



STARLEY HOUSING CO-OPERATIVE

RENT ARREARS PROCEDURES – CURRENT MEMBERS

Applies to all Frequency of Payments: Weekly; fortnightly; 4 weekly; calendar monthly.

1 payment missed

1. If a payment is missed from the normal payment frequency, and 1 week has elapsed after the payment is normally received, then the office will write and ask the member to contact the office if they are having difficulties paying, or to make the payment within 5 working days.
2. If the payment is made, no further action.
3. If the member cannot make the payment, then details will be noted to the tenancy file, initial debt advice given, and an agreement made to repay (Agreement 1)
4. Advice and support will be given to complete a Housing Benefit claim form if necessary at this stage, and or contact details for the Citizens Advice and/or other agency for debt advice/money management if necessary. If the member is liable for weekly rent due to under-occupancy of their home, then the following advice will be given:
 - Discuss the reason for non payment
 - If the reason is that the member cannot afford to make the weekly rent payment due to the under-occupancy charge, then the member will be asked to make a claim for a Discretionary Housing Payment. The office will make an appointment for the member if requested, and given an application form to complete, or to take to the appointment with the DHP team member. The Co-op office will do a support letter if necessary to the DHP team direct, especially if the member is in danger of losing their tenancy. If the member feels they have a medical reason for an extra bedroom, advice given to submit their details to the council Housing Benefit office for consideration. The office will make it clear that weekly rent will be due whilst applications for Discretionary Housing Payments are being processed, and/or requests for exemptions due to medical reasons.
 - Advice will be given about submitting an internal transfer request to down size; advertise for an internal mutual exchange on the co-op notice boards; submit an application to Homeswapper; register with Coventry Homefinder, all with a view to down-sizing to avoid the under-occupancy charge.
 - A full report (case number only) will be submitted to the Co-operative's Rent officer and the Co-operative's Management Committee for rent arrears due to the under-occupancy charge.
 - The member will be advised in writing about the committee decision after the Management meeting where their case has been discussed.

5. The member will be advised that it is their responsibility to progress the HB claim form, and any Discretionary Housing Application form and that any failure of the HB claim or a DHP claim resulting in a rent debt will be their responsibility to repay. The Co-op will hold off any tenancy action for non payment of rent if a receipt for a Housing Benefit claim form is provided, and evidence that the member is progressing the necessary documents in respect of the claim.
6. If no contact is made within 5 working days of the first letter, then the office will write again and make a rent appointment in the office, or the Rent Officer will make a home visit if appropriate or necessary.
7. Stages 3; 4 & 5 will apply if contact is made.
8. If no contact is made after the 1st letter, and the member does not attend the office appointment or makes themselves available for a home visit, then a final letter will be sent advising them that if contact is not made within 5 working days or a payment is not made, then a Notice to Quit may be served. A Notice to Quit will be served in every case if 6 weeks of non payment has elapsed. The Member will be fully advised of the implications of a Notice to Quit, and further advice and support on debt management outlined at this stage.
9. The Starley office will detail all rent cases with rent debts over £1000 (case number only) to the Rent officer, and the Co-operatives Management Committee at each Management meeting.
10. The Rent Officer will be notified if the rent arrears case is at the Notice to Quit stage, confirming that the agreed procedures have been carried out prior to this stage. The Rent officer will sign the notice and it will be served by the agreed method. The person serving the notice will try to make contact with the member who the notice is being served upon, at the time of serving.
11. The serving of a Notice will be noted to the next available Management Committee by the Rent officer, the name of the member will remain confidential, but a summary of the circumstances will be noted by the Rent officer for minute purposes.
12. The Notice to Quit expires in 28 days from the date of service. After that period, any monies paid in respect of rent are Mesne profits only, i.e. use of the premises. If the member contacts within the 28 day period and either brings the account up to date, or makes an agreement to repay (Agreement post NTQ), then no further action will be taken and the rent case will be monitored by the office.
13. The Co-op normally renews Notices after a 12 month period has expired, and the original rent debt has not been cleared.
14. Any defaults on an agreement to repay after an NTQ has been served, will be notified to the member within 5 working days of a missed payment, and the member will be given 5 working days to catch up or contact the office.
15. The office will report any defaults and non payment to the rent Officer who will decide if court action is necessary and report to the next Management Meeting.
16. If court action is agreed, then the member will be notified and advised that the file will be sent to the Co-operative's solicitor to prepare the court paperwork.
17. Court date received and notified to the Co-operative and the member.
18. If the member comes forward with monies or an agreement to address the situation, after the court date is set, the Co-operatives Rent Officer will make a recommendation to the Committee with an update of the member's situation,

