

Committee Manager: Erica Keegan (Ext. 37547)

01 September 2016

HOUSING & CUSTOMER SERVICES WORKING GROUP

A meeting of the Housing & Customer Services Working Group will be held in Committee Room 1 (the Pink Room) at the Arun Civic Centre, Maltravers Road, Littlehampton on **Thursday, 15 September 2016 at 6.00pm** and you are requested to attend.

Members: Councillors Clayden (Chairman), Mrs Pendleton (Vice-Chairman), Mrs Ayres, Bicknell, Blampied, Mrs Daniells, Edwards, Mrs Harrison-Horn, Oppler, Mrs Porter and Mrs Rapnik.

A G E N D A

1. APOLOGIES FOR ABSENCE
2. DECLARATIONS OF INTEREST

Members and Officers are reminded to make any declaration of personal and/or prejudicial/pecuniary interests that they may have in relation to items on this agenda.

You should declare your interest by stating:

- a) the item you have the interest in
- b) whether it is a personal interest and the nature of the interest
- c) whether it is also a prejudicial/pecuniary interest

You then need to re-declare your interest and the nature of the interest at the commencement of the item or when the interest becomes apparent

3. MINUTES

To approve as a correct record the Minutes of the meeting of the Housing & Customer Services Working Group held on 07 July 2016 (attached).

4. ITEMS NOT ON THE AGENDA THAT THE CHAIRMAN OF THE MEETING IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY BY REASON OF SPECIAL CIRCUMSTANCES.

5. *INTRODUCTORY TENANCY POLICY

There is currently no policy for implementing and managing Introductory Tenancies, which are, in the main, granted to “new tenants/tenants moving from Arun temporary non secure tenancy agreements”. The purpose of this new policy is to set out a framework which ensures consistency, a systematic approach and professional, clear and firm guidelines which allow staff to deal sensitively with individual circumstances. Members of the Working Group will be requested to consider the report's recommendation.

6. *RENT ARREARS/INCOME RECOVERY POLICY

Arun's Rent Arrears Policy of July 2009 has been reviewed and re-drafted as a result of significant welfare changes since April 2011 and amendments to the pre-action protocol for possession claims by social landlords (rent arrears) which were effective from 6th April 2015. Members of the Working Group will be requested to consider the report's recommendation.

7. *HOUSING FRAUD INITIATIVE

This report explains the reasons for the Council's Housing Fraud initiative; the success of the initiative since January 2016; and asks Members to note the intention to extend the initiative for a further 12 months.

8. WORK PROGRAMME 2016/17

To note the work programme for 2016/17 and make any necessary amendments (attached).

(Note: *Indicates report is attached for Members of the Committee only and the Press (excluding exempt items). Copies of reports can be viewed on the Council's web site at www.arun.gov.uk or can be obtained on request from the Committee Manager.)

'Subject to Approval at the Next Working Group Meeting'

HOUSING & CUSTOMER SERVICES WORKING GROUP

07 July 2016 at 6.00 p.m.

Present: - Councillors Mrs Ayres, Blampied, Clayden, Mrs Harrison-Horn, Mrs Porter and Mrs Rapnik.

1. ELECTION OF CHAIRMAN

The Committee Manager opened the meeting and directed Members to the process for electing the Chairman and Vice-Chairman of the Working Group for the forthcoming year, as set out on the front pages of the Agenda.

Councillor Clayden was proposed and seconded for the role and, following a vote, the Working Group

RESOLVED

That Councillor Clayden be elected as Chairman for 2016/17.

Councillor Clayden then took the chair.

2. ELECTION OF VICE-CHAIRMAN

In line with the above process, Councillor Mrs Pendleton was proposed and seconded for the role of Vice-Chairman of the Working Group and, following a vote, the Working Group

RESOLVED

That Councillor Mrs Pendleton be elected as Vice-Chairman for 2016/17.

The Constitution at Part 3, Paragraph 6.2 (Working Groups) provided that Working Groups should each elect their own Chairman and Vice-Chairman but was silent on the process. The Working Group agreed that the following procedure (as used at the meeting) was satisfactory and should be recommended for inclusion in the Constitution:-

1. At the first meeting of the Working Group, before proceeding to any other business, elect a Chairman and Vice Chairman to hold office for the remainder of the Council year.

2. Nominations to be invited from the Members of the Working Group. Each nomination will be treated as a proposal for which a seconder will be required. A vote by show of hands will be taken on each nomination that has been seconded. Every Member of the Working Group that is

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present at the meeting shall have one vote only. The nominated member who receives the majority of votes is elected.

3. The Working Group is asked to elect its Vice-Chairman based on the same procedures in 2 above.

4. In the absence of the Chairman (or Vice Chairman) from a meeting of the Working Group a Chairman (or Vice Chairman) may be appointed by those Members present as Chairman (or Vice Chairman) for that meeting.

The Working Group then

**RECOMMEND TO THE CONSTITUTIONAL REVIEW TASK
& FINISH WORKING PARTY**

That the Constitution be amended to take account of the procedure to elect a Chairman and Vice-Chairman of Working Groups at the start of the municipal year, as set out above.

3. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors; Bicknell, Edwards and Oppler.

4. DECLARATIONS OF INTEREST

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the government’s example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions of the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a Member declares a “Prejudicial Interest” this will, in the interest of clarity for the public, be recorded in the Minutes as a Prejudicial and Pecuniary Interest.

There were no Declarations of Interest made.

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5. MINUTES

The Minutes of the meeting of the Housing & Customer Service Working Group held on 7 January 2016 were approved and signed by the Chairman.

6. START TIMES

The Working Group

RESOLVED

That its start times for meetings during 2016/17 be 6.00 pm.

7. TERMS OF REFERENCE

The Chairman referred Members to the Terms of Reference for the Housing & Customer Services Working Group 2016/17 and sought approval for the Terms of Reference as laid out in the Agenda.

The Working Group

RECOMMEND TO FULL COUNCIL – That

the Terms of Reference for the Housing & Customer Services Working Group be approved.

8. EMPTY HOMES ASSISTANCE PROGRAMME UPDATE

The Principal Environmental Health Officer updated Members on the Council’s Empty Homes Assistance Programme and the current work that is being undertaken by the Council.

Members were reminded that on 3 July 2014 the Housing and Customer Services Working Group recommended to Cabinet the approval of the Empty Homes Assistance Programme (EPAP) which would provide grants and loans and also assist with enforcement work to bring empty properties back into use. The Council entered into a service level agreement with Adur and Worthing Council for the provision of 2 days of empty homes work for a 2 year period. This had been extended for a further two years to March 2018.

It was noted that this agreement ensured the continuation of the empty homes work and, by working in partnership with Adur and Worthing councils, good practice could be shared. It was pointed out that this work was with privately owned homes and the Empty Homes Officer was part of the Private Sector Housing and Public Health Team within the Housing Department.

It was explained that empty homes represented a wasted resource and in the long term could have a negative impact on local communities by:

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- attracting crime, vandalism and anti-social behaviour
- becoming a public health hazard
- potentially reducing the value of adjacent properties
- become costly with possible police action and the Council's Private Sector Housing & Public Health Team as well as loss of Council Tax Revenue.

It was noted that, as of April 2016 there were 494 Empty Homes in the Arun District based on Council Tax records. Members were informed that the Council was taking a proactive approach and had adopted an Empty Homes Strategy (2012-2017) which detailed the aims when tackling long term empty residential properties. Since 2010 176 empty properties had been brought back into use.

