitlements and are referred to relevant agencies such as the Money Advice and Budgeting Service (MABS) and the Citizens Information Service.

6.5 North and East and the tenant in debt will agree a realistic repayment schedule to ensure that rent arrears can be paid back in a way that does not put undue financial pressure on the tenant.

- 6.5.1 Lump sum repayment will be secured wherever possible and, if not possible, an agreement for repayment – that is affordable and based on current tenant household income/expenditure - will be secured.
- 6.5.2 Failure to engage will lead to further action by the Association, up to and including referral to the Rental Tenancies Board.

## 7. Approach to Rent Recovery

Approaches may be by a mix of contact e.g. letter, telephone, in person, with a strong emphasis on personal contact. Whichever, the approach taken will be firm and matters escalated quickly if the necessary payments are not made.

- 7.1 Tenants should be informed of rent arrears as soon as they accrue or payments are missed.
- 7.2 Housing Officers should review their arrears caseload weekly.
- 7.3 Housing Officers should follow the Rent Arrears Management Operational Guidelines and escalate arrears cases to the next recommended stage in a timely fashion.
- 7.4 All appropriate support should be offered at each stage of the procedure to assist the tenant to make payments.
- 7.5 Referral to RTB will be taken as soon as appropriate where the tenant is failing to take adequate steps to resolve the situation e.g. not making payments or failing to maintain regular payments as per an agreement. Full legal remedy will be pursued in cases where the tenant fails to fulfil an RTB order of determination.

## 8. Approach to Rent Recovery of Former Tenants

- 8.1 North and East intends that all recoverable former tenant debt should be pursued as effectively as possible by instigating action at the earliest opportunity and by ensuring that actions are followed up vigorously to maximise collection.
- 8.2 Where possible, any outstanding debt should be recovered during the notice period or by means of an agreed post-tenancy repayment agreement and/or an ongoing RTB case.
- 8.3 Only if a debt is judged to be unrecoverable will the debt be written off, usually within one week of quarter end.

## 9. Rent Initiatives

North and East may carry out specific rent initiatives periodically in addition to the day-to-day rent arrears work.

- 8.1 Any additional rent initiatives will be coordinated by the Tenant Services and Engagement Manager.
- 8.2 Rent arrears initiatives may include
  - Bulk text messages
  - Bulk mail outs
  - Coordinated estate visits with Tenant Services Engagement Manager or other staff
  - Targeted low level arrears work
  - Tenant support or signposting initiatives

## 10. Complaints and Appeals

North and East will deal with all complaints about any perceived shortfall in the operation of the Rent Arrears policy in accordance with its Complaints Policy.

## 11. Legislation and Compliance

North and East Housing manages tenancies in accordance with the provisions of the Residential Tenancies Residential Tenancies Acts 2004-2016, and the Residential Tenancy Board (RTB).

North and East Housing will adhere to the Data Protection Act 2018 in order to ensure that information provided by a tenant or sought by North and East Housing is treated in the strictest confidence. Under the provisions of the Data Protection Act 2018 individuals are entitled to request personal data which is held by the Association through a Subject Access Request.

North and East will comply with the Equality Act 2010 which protects persons from being discriminated against. In particular, North and East will not discriminate on the grounds of age, disability, marriage and civil partnership, pregnancy and maternity, race, religion or belief, gender, gender reassignment or sexual orientation.

## 12. Policy Review

The Rent Arrears Management Policy will be reviewed every three years, unless an earlier review is necessary following e.g.

- legislative, regulatory and good practice requirements
- reporting reveals that a change in policy is required sooner
- the views of tenants and staff

However targets, procedures and working methods may be altered more frequently, where this is needed.