on whether the court process is cancelled or left in place. If the rent account is brought back into order and the debt cleared entirely, then court action will be cancelled. It will be at the co-operative's discretion as to whether the court process will be cancelled if the debt is not cleared entirely. It will be at the Co-op's discretion to re-charge any costs already incurred to the member.

19. The Co-operative will normally ask for an outright possession order. Any other circumstances will be dealt with as a separate procedure – *see suspended possession orders*
20. The member will be notified in writing of the court judgement and the date they have to leave the property giving vacant possession to the Co-operative.
21. If the member does not leave by the date of the court order, a warrant for their eviction will be requested. The member will be notified of the Co-op's intentions with regard to this, and the date of the eviction. – *see eviction procedures*
22. The Member will be responsible for the judgement awarded by the court in respect of rent arrears, and court costs awarded.

Agreement 1 broken

1. Member will be contacted within 5 working days of a missed agreed payment in respect of Agreement 1.
2. If payment made, no further action
3. Actions from Stage 3 - 22 above will apply thereafter; Agreement 2 will be made if applicable.

Agreement 2 broken

1. Member will be contacted within 5 working days of a missed agreed payment in respect of Agreement 2.
2. If payment made no further action
3. Actions will be considered at this stage and the level of debt will be assessed. If the Rent Officer feels it is appropriate to make Agreement 3, then actions from stages 3 – 22 will apply again.

Agreement 3 Broken

1. Member will be contacted within 5 working days of a missed agreed payment in respect of Agreement 3. The member will be advised that if payment is not made within 5 working days, or contact to let the Co-op know the situation, then the Co-operative will serve a Notice to Quit without further reference to them. The implications of the Notice will be outlined in this letter.
2. Actions 8 – 22 apply if a Notice is agreed.

THE LEVEL OF RENT ARREARS WILL BE CONSIDERED WHEN ADDRESSING RENT ARREARS PROCEDURES AND TIMESCALES. MEMBERS WILL BE GIVEN EVERY OPPORTUNITY TO ADDRESS THEIR SITUATION BEFORE NOTICES AND COURT ACTION IS TAKEN.

****All court action will result in court costs, which will be the responsibility of the tenant to pay after the rent arrears debt is cleared.**

Suspended Possession Order Procedures

- The Co-operative may under certain circumstances apply for a suspended possession order. The Rent Officer would present a case to the Committee for this request in respect of court action, and suggest a figure for the order. The Co-operative's legal status does not provide for the judge to suspend a possession order, and would only apply if the Co-operative agreed, and requested one.
- If the Co-operative agrees to ask the court for a suspended possession order:
 1. Court agrees on order
 2. Office writes to member to confirm and advise of the court order details, and the payment frequency.
 3. The rent and suspended order amount will be monitored by the office, and defaults will be notified immediately to the Rent Officer, and to the Co-operatives Management Committee.
 4. If a default occurs, the office will write to the member within 5 working days of the missed agreed payment, giving them 5 days to make the missed payment. Details of the situation and advice will be given and noted to the tenancy file, and reported to the Rent Officer, and to the Co-operative's Management Committee.
 5. If the member makes the payment and brings the account back into order the rent case will continue to be monitored, and reported in the normal way to the Rent Officer and the Co-operative's Management Committee.
 6. If no contact or payment received after the letter, the member will be informed in writing that the Co-operative will take immediate action to enter the case back into court if contact or the payment is not made within 5 days, without further reference to them.
 7. The Rent officer & the Management Committee will be advised of the situation at the next available meeting of the situation, and Committee will make a decision as to whether the Co-op goes back to court for outright possession.
 8. If Court action is agreed, then the member is advised, and stages 16 – 22 will apply.