Members were informed that the New Homes Bonus, a grant paid by Central Government for increasing the number of homes, was currently out for consultation and there was a proposal that the funding would be paid for 4 years rather than 6.

Following a number of questions that were responded to at the meeting, the Chairman thanked the Principal Environmental Health Officer for her informative update. He welcomed the work that was being undertaken to restore empty homes which assisted those with housing need whilst enhancing the local community.

9. CUSTOMER SERVICES SHARED SERVICES PROJECT

The Head of HR and Customer Services presented Members with an update on Customer Services Shared Service and circulated a briefing paper tabled at the meeting.

It was suggested that Members read the Shared Services Paper which would be going to Cabinet on 11 July 2016 as this gave an overview of all the shared services projects.

It was explained that the current financial environment for Local Authorities was extremely challenging and would only become more so. The three Councils looking at potential Shared Services, Arun, Chichester and Horsham, had a predicted budget deficit. It was noted that shared services had the potential to deliver more resilient customer services with reduced costs and with improvement in processes over time. The Head of HR and Customer Services pointed out that a critical element to be understood and taken into account in any final decision by the Council was the Customer Services link with most other services within the Councils and that Customer Services would never be able to work in isolation.

Members were informed that, in March 2016, Arun, Chichester and Horsham District Councils agreed that there was merit in exploring the potential to share ICT, Customer Services, HR, Legal, Internal Audit, Transactional Finance and Revenues and Benefits. It was agreed by Cabinet

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on 8 February 2016, that each of these areas would review the option of a shared service and to what extent this might be practical, desirable and deliver savings and efficiencies.

It was noted that although the original parameters for the Project included all of Customer Services for all three Councils, Horsham notified the other partners at a meeting on 15 June 2016 that it did not wish to continue with shared Customer Services at this stage, although it would still be involved in other work streams (Audit, Legal and HR).

It was anticipated that there would be savings across the councils due to economies of scale. Both councils were keen to retain good levels of Customer Service and although increased customer self-service would be a feature, face to face contact would be retained.

Members were informed that the next stage of the project must be completed by December 2016. Agreement to go forward depended on Cabinet on 11 July 2016 and Full Council on 20 July where shared services would be addressed as part of the wider picture on the ‘Vision 20:20’.

Following a number of questions responded to at the meeting the Chairman thanked the Head of HR and Customer Services for her informative update.

10. WORK PROGRAMME 2016/17

In discussing the work programme 2016/17, items were added and allocated dates as follows:

- Update from stonepillow – September 15 2016
- Draft rent arrears policy – scheduled for September 15 2016
- New Housing & Planning Act – date to be confirmed

The work programme 2016/17 was then noted.

(The meeting concluded at 7.10 pm)

AGENDA ITEM NO. 5ARUN DISTRICT COUNCILHOUSING & CUSTOMER SERVICES GROUP – 23/08/2016

Introductory Tenancy Policy

Subject : Introductory Tenancy Policy

Report by : Karen Collins

Report date: 17.08.2016

EXECUTIVE SUMMARY

There is currently no policy for implementing and managing Introductory Tenancies, which are, in the main, granted to “new tenants/tenants moving from Arun temporary non secure tenancy agreements”.

The purpose of this new policy is to set out a framework which ensures consistency, a systematic approach and professional, clear and firm guidelines which allow staff to deal sensitively with individual circumstances.

RECOMMENDATIONS

The Housing & Customer Services Group is asked to recommend adoption of the Introductory Tenancy Policy to Full Council.

1.0 INTRODUCTION

The Introductory Tenancy Policy is intended to guide the actions of all individuals involved in the Introductory Tenancy process and aims to provide common understanding and agreement.

The policy covers the Conditions of the Introductory Tenancy, Officers Responsibilities, Managing Introductory Tenancies, Extending Introductory Tenancies, Possession, Notice of Proceedings for Possession, Reviews and Court Proceedings and considers Tenancy Fraud, Equalities Impact Assessment, Equal opportunities, Complaints and Exceptional Circumstances.

The draft policy has been reviewed by

- Judy Knapp – Housing Services Manager
- Sam Thompson – Senior Neighbourhood Management Officer

- Irene Trice – Senior Allocations Officer
- Tim Nightingale – Money Advisor
- Karen McGreal – Business Improvement & Policy Manager
- Helen Atkinson – Litigation Solicitor for Housing Services.

The duty to advance equality has been complied with before and at the time of drafting this policy in accordance with the ADC Equality Policy.

Background Papers:

N/A

Contact:

Karen Collins Rent Arrears Team Leader x 37732

INTRODUCTORY TENANCY POLICY

Policy Date – 17/08/2016

To be approved by H&CSWG

Review date – April 2018; or following any change in legislation, codes of practice or case law

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Responsibility

Arun's Constitution Part 4 (pages 137-138) gives the Head of Housing powers over the operational delivery of the Introductory Tenancy policy and the associated procedures but also provides for joint powers with other Directors/Heads of Service i.e. Legal and Finance. The Head of Housing has the responsibility for ensuring that the policy complies with Regulatory and Legislative requirements and in meeting the Council's Business Plan and budget.

Legal Framework

Arun District Council will ensure that the Introductory Tenancy policy meets legislative and good practice requirements contained within the following Acts and Codes of Practice:

- a) Housing Act 1985
- b) Housing Act 1988
- c) Housing Act 1996
- d) Human Rights Act 1998
- e) Local Government Act 2000
- f) Guide to social rent reforms (2001)
- g) Pre-action protocol for possession claims by social landlords (2015)
- h) Equality Act 2010
- i) Data Protection Act 1998
- j) Protection from Eviction Act 1977
- k) Homelessness Code of Guidance for Local Authorities (2006)
- l) Anti-Social Behaviour, Crime and Policing Act 2014
- m) Introductory Tenancy (Review) Regulations 1997/72
- n) Introductory tenancy (Review of Decisions to Extend a Final Period) (England) Regulations 2006/10077

Related Policies

This policy should be read in conjunction with the following Arun policies, procedures and regulations:

- Equality and Diversity Policy
- Financial Regulations
- Allocations Policy
- Homeless Policy
- Corporate Debt Policy
- Rent Arrears Policy
- Housing ASB Policy
- Reviews & Appeals Policy

Section 1: What is an Introductory Tenancy?

- 1.1 Introductory tenancies are a form of probationary tenancy introduced by the Housing Act 1996. Introductory tenancies provide a reduced form of security of tenure which provides Arun the opportunity to gauge whether or not tenants are able to maintain their tenancy obligations. This is also an opportunity for the tenant to demonstrate that they can be a responsible tenant during the period of the tenancy. The legislation empowering Local Authorities to use Introductory Tenancies is contained within Part V of the Housing Act 1996 s124 to s143. During the probationary period (a year that can be extended to 18 months) a landlord can recover possession by serving a notice of possession proceedings and bringing a claim for possession. Provided the statutory procedure has been followed the court must make an order for possession, except where the tenant's eviction would be a disproportionate interference with Article 8 of the European Convention on Human Rights or unreasonable within the meaning of administrative law.
- 1.2 Introductory tenancies are a mechanism whereby local Councils can monitor the first year of a tenancy and, if it is not satisfactory owing to breaches of tenancy, seek possession through a more simplified legal route. Under the Introductory Tenancy rules, if possession is sought, Officers will need to evidence that they have followed correct procedure which will have been recorded in the Housing System; having done so the Court has no choice but to grant a Possession Order. This makes it much easier for a Council to deal with new tenants who are not prepared to abide by their Conditions of Tenancy.
- 1.3 Additionally under Section 125A of the Housing Act 1996, the period of an Introductory Tenancy may be extended for a further period of six months. This allows the tenant further opportunity to modify their behaviour and remedy any specific breach of tenancy condition.

