

Aberdeen City Council

Rent Management Policy

August 2018

1. Aims and Objectives

The aim of this policy is to support tenancy sustainment, prevent homelessness and maximise rental income. This follows an early intervention and prevention model.

We will apply the following objectives to achieve our policy aim:

- We will empower tenants to meet their tenancy obligations to pay rent on time by providing comprehensive advice, clear information and accessible services
- We will intervene early to provide a supportive and empathetic service to all tenants experiencing difficulties in paying their rent
- We will only instigate legal action to recover debt and tenancy repossession in appropriate circumstances

The policy operates in accordance with the Housing (Scotland) Act 2001 and applies to all mainstream tenancies.

2. We will empower tenants to meet their tenancy obligations to pay rent on time by providing comprehensive advice, clear information and accessible services

We will inform tenants of their rent charges including any service or heating charges and explain all their tenancy responsibilities prior to the tenancy commencing.

We will encourage tenants to plan how they will meet their rent charges and will provide advice and practical support for paying rent in advance.

We will identify tenants most at risk of rent arrears and work with them to put in place preventative arrangements.

We will carry out a routine visit within 4 weeks of any new tenancy starting, to provide further advice and assistance regarding rent payment or benefit claims.

Tenants will be able to access our services at local offices and we will also visit tenants at their homes. Services will be available during evenings and on Saturdays.

We will provide a self-serve application enabling tenants to access their rent account records online to check their balance and transactions, as well as link to other rent services including making payments and debt advice information. Self-serve will be promoted but we will provide a rent statement at any time if requested to do so.

We will offer a choice of convenient rent payment methods

The following methods are available for tenants to pay rent:

- Direct Debit (weekly; fortnightly; 4-weekly or monthly)
- Bank Standing Order or Bank Transfer

- Debit & Credit Card payments on-line or telephone (24/7)
- Payment Kiosks
- Cash or cheque
- Rent Payment Card at any Post Office or Pay Point shop
- Rent payment app

We will encourage tenants to pay their rent by our preferred payment method of Direct Debit.

We will support tenants to claim their full entitlement to welfare benefits in respect of their rent costs and will strive to help resolve any issues which may be delaying an award.

We will consult with our tenants regarding rent charge increases and provide them with 28 days' notice of any increase to be introduced.

3. We will provide a supportive and empathetic service to all tenants experiencing difficulties with paying rent.

We will monitor expected payments and quickly engage with tenants if a payment is missed to provide advice and assistance.

We will take a person-centred approach tailoring our assistance based on our tenants' individual circumstances and needs. We will engage other Council services and other relevant support providers who may be able to help tenants pay rent and sustain their tenancies. Our partners may include:

- Financial Inclusion Team, ACC
- Housing Support, ACC
- Education & Children's Services, ACC
- Health & Social Care Partnership
- Aberdeen Citizens Advice Bureau
- Shelter Scotland
- Civil Legal Assistance Office

We will consider tenants' wider financial circumstances to help ensure that rent arrears re-payment plans are affordable and sustainable. We will consider all available income options including requesting direct deductions from the tenant's benefits income.

Our staff will be skilled and knowledgeable enabling them to provide helpful advice and support to tenants struggling to pay rent. We will invest in the on-going training and development of our staff.

We will assist tenants to claim their full entitlement to welfare benefits to maximise their income and their ability to pay. We will promote the uptake of Discretionary Housing Payments to help mitigate the impact of Welfare Reform. We will support our tenants claiming Universal Credit and will utilise alternative payment arrangements and third-party deductions to protect against arrears accrual.

We will run regular Tenancy Sustainment Panels to provide a collaborative forum supporting effective case management and service improvement.

Our rent management escalation process provides a series of intervention opportunities for our front-line officers based around rising values of debt. Crucially these recovery steps are not automated. They always require staff intervention, thus encouraging a person-centred outcome.

4. We will only take legal action to recover debt and tenancy repossession in appropriate circumstances

The individual circumstances of each tenancy will be carefully considered by a senior officer before legal action is taken. The main factors that we will consider determining if legal action will be taken are:

- Level of debt and payment history
- Level of active tenant engagement and action being taken to address the issues
- Family composition and needs
- Known vulnerabilities and perceived support needs
- Income maximisation and all debt and benefits advice options

Throughout the legal process our focus will be on tenancy sustainment. We will continue to offer advice and support tenants during these periods of legal action, also making independent advice available to tenants.

When we take court action to end a tenancy, the tenant will be liable for Court expenses.

Following the award of an eviction order from the Sheriff Court we will continue to work with the tenant to find a suitable solution to allow the tenancy to continue. Our standard approach will be to give tenants six weeks notification of a planned eviction date. When suitable arrangements are subsequently agreed the eviction may be cancelled or suspended to monitor payments. An eviction order may be actioned anytime within six months of it being granted.

5. Former Tenants Arrears

We will seek to recover all former tenancy debt as is economically viable to do so. We will negotiate affordable repayment plans and will utilise specialist debt collection partners to recover unpaid debt if a payment arrangement is not agreed or is not being met.

6. Bad Debt

All rent debts (current & former) will be actively pursued in accordance with the provisions above. Where it is determined that there is no realistic prospect of recovery, the debt will be written-off in accordance with the Council's Financial Regulations & Rent Arrears 'Write Off' Procedure.

7. Performance Management and Quality Assurance

The following are key performance indicators that we monitor to assess our rent management performance:

- The monetary value of current residential tenant arrears

- The monetary value of former tenant arrears
- Gross rent arrears as a percentage of rent due for the reporting year
- The number of current residential tenants with rent arrears
- The year to date number of legal 'Notices of Intent' issued
- The year to date number of new Court actions initiated
- The year to date number of legal repossessions following decree

We will undertake surveys of our tenants to establish the level of satisfaction with our rent management service and to help identify any improvements.

We will undertake quality checks of tenancy records to assess the application of this policy and tackle any inconsistencies in practice.

We will continue to be members of Scottish Housing Network; Housemark and the Scottish Local Authority Rents Forum, actively sharing best practice & performance information to ensure an effective, modern, fit for purpose rent management service which balances the needs of our tenants with our legislative and financial obligations.

8. Legal Framework

In approving and implementing this Rent Management Policy and all associated procedures, the Council seeks to comply with the following legislation:

- Prescriptions and Limitations (Scotland) Act 1973
- Race Relations Act 1976
- Debtors (Scotland) Act 1987
- Disability Discrimination Act 1995 & Equality Act 2010
- Data Protection Act 1998
- Human Rights Act 1998
- Race Relations (Amendment) Act 2000
- Housing (Scotland) Act 2001
- Debt Arrangement and Attachment (Scotland) Act 2002
- Homelessness (Scotland) Act 2003
- Housing Benefit Regulations 2006

The Council will take account of any alterations and amendments to this legislative framework and review the policy accordingly. This policy shall be reviewed no later than 31 October 2019.