Eviction Procedures

1. If a member does not vacate the Co-op property by the outright possession order date, then the normal process will follow, in that the office will contact the Co-operative's solicitor to apply for a warrant to evict.
2. The member will be notified of the Co-operative's intention.
3. The Committee will be notified of the situation at the next available meeting.
4. When the eviction date is received, the office will advise the member of the date of the eviction, although the court will have already notified the member, and detail the procedures for eviction to the member.

AGREED revision April 2013

5. On the day of the eviction, the Court bailiff attends along with a Co-op staff member, and the carpenter to gain access to the property and change the locks. The court bailiff will ensure that anyone in the property at the time is removed.
6. If the Co-op believes there may be a safety issue in respect of the eviction, or that the member is unlikely to leave without force, then the co-op must advise the courts who will arrange for the police to attend.
7. If the member hands in the keys to the tenancy before the eviction date, the office will ask them to sign a disclaimer for any goods remaining to allow disposal, and the eviction will be cancelled.
8. If a rent debt is cleared entirely, along with court costs prior to the eviction, then the situation will be notified to the Co-operatives Rent Officer and Management Committee, and the eviction will be cancelled. This will only apply where the reason for the eviction is a breach of tenancy conditions for rent arrears only.

Eviction process:

1. Gain access locks changed to all entrances to the property.
2. Any member or other persons in the property at the time of the eviction, will be removed by the bailiff
3. Staff member takes an inventory of any goods left in the property.
4. Notice put on property door advising locks changed and access will be by prior arrangement only during office hours, keys will not be given under any circumstances to the former member, nor will they be allowed to enter the property unaccompanied.
5. The inventory of goods left in the property (if any goods are in situ) will be sent to the member if their whereabouts is known, and storage time of any goods left, will be at the discretion of the Co-operative, but normally a minimum of 14 days must be allowed.

Former Tenant Rent arrears

1. The Co-op will endeavour to get the tenant to make an arrears agreement before they end the tenancy, and address the method of payment, and frequency. A forwarding address will be requested.
2. The office will monitor the former tenant debt.
3. If a payment is missed, the office will write to the former tenant asking them to contact and or make up the missed payment within 7 days.
4. If payment is made, no further action and rent debt will continue to be monitored.
5. A new agreement may be appropriate, and will be discussed with the Co-operative's Rent Officer. The Co-operative will allow lesser payments providing they are received on a regular and on-going basis.
6. If no contact or payment, the office will write a 2nd letter outlining that payment must be made, or contact with the office, within 7 days or the Co-op will pass the debt to a Debt collection agency.
7. The Rent officer will be notified if no payment or contact after the 2nd letter, and will advise the Committee at the next available committee meeting that the debt is being passed to an agency to collect on the Co-op's behalf. The Rent officer will look at the amount of the debt, to decide if debt collection is appropriate due to the percentage taken for collection.

Former Tenant Arrears – Bad Debt Write off

At the end of each financial year, the Co-op will look at each former tenant debt and decide if the debt is to be brought forward or to be written off.

- If payments are ongoing, the debt will be carried forward
- If the debt is being reduced via a Debt Collection agency, the debt will be carried forward
- If the debt is minimal, less than £100, then the Co-op will write to the member advising that the Co-op would not consider re-housing them at any point in the future unless the debt is cleared, and that any future referencing from other Landlords will detail the debt owed. The matter will not be passed to debt collectors due to the cost of collection.
- If all avenues to collect the debt have been pursued, then the debt will be written off.
- If a former tenant pays an amount after a debt has been written off, the details will be recorded in the manual rent collection ledger for accountancy purposes, and a new rent record card will be created for any future payments. The Rent officer will be notified and details will be in the monthly rent report, under bad debt recoveries.