To comply with Section 136 of the Housing Act 1996, the council will from time to time publish information about its introductory tenancies, in such form as it considers best suited to explain in simple terms the tenancy and the relevant legislation. It will ensure that as far as reasonably possible this information shall be kept up to date.

- 1.4 **Wherever possible tenancy sustainment will always be the main objective.**
- 1.5 It is the responsibility of Officers to have due regard and consideration to the Equality Act 2010 and identify any unmet support needs. Arun will work with support agencies to help tenants sustain their tenancies and reduce the risk of tenants losing their home. Officers will record referrals made and if a tenant declines the opportunity for a referral to be made on their behalf.

1.6 Although introductory tenancies are specifically designed to make possession proceedings against tenants perpetrating anti-social behaviour easier, it is clear that the majority of possession actions involving introductory tenancies tend to be in respect of rent arrears rather than anti-social behaviour. Suspended Orders are not available against introductory tenants; the order granted is mandatory and will usually be for possession in 14 days.

1.7 **Eviction will only be pursued as a very last resort.**

Section 2: Who will be given an Introductory Tenancy?

2.1 All new tenants to Arun will be issued introductory tenancies. Exceptions to this are where the tenant, or in the case of joint tenants at least one of them, is one of the following:

- An existing secure Arun tenant transferring or exchanging to another Arun tenancy
- An existing secure tenant of another local authority moving to an Arun tenancy
- An existing secure tenant(s) where there is a change of tenancy from joint to sole or sole to joint
- Someone succeeding to a previously secure tenancy, or
- An assured tenant of another social landlord (i.e. housing association or registered housing provider) transferring or exchanging to an Arun tenancy.
- Following enactment of the Housing & Planning Act 2016, it is anticipated that changes to the above guidelines will be necessary.

2.2 **Provision for applicants under the age of 18.**

Arun permits applicants under the age of 18 to succeed to a tenancy on the condition that they will be living in the Council property with a relative over the age of 18 and will be entitled to a joint tenancy between siblings when the youngest one becomes 18. However this provision is outside the scope of the Introductory Tenancy Policy.

Section 3: Conditions of the Introductory Tenancy

3.1 Introductory tenants will not have the same rights as a secure tenant until the first 12 months or any extension period has been successfully completed.

3.2 Introductory tenants **do not** have the following rights:

- Exchange
- Buy their property
- Make alterations and improvements

- Take in lodgers
- Sub-let their home.

However, we may choose to allow introductory tenants some of these rights by discretion but there is no legal requirement to do so.

- 3.3 There is a right to succession on the tenant's death during the period of an introductory tenancy.
- 3.4 An introductory tenancy can be assigned by a court order or by assignment to a person who would have been entitled to succeed.
- 3.5 The tenancy agreement specifies that grounds for termination, if proven, may include the following:
- Violence (including domestic violence), abuse, harassment or hate related incidents
 - Threatening behaviour
 - Illegal use or possession of drugs at the premises
 - Noise nuisance
 - Vehicle nuisance
 - Dumping of rubbish and fly tipping
 - Unkempt gardens
 - Vandalism and damage to property
 - Pet and animal nuisance
 - Prostitution
 - Rent Arrears
 - Refusing access to the property as part of the introductory tenancy review process

Section 4: Sign-up

- 4.1 It is very important that the new tenant is aware of the implications of having an Introductory Tenancy. The Tenant, therefore, is provided with a pack of standard information, including a copy of the Tenancy Agreement, which clearly and simply lays out the responsibilities and obligations of both Landlord and Tenant and the consequences of failing to fulfil these duties.

4.2 Flexible or secure tenancies

At the sign up, the introductory tenant must be informed which type of tenancy they will convert to at the end of the probation period. The following groups will be offered **secure tenancies** on the successful completion of the probation period:

- Older people of State Retirement Age, at the commencement of the tenancy, (following completion of the introductory tenancy). Where the tenancy is in joint names, a secure tenancy will only be given where both tenants are of State Retirement age.
- Those with a long term disability requiring a specially adapted property whose disability predates the start of the tenancy.

Everyone else will usually be offered 5 or 10-year flexible tenancies.

4.3 Tenancy Agreement

All new tenants will sign a tenancy agreement that contains: the address, the property size, the rent and services charges, and the type of tenancy that it will convert to at the expiry of the introductory period. This agreement will be accompanied by the Tenant Handbook.

There is no requirement to sign a new tenancy agreement when the introductory tenancy converts to a secure or flexible tenancy. No new tenancy will be issued. Tenant(s) will receive a letter confirming their tenancy as secure or flexible following the satisfactory expiry of the introductory period.

Section 5: Officers' Responsibilities

There will be a number of Officers involved in the Introductory Tenancy procedure and they are listed together with their main duties below:

5.1 Visiting Officers

Responsible for signing up the introductory tenancy on the day the keys are given to the tenant. The Visiting Officer will alert the Neighbourhood Housing Officer and or Arrears Recovery Officer of any potential difficulties or issues arising which may require early intervention.

5.2 Neighbourhood Housing Officers

Responsible for undertaking and recording details of "new tenant" visits within 4-6 weeks of the tenancy commencing and again at the 9 months stage. Additional visits may be necessary where there are issues with the tenancy, such as anti-social behaviour or other breach of the tenancy obligations. Neighbourhood Officers will make and record referrals to relevant agencies where issues of vulnerability and un-met support needs are identified. The Neighbourhood Housing Officers may be required to represent Arun as witnesses in cases brought before the Review Panel and at the County Court where necessary.

5.3 **Arrears Recovery Officers**

Responsible for collecting outstanding rent arrears, in accordance with the current rent arrears policy.

5.4 **Rent Arrears Team Leader**

Responsible for requesting collecting outstanding rent arrears, in accordance with the current rent arrears policy; for requesting permission to extend an Introductory Tenancy or requesting permission to serve a Notice of Possession Proceedings. The Rent Arrears Team Leader is also responsible for presenting cases before the Reviewing Panel and at the County Court where necessary.

5.5 **Senior Neighbourhood Management Officer**

Responsible for ensuring compliance with all other Introductory Tenancy obligations; for requesting permission to extend an Introductory Tenancy or requesting permission to serve a Notice of Possession Proceedings. **Senior** Neighbourhood Management Officer is also responsible for presenting cases before the Reviewing Panel and at the County Court where necessary.

5.6 **Head of Housing Services**

Responsible for authorising, extensions to Introductory Tenancies and possession proceedings relating to Introductory Tenancies.

Section 6: Managing Introductory Tenancies

- 6.1 The introductory tenancy will be monitored during the introductory period so that any problems can be addressed as soon as they arise. Introductory tenants will be visited between 4 to 6 weeks following the commencement of their new tenancy, and then contact or a visit will be made at or before 9 months. Additional visits may be scheduled to discuss and monitor any specific problems that have arisen in line with current procedures regarding tenancy issues and rent arrears actions.
- 6.2 In order that introductory tenants are not discriminated against, evidence-based procedures for dealing with nuisance and anti-social behaviour will be the same as for secure tenancies, with the exception of the legal process to end the tenancy. Rent arrears actions will be undertaken in accordance with the Rent Arrears Policy.
- 6.3 The majority of introductory tenancies will proceed to a secure or flexible tenancy without incident. However, where there are issues it is important to continuously review the tenancy during the 12-month introductory period and either allow the tenancy to automatically convert to a secure or flexible tenancy, or follow procedures to extend or terminate the tenancy. We aim to assist all introductory tenants to sustain their tenancies through visits, early interventions and clear communication of remedies for tenancy breaches.

6.4 Particular care will be taken in the case of vulnerable tenants to ensure that referrals to appropriate support agencies are provided. However, where persistent breaches have been proven and behaviour has not been improved to an acceptable standard in line with the procedure to deal with anti-social behaviour (ASB) and rent arrears we will take the appropriate steps to extend or end the tenancy.

6.5 Introductory tenants will generally have the status of their tenancy converted to a secure or flexible tenancy at the end of the introductory period if:

- There have been no complaints of nuisance or ASB against them.
- Any nuisance or ASB has been remedied or reduced to a level acceptable to us.
- There are no rent arrears or there are rent arrears that do not warrant legal action.
- Other breaches of the tenancy have been remedied.

6.6 Contact at 9 Months Stage

At or before 9 months, contact will be made with the tenant to check that the tenancy has been conducted in a satisfactory manner, if there are no issues, the tenant will be advised that their tenancy will automatically become a secure or flexible tenancy on the anniversary of the start date of introductory tenancy. This will be confirmed in writing; however, the tenant does not need to sign a new agreement. If there have been any issues that have come to light at the 9 month period, then a decision will be made regarding any future action that may be deemed necessary.

- (i) The recommendations will be:
- To offer a secure/flexible tenancy
 - To serve a notice to extend the tenancy and
 - To serve a notice to end the tenancy
- (ii) If the review visit concludes there has been no breach of the introductory tenancy such as complaints of nuisance or ASB, or that any nuisance or anti-social behaviour has been reduced to an acceptable level, and there are no outstanding rent arrears, the tenancy will automatically convert to a secure or flexible tenancy at the 12 months anniversary. The Neighbourhood Housing Administration Officer will send the **12-month conversion letter** to the tenant to advise them of their change in tenancy status and confirm flexible, fixed term or secure. ***A new tenancy agreement is not issued.***

Section 7: Extending the Tenancy

- 7.1 At the 9 month review visit, where there are cases of outstanding rent arrears and/or anti-social behaviour, or other breaches of the tenancy agreement, the Arrears Recovery Officer and/or Neighbourhood Housing Officer will request an extension to the introductory period. The request will then be considered by the Senior Neighbourhood Management Officer and/or Rent Arrears Team Leader; depending on nature of the breach if upheld the appropriate officer will prepare the case for submission to the Head of Housing Services for permission to extend the tenancy. The Notice of the Decision to Extend the Introductory Tenancy for a further 6 months will be sent to the tenant(s) by either the Senior Neighbourhood Management Officer or Rent Arrears Team Leader.
- 7.2 The introductory tenancy can be extended for up to a maximum of six months. The evidence compiled to support this decision must be comprehensive and an evidence report, detailing dates of events, will be recorded. **A Notice of the Decision to Extend an Introductory Tenancy (NDE)** must be served by hand or by first-class post. This must be served at least 8 weeks before the tenancy is due to end otherwise it will automatically convert to a secure or flexible tenancy. If this deadline is missed Arun will not be able to extend the introductory period.
- 7.3 The **NDE** will clearly explain why Arun has chosen to extend the introductory tenancy and how long the extended period will last and will offer the right to a review.
- 7.4 A decision must be made within the extended period, whether to terminate the tenancy or allow it to become a secure or flexible tenancy.

Section 8: Possession

- 8.1 We will give reasons why it has been decided to terminate the introductory tenancy and provide evidence to prove not only a breach of tenancy, but also that it is a proportionate means of achieving a legitimate aim. This will take into account factors such as whether the tenant has had reasonable time and opportunity to address the complaint or allegation. Only in serious or persistent cases of ASB would we dispense with warnings and a review period. We will only take possession action where we feel it is a proportionate means of achieving a legitimate aim.
- 8.2 Although a Court Order is still required to bring an introductory tenancy to an end, unlike a secure tenancy where Possession is at the Court's discretion, the Court must grant Possession of an introductory tenancy when sought by

the Council, provided the Council has complied with all of the introductory tenancy procedural requirements.

- 8.3 While the Court has no discretion in granting a Possession Order, Officers must ensure their investigations are as robust as they would be if taking action against a secure tenancy. In all cases relevant procedures must have been followed and a full and accurate record kept. Revenues and Benefits Officers will need to be particularly careful to ensure that any Housing Benefit issues have been appropriately considered. This is important as tenants can seek to challenge an application for possession under the provisions of The Human Rights Act 1998 and/or the Equality Act 2010.

8.4 Rent Arrears

- 8.5 In cases of rent arrears, the Rent Arrears Team Leader will liaise with the Neighbourhood Housing Officer/ Senior Neighbourhood Management Officer making sure that every effort is made to make contact with the tenant and provide appropriate support where necessary. The Rent Arrears Team Leader will ensure that any Benefit issues, including Housing Benefit or Universal Credit, have been explored.

- 8.6 If all attempts prove unsuccessful a **Notice of Proceedings for Possession-NOPP** will be served (see Section 9, page 12 below).

- 8.7 Should a tenant make an arrangement with the Council to pay off the arrears following a **NOPP** being served, proceedings for possession may be suspended. If this arrangement is breached within the introductory period application can be made direct to Court for possession any time after the 8 week period has expired.

- 8.8 Should a tenant subsequently clear their rent arrears before the expiry of the **NOPP**, they will have satisfied the terms of the **NOPP** and no further action will be taken unless there are other breaches of the introductory tenancy. Should arrears accrue again; another **NOPP** will be served.

- 8.9 Where the tenant has made no effort to contact the Council or pay off the arrears, following expiry of the **NOPP** the Rent Arrears Team Leader will apply direct to the Court for possession of the property.

8.8 Anti-Social Behaviour (ASB)

- 8.9 The Neighbourhood Housing Officers/ABS Caseworker will follow the guidelines in the ASB policy when dealing with ASB. Only in serious or persistent cases of ASB will warnings be dispensed with. The Senior Neighbourhood Management Officer/ASB Caseworker will make and record this decision.

- 8.10 The decision to apply to Court for possession, in cases relating to anti-social behaviour, will be made by the Housing Services Manager or Senior

Neighbourhood Management Officer Reviewing Officer, regardless of whether the tenant has requested a review to be heard.

8.11 ASB Complaints against Vulnerable People

Arun recognises that tenants can become vulnerable during a tenancy for a number of reasons such as illness, bereavement, disability or financial difficulties. Where a complaint is received about a vulnerable introductory tenant, the Neighbourhood Housing Officer will, with the tenant's consent, contact the tenant's social worker, support worker, any known provider of support and or family at the earliest possible opportunity.

The officer investigating the complaint against a vulnerable person needs to consider the potential for complaints against introductory tenants whose behaviour is different from that considered to be the norm. The complaint will be handled in a sensitive manner.

If a tenant is considered vulnerable, then the Neighbourhood Housing Officers and/or the Arrears Recovery Officers will take extra care to ensure that seeking possession is a proportionate means of achieving a legitimate aim. The officer will consider whether the resident needs any extra help or support to resolve the situation. This may include, but is not limited to:

- Alternative methods of communication such as Braille or explaining the situation on the phone as well as by letter
- Contacting any support workers
- Offering advice or signposting to advice agencies/resources; Arun's in-house Money Advisor, the local Citizens Advice Bureau, Step Change, Christians in Poverty, Money Advice Service, etc.
- Allowing extra time for support to be provided.

Regardless of tenure type, consideration will be given as to whether the Equality Act 2010 applies. Advice from Legal Services will be sought where necessary.

Section 9: Notice of Proceedings for Possession

- 9.1 Where a decision has been made to end the tenancy a **Notice of Proceedings for Possession-NOPP** will be served, giving the tenant 28 days' notice of Arun's intention to terminate the tenancy (Housing Act 1996, s. 127(2)). The **NOPP** may be hand delivered or sent by first class post. A **Certificate of Service must be completed**. The **NOPP** will advise the tenant(s) of the reasons for the decision to seek possession so that the tenant is able to challenge this if they wish.

- 9.2 The **NOPP** must state that the tenant has the right to request a review of the decision to take Proceedings for Possession and must give the time limit of 14 days (see Section 10 below).
- 9.3 While the notice must state the reason for seeking possession, the Housing Act 1996 does not indicate what these reasons might encompass. It is envisaged that the majority of possession cases will relate to persistent anti-social behaviour or rent arrears. As good practice, Officers will include a full statement of the reasons for seeking possession, which will include a case history of the sequence of events. The reasons will contain as much information as possible to enable the tenant to prepare their case should they take up their right to a review. A copy of this document will be uploaded to the Council's document management system.
- 9.4 The **NOPP** needs to be served at least 8 weeks before the end of the introductory period, allowing time to file a case for court action before the end date of the tenancy. A **NOPP** can be served after 8 weeks, but the tenancy will convert to a secure/flexible tenancy at the expiry of the introductory tenancy because legal proceedings will be deemed not to have begun because the case has not been filed for court action. If the breach continues when the tenancy becomes secure or flexible a **notice seeking possession (NOSP)** will need to be served.
- 9.5 It may be the case that the Council commences Possession Proceedings prior to the end of the introductory period, but that the Court does not decide them within the introductory period. In this case, the tenancy does not automatically become secure at the end of the introductory period; instead, by Section 130(1) and (2) of HA 1996, the introductory nature of the tenancy continues until the Court orders Possession
- 9.6 Where no review is requested and the decision to seek possession is approved by the Head of Housing Services, the tenant will be notified of the date after which Arun will apply to court for possession, or where applicable, extend the probationary period.

Section 10: Reviews

10.1 Request a Review

Introductory tenants wishing to appeal the decision to extend or terminate their tenancy can request a review of the decision to serve a **NOPP** or a **NDE** or both concurrently. Information on appeals will be provided to tenants at the beginning of their tenancy and at the point where action to extend or terminate is initiated.

- 10.2 Tenants have 14 days in which to appeal and provide the reasons and supporting documentation following service of the **NOPP** or the **NDE**. The

review must be heard before expiry of the 28 day **NOPP or NDE**. Tenants are advised to use the **Request for a Review Form**, which is sent out with the **NOPP** or the **NDE**.

- 10.3 There are two types of review –
Oral Hearing – where the tenant wishes to attend a Review of the case to be heard.

Review without a Hearing – Where the tenant wishes the case to be reviewed, providing further evidence/information in writing for the Reviewing Officer to consider.

- 10.4 When requesting a Review, the tenant must indicate if they wish to attend an oral hearing. If this is not specifically requested then a review without a hearing will be held.

10.5 Who will conduct the Review?

The Introductory Tenants (Review) Regulations 1997 (Statutory Instrument 1997 No. 72) sets out the process for review and provides that:

- a) The review must be carried out by someone who was not involved in the decision to apply for possession.
- b) While there is no limitation set on who that person can be, he or she must be senior to the original decision-maker.

Arun fulfils these regulations by ensuring that all review hearings are carried out by a Member Panel; supported by Legal Services.

10.6 Preparation for a Review

The Introductory Tenancy Review Regulations 1997 state that:

- The review will not be by way of oral hearing unless the tenant confirms that he or she wishes to have such a hearing within the 14-day time limit.
- If there is not to be an oral hearing the tenant may make representations in writing. Arun is obliged to consider such representations and to inform the tenant of the date by which the representations are to be received (this cannot be earlier than five clear days of the receipt of this information by the tenant).

The **NDE** and the **NOPP** advises the tenant of their right to seek a review and that the review can be by way of an oral hearing.

10.7 Conducting the Review

The review will be conducted by way of a complete reconsideration of the decision to initiate possession proceedings and will examine whether the Case Officer has followed proper procedure, and if procedure and policy has not been followed, the Review Panel will need to determine whether this has caused any detriment to the tenant.

The Review will consider:

- If the decision to initiate possession proceedings was appropriate. (confirmation of this decision is required in order to give the court jurisdiction to make a possession order)
- If the **NOPP** or **NDE** was served correctly.
- The evidence produced, including all evidence provided by the tenant, representations by the tenant, written notes from telephone conversations, all correspondence and the complete set of tenancy file notes relating to the case.

The outcome of the review may be to:

- a) Uphold the decision to seek possession.
- b) Uphold the decision to extend the trial period by a further 6 months.
- c) Overturn the decision to seek possession or extend the trial period.
- d) Uphold the decision to seek possession but agree to suspend on terms such as in arrears cases where the tenant agrees to pay the rent plus a weekly amount to reduce the arrears. If this action is agreed, it must be made clear to the tenant that the decision to seek possession has been upheld and that the suspended arrangement is merely concessionary.
- e) Uphold the decision to extend the trial period for a further 6 months and enter in to a suspended arrangement as at d) above.

The Review may take into account events occurring up until the date of the review and can consider reasons not given in the notice, provided that any prejudice to the tenant is avoided by giving him or her opportunity to address any new allegations.

If a suspended payment arrangement is agreed, but the suspended agreement is not maintained by the tenant, Arun is not obliged to serve a second notice and offer a further review and may proceed straight to a Court Hearing.

If the Review Decision is not to initiate possession proceedings, but to monitor the tenancy, then a new notice will have to be issued, and further review offered before the case can proceed to Court.

10.8 Reviews by Oral Hearings

Oral hearings will only be conducted if specifically requested by the tenant.

The tenant will be given written notice of the date, time and place of the oral hearing, which will not be less than five days after receipt of the request for an oral hearing.

The Introductory Tenancy Review Regulations 1997 state that:

- The tenant has the right to be accompanied to the hearing and/or be represented by another person (who need not be professionally qualified); and
- The tenant or representative may call witnesses, question any witness and make written representations.

There is no **right** to 'call' witnesses (i.e. witnesses cannot be forced to attend).

An ASB case will be presented by the Senior Neighbourhood Management Officer or ASB Officer. The name(s) of the person(s) making the complaints will not be divulged. It must be remembered, however, that the conduct of the review must satisfy the requirements of administrative law and be fair, so that a tenant must be given the opportunity to answer the allegations against him or her.

The tenant and his or her representative must have a proper opportunity to prepare for the hearing. This means that documents that the landlord intends to rely on should be disclosed in advance of any hearing.

10.9 Absences and Adjournments

The Introductory Tenancy Review Regulations 1997 state that:

- If the tenant or their representative fails to appear (notice having been given), the panel conducting the review may proceed (having regard to all the circumstances including any explanation offered for the absence) to give directions regarding the conduct of the review as they think fit.
- The tenant may ask for Arun to postpone the hearing and Arun may grant or refuse the application.

- The panel hearing the review has wide powers to adjourn the review at any stage. However, if the matter is adjourned part heard, a complete rehearing of the case is required.
- Postponed or adjourned hearings must be completed within the notice period.

10.10 Notification of Outcome of Review

Notification of the outcome of the review must be given to the tenant before the date after which court proceedings for possession may be begun; as set out in the Notice of Proceedings for Possession.

If the original decision to proceed with possession or extend the introductory period for a further 6 months is upheld, the Council must explain the reasons for doing so.

Notification of decisions will be in writing; letters of notification will be sent by first class post.

If the review is successful then a secure or flexible tenancy will take effect at the end of the introductory period.

Section 11 Court Proceedings

11.1 If the review is not upheld, or no review is made, an application for possession of the property will be made on the expiry of the **NOPP**. This is deemed as being the start of legal proceedings to end the tenancy. No grounds for possession will need to be proved, as the end of an introductory tenancy is a mandatory ground in itself. Where the tenant does not abide by the court order for possession, an application will be made to the court for a warrant of possession to evict the tenant.

11.2 The tenancy ends when the possession order is executed i.e. at Eviction in accordance with s.127 (1A) of the Housing Act 1996. The Court is able to postpone possession for up to 14 days or, in cases of exceptional hardship, six weeks. Once the Bailiff has been instructed there is usually nothing a court can do to stop or delay eviction action. The court has no power to suspend or delay a bailiff's warrant. Only the council can decide to stop the eviction.

11.3 Challenges to Eviction Decisions

Although there is no statutory defence against any action brought provided the correct procedural steps have been taken, this is not to say that there can be no Legal challenge to the decision to evict. The decision to evict can be challenged on administrative (i.e. public) law principles. If the landlord

has not acted in good faith, or has not acted fairly, or has taken irrelevant considerations into account, it could be challenged. The burden lies on the tenant however to show that there has been a public law failure in this respect.

Normally where a public law challenge is mounted to a decision of a Local Authority, proceedings have to be taken by way of judicial review in the Administrative Court. Thus there is a maximum three-month time limit, and permission to proceed has to be sought.

Section 12 Tenancy Fraud

- The council takes fraud in relation to tenancies very seriously and will take action to recover properties where the tenant has obtained the tenancy by deception.
- Housing fraud is the largest fraud-related loss for councils.
- Arun has a Housing Fraud Investigator who works with housing officers, other council departments and agencies such as the police and by participation in the National Fraud Initiative DATA Matching, in order to tackle housing fraud.
- Routine visits to tenants and checks on identity, together with unannounced visits are some of the ways we will seek to ensure that tenancies are held by those legitimately entitled to do so. We will carry out investigations where we receive legitimate information or have grounds to believe that a tenancy has been obtained or sustained by deception
- The council has powers under the Housing Act 1985 to prosecute tenants who have obtained their tenancies by deception. This can also apply to partners, family members and those providing information at the behest of the tenant. This could result in the council seeking possession of the property and the tenant being evicted.
- The Housing Act 1996 gives the council the power to prosecute tenants where the application for the tenancy was made under the allocations scheme or homelessness provisions.

Section 13 Data Protection, confidentiality and information sharing.

The council will ensure it complies with the requirements of the Data protection Act 1998 and its own data Protection Policies when managing information it holds about its tenants.

Section 14 The Equality Act 2010 and The Human Rights Act 1988.

Equality Act.

The Equality Act 2010 identifies those characteristics in respect of which it is unlawful to discriminate (protected characteristics). Examples of these are; age, disability, race, sex, religion or belief, sexual orientation.

The Act protects a person from discrimination if they are associated with someone who has a protected characteristic e.g. a family member.

Disability

The Council must have regard to those who have a disability. This is called the Public Sector Equality Duty. In relation to disability, the duty may mean treating disabled people more favourably than other tenants, having due regard to the need to remove or minimise disadvantage suffered by protected groups, taking steps to meet their needs, where different, and encouraging participation in public life where participation is disproportionately low. E.g. tenant representative groups. The Courts have held that the disability equality duty applies to decisions about individuals, including decisions about evictions.

Human Rights

The Convention Rights have a particular role to play in the context of social housing. The rights protected under the Human Rights Act 1998 are incorporated into the law of England and Wales. The Council is required to treat people in accordance with the Convention Rights unless required by Act of Westminster to do something that is incompatible with the Convention Rights. Interference with a person's human rights must be proportionate to those rights, this means balancing the rights of the individual with the duties and responsibilities of the Council as a landlord. The Council is responsible for showing that the actions it takes are necessary and therefore proportionate. Thus, the principles are directly relevant to the day to day decision making of officers.

The Equality and Human Rights Commission states that there are rights contained in Articles 6, 8 and 14 that are most likely to be relevant to social housing.

Article 6 - Right to a fair trial

Article 8 - Right to respect for private life, family life and the home.

Article 14 - Prohibition of discrimination.

These rights do not necessarily prevent the Council from managing its housing stock and taking action to end tenancies, but the Council must act in accordance with the law and in a way that is in pursuit of a legitimate aim and both necessary and proportionate. This is a balancing exercise between the human rights of a particular tenant or occupier and the rights of others. The convention does not prohibit the Council from taking sensible and proportionate measures to encourage or enforce payment or other compliance.

Section 15 Protection of Staff

Dealing with tenants can result in confrontation, verbal abuse and threats of physical violence. The Council has duty to provide staff with a safe and healthy working environment and will therefore take appropriate steps to minimise risk to its staff.

The tenancy Agreement is a legal agreement between the tenant and the Council as landlord. And defines the rights and responsibilities of both parties. It prohibits the use of or threats of violence, harassment or intimidation against Council Staff or Agents by tenants, members of their household and visitors and if necessary the Council will take appropriate legal action against perpetrators. The Council will also:

Provide training for staff to help them deal with potentially confrontational situations;
 Undertake risk assessments and devise safe systems of work to manage any identified risks;
 Keep appropriate records of tenants whose behaviour may pose a threat to staff and administer a system for notifying staff;
 Provide appropriate support for staff following any incidents involving violence of aggression.

Section 16 Media Strategy

The Council will where appropriate publicise its work and promote positive case outcomes. When appropriate it will also liaise with other agencies in doing so. Normally this will be through the Council's Public Relations Department, but it may liaise with other public agency public relations departments to issue joint statement.

Section 17 Complaints

The Council is committed to providing the best possible service at all times with the available resources. Sometimes things do go wrong and we would always prefer to put things right straight away if at all possible. If a complaint cannot be resolved by speaking to the person involved or the section or department who handled the matter in the first place, we have a procedure for dealing with complaints from members of the public. This enables complaints to be dealt with in a fair and consistent manner. Details of this can be found on the council's website at www.arun.gov.uk , or you can telephone us on 01903 717709 and ask for a complain form, or they are available at Council offices.

Section 18 Training

The Council recognises that training for staff is essential to assist them in responding effectively to tenants. Training will be provided at regular intervals to ensure staff, have the necessary skills and knowledge to use the full range of tools available to them.

Section 19 Equalities Impact Assessment

- **To be undertaken in each case.**

Section 20 Equal Opportunities

- The council recognises that it operates in a community that is diverse. It is therefore committed to providing equal opportunities for all its tenants and those seeking to be housed by the council.

Section 21 Exceptional Circumstances

There may be limited circumstances where the Head of Housing or the Director Customer Services or other duly authorised officer, may exercise discretion in relation to a tenancy. This will only be in exceptional circumstances taking into account all the circumstances and in line with legislation, regulation, council policy and procedure and the council's constitution.

AGENDA ITEM NO.6ARUN DISTRICT COUNCILHOUSING & CUSTOMER SERVICES GROUP – 23/08/2016

Rent Arrears/Income Recovery Policy

Subject : Rent Arrears/Income Recovery Policy

Report by : Karen Collins

Report date: 17.08.2016

EXECUTIVE SUMMARY

Arun's Rent Arrears Policy of July 2009 has been reviewed and re-drafted as a result of :-

- Significant welfare changes since April 2011 and
- Amendments to the pre action protocol for possession claims by social landlords (rent arrears) which were effective from 6th April 2015.

RECOMMENDATIONS

The Housing & Customer Services Group is asked to recommend adoption of the Rent Arrears/income Recovery Policy to Full Council.

1.0 INTRODUCTION

The revised Rent Arrears/Income Recovery Policy is intended to guide the actions of all individuals involved in the service. The policy aims to provide common understanding and agreement of the rent arrears recovery process.

The policy will ensure good practice and help establish an on-going professional but more efficient and effective service; whereby rental income is maximised and rent arrears are minimised.

The policy has been re-drafted with due regard to the Welfare changes which have been implemented over the last 5 years:-

- The 10 year freeze on non-dependent deductions ended in 2011 and the effects reversed over the 3 years ended 2013.
- The introduction of the Under Occupancy Charge, impacting working families, in 2013.
- The introduction of the Benefit Cap for non-working households in 2013.
- The roll out of Universal Credit – Arun's Go Live date was 12th October 2015.

- The 1% reduction in social rents in 2016
- Further reduction in the Benefit Cap for non-working households in 2016.
- The continuation of the Right To Buy Policy
- The pending Pay To Stay Policy – autumn 2016

In line with the 2015 amended pre-action protocol guidelines, as laid down by the Civil Procedure Rule Committee, the policy aims to improve the rent arrears operation and ensure that pre-action costs for both Arun and the public purse are proportionate. Professional and firm handling of issues, consistency of policy and sensitivity to individual circumstances are the key elements of the proposed framework.

The draft policy has been reviewed by

- Iain Bell – Revenues Manager;
- Sam Thompson – Senior Neighbourhood Management Officer
- Tim Nightingale – Money Advisor
- Karen McGreal – Business Improvement & Policy Manager
- Delwyn Jones - Solicitor with regards the Constitution
- Helen Atkinson – Litigation Solicitor for Housing Services.

The duty to advance equality has been complied with before and at the time of drafting this policy in accordance with the ADC Equality Policy.

Background Papers: N/A

Contact: Karen Collins Rent Arrears Team Leader x 37732

RENT ARREARS/INCOME RECOVERY POLICY

Policy Date – 17/08/2016

To be approved by H&CSWG

Review date – April 2018; or following any change in legislation, codes of practice or case law

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Section 1 Introduction

This document outlines Arun District Council's (Arun) policy for managing current and former tenant rent arrears and replaces previous policies. The policy will assist the Council in meeting the Corporate Plan, Corporate Debt Policy, Local Housing Strategy, Neighbourhood Services Strategy and Homelessness Strategy with a particular focus in helping promote tenancy sustainability and preventing homelessness.

Arun recognises that maximising the collection of rent is of major importance as it directly affects the services that tenants can receive and resources available to invest in their homes. Rental income pays for the management of Arun's housing stock and its surrounding environment, and the maintenance and improvement of homes.

Whilst Arun must ensure that it maximises rental income, it must also recognise the needs of its tenants. Advice, assistance and support will be offered to tenants who have genuine difficulties in paying rent or other debts owed to the Council but swift and decisive action will be taken against those who refuse to engage and reach agreements on repayment.

1.1 The Aims of the policy

- a) The key policy aim is to maximise rental income and minimise the level of arrears by:
 - a. Early intervention to prevent arrears arising.
 - b. Helping tenants sustain their tenancies and prevent homelessness.
 - c. Ensuring effective management and control of rent arrears
 - d. Ending a tenancy and evicting as a last resort.
 - e. Ensuring that treatment of all Arun's tenants is accountable, fair, efficient, effective; and uniform throughout the processes.
- b) The Council is committed to maximising rental income and reducing arrears and aims to create a culture where tenants attach a very high level of importance to paying their rent. Council staff will support this payment culture ensuring tenants understand their rights and responsibilities.
- c) Arun aims to manage all aspects of the business so that tenants and other customers receive services that provide continually improving value for the rent and other charges they pay.

1.2 Policy Objectives

- a) Measures to prevent arrears are the core of the policy and will be taken at the earliest opportunity. These will start as part of the housing application process when all applicants will be offered financial assessment/income maximisation

checks. Applicants with a previous or current history of debt, or who may be vulnerable for other reasons, will be targeted for professional advice and assistance.

- b) At the tenancy offer and sign up stage, all new tenants will be clearly made aware of their obligations to pay rent. The importance of making regular payments and which methods of payment available will be discussed to ensure that those eligible for housing benefit complete and submit the claim form as a matter of priority.
- c) Follow-up contact will be made with all new tenants four to six weeks after the start of the new tenancy, by the Housing Officer, at which point, early problems with rent and Housing Benefit/Universal Credit, can be addressed or referred to the Rent Arrears Team for early intervention action. Where tenants are considered vulnerable, an earlier visit will be made (**refer Page 31 -32 - Guidance Notes concerning vulnerable customers**).
- d) All new tenants will be provided with information on the impact of Welfare Reform measures introduced in April 2013.

1.3 Responsibility

- a) The overall responsibility for the management, control and recovery of rent arrears rests with the Head of Housing. However, the day-to-day control of rent arrears, interviewing and corresponding with tenants, maintaining and initiating action under the Rent Arrears Recovery procedures sits with the Rent Arrears Team.
- b) The monitoring of performance, collation of statistical information, and evictions are carried out by the Rent Arrears Team Leader whilst Court Attendance may be carried out by either the Rent Arrears Team Leader or Arrears Recovery Officers.
- c) The Rent Arrears Team Leader will carry out regular reviews to monitor the rent arrears performance; to ensure that appropriate action is being taken by the Arrears Recovery Officers.

Section 2 Legal Framework

Arun District Council will ensure that the rent arrears policy meets legislative and good practice requirements, to maximise income collection and minimise rent arrears, including:-

- a) The Housing Act 1985
- b) The Housing Act 1988
- c) The Human Rights Act 1998
- d) The Housing Act 1989
- e) Local Government Act 2000
- f) Guide to social rent reforms (2001)
- g) Pre-action protocol for possession claims by social landlords. (2015)

- h) Equalities Act 2010
- i) Equality and human rights Commission Guidance. Human Rights at Home. Guidance for social housing providers. 2011
- j) Data Protection Act 1998
- k) Protection from Eviction Act 1977
- l) Homelessness Code of Guidance for Local Authorities.

Section 3 Tenancies

3.1 New Tenancies

When a new tenancy is agreed, either Non-Secure, Flexible 5 or 10 Years, Secure or Introductory, Arun will provide the following advice to a new tenant at the point of signing for tenancy, including:

- a) Where, and the means by which, the rent can be paid, i.e. at The Civic Centre Littlehampton or Bognor Regis Town Hall, by Bank/Building Society Direct Debit, by telephone using credit/debit cards, online using the internet payment system, or Allpay swipe card.
- b) The importance of prompt payments and Arun's rent policy in general.
- c) Joint and several liability for payment (in the case of joint tenancies).
- d) Guidance on making a Housing Benefit/Council Tax or Universal Credit Claim.

Tenants are required to sign a Data Protection Document to enable legal liaison between Housing Benefit, Council Tax and Housing Services, Social Services and Job Centre Plus/Income Support. Failure to do so will result in delays in processing important information and create unnecessary inefficiency.

3.2 Current Tenants

The Rent Arrears Team shall endeavour to secure repayment of debts, either in full or by means of repayment instalments in accordance with the Rent Arrears Recovery Procedures.

Section 4 Communication/access to information

4.1

Consideration must be given throughout the rent arrears process to a tenant's individual circumstances such as disability, age and family situation. This is to ensure that they fully understand that rent is due, how it is to be paid and the implications of non-payment.

4.2

The following forms of communication shall be used, as appropriate:

- a) Telephone contact by landline or mobile including text- which is an important means of personal communication, and will be used throughout the rent arrears process.
- b) Arrears letters, appropriate to the arrears escalation stages, together with personalised ad-hoc letters in appropriate circumstances will be sent in accordance with Rent Arrears Procedures. Such letters will be sent by 1st class post or hand delivered as necessary.
- c) Office interviews offer the opportunity to provide the tenant with comprehensive financial & budgeting advice and guidance on all aspects of rent payment and welfare benefit/universal credit applications.
- d) Home visits are carried out as an alternative and/or in addition to (a) (b) and (c); these visits are key to establishing a relationship with those customers who do not respond to correspondence and are deemed not to be engaged in the process. In addition Home visits will be offered to those customers who are not able to attend interview at Littlehampton Civic Centre or Bognor Regis Town Hall office due to illness, disability, or have been refused access to Council offices due to a previous occurrence of anti-social behaviour.
- e) Email is also an acceptable form of correspondence.

4.3

Arun will offer a range of payment methods to maximise the opportunities for tenants to pay rent and to suit individual needs and preferences. These methods include Direct Debit or Standing Order, Credit or Debit Card, online, with bar coded invoice, by telephone or Allpay swipe card.

Section 5 Vulnerable Tenants, Tenants with Mental Health Difficulties and Families at High Risk of Eviction.

Arun has a Working Arrangement with the West Sussex County Council “Multi-Disciplinary Services Hub” (MASH) which includes Childrens’, Adult and Mental Health Services. An ‘early referral’ system has been established to alert the relevant agencies to the possibility that a vulnerable tenant or tenant with mental health issues may be experiencing some difficulty, and to advise the appropriate key support agencies before the situation reaches crisis point. Tenants may already have a support worker, from an external support agency who will be contacted to prevent the possibility of a homeless situation. If the tenant requires support, Arun will make a referral to the appropriate agency as early in the arrears process as possible.

With regards families at high risk of Eviction Arun continues to pilot prevention hub work in conjunction with WSCC & Two Saints.

The purpose of the pilot scheme is to prevent cases reaching eviction stage, and thus a potential intentionally homeless decision, leading to colleagues having to work with the household to find alternative accommodation.

The prevention work is focused on:

- sustaining the tenancy;
- maintaining stability for the household;
- avoiding other social impacts that result from eviction and homelessness for households, particularly those with children;
- Arun is more likely to recoup the debt rather than incur unrecoverable former tenancy arrears;
- minimising the cost to the public purse.

Section 6 The Arrears Process

6.1

- i. Whilst the process outlined in this document follows a logical progression from the date of arrears arising through to eviction, **ARUN'S PRIMARY CONCERN IS TO RECOVER THE DEBT RATHER THAN TO REGAIN POSSESSION.**
- ii. Eviction shall be considered as a last resort if all other action has failed. In stating this, however, necessary effective action will be taken as early as possible, to ensure that controls are exercised at all times.
- iii. In taking Rent Arrears Recovery Action, the circumstances of each particular case will be taken into account, i.e. personal/ financial/ family situation/disability. The Rent Arrears Team must be seen to be both firm and reasonable. Agencies such as Social Services, Housing Benefit and Citizens Advice Bureau and Other Support Agencies to be involved as is appropriate.
- iv. Where an agreement to pay is broken, action will be taken as soon as possible.
- v. Following an eviction, action will continue to recover the former tenant debt, under the Former Tenancy Arrears Section of this document.

6.2

Failure to take prompt action contributes to the increase of a person's debt therefore Arrears Recovery Officers should assist the tenant and ensure prompt contact with the Jobcentre Plus (JCP) /Department of Works & Pensions (DWP), Housing Benefit Section and other Departments within Arun District Council as is necessary takes place. The tenant will be required to complete all the appropriate documentation and provide all necessary supporting information to enable prompt assessment.

6.3

The full range of recovery procedures, which incorporate the Pre-Action Protocol will be observed prior to Possession Proceedings being taken.

Section 7 Arrears Prevention

When offering accommodation the council will provide advice and information regarding the payment of rent, any related benefits and information on relevant support service and organisations.

The tenant will be provided with clear information on the methods by which rent can be paid.

Clear arrangements will be made for payment e.g. direct debit, Allpay swipe card.

All tenants will be advised that their rent account will be monitored to ensure payments are being made and to prevent rent arrears accruing. They will be advised of the level of arrears that will result in contact by the rent recovery team, Tenants will be offered a range of options to help them manage their finances and address rent arrears.

They will also be advised that ultimately if rent arrears continue to accrue then the council can seek to demote their tenancy which reduces their security of tenure, or to seek possession of the property through the courts.

Section 8 Monitoring of Rent Accounts in Arrears

8.1

Rent accounts will be monitored by the Arrears Recovery Officers on a weekly/fortnightly basis, and appropriate action taken. In the event that early arrears are identified and assistance is required, every effort will be made to liaise with other agencies, DWP, Revenues & Benefits Team, CAB etc. All details of actions, agreements and interviews will be recorded in the Housing computer system. Arrangements made during personal interviews will be followed up in writing.

8.2

Tenants whose rent account has arrears exceeding **£100.00** or two weeks' rent will be sent a letter. If this fails to result in the account being cleared and the arrears increase beyond **£100.00** or between three and four weeks rent, the Arrears Recovery Officer will contact the tenant, by phone to establish the reason for the rent arrears. During the phone call, the Arrears Recovery Officer will establish the reasons for non-payment; provide general benefits advice and endeavour to make an affordable repayment agreement with the tenant, in line with the pre-action protocol, to enable the Rent Arrears to be cleared by regular instalments. At the same time the Arrears Recovery Officer will confirm the number of occupants living at the property and their individual financial circumstances.

Rent account balances less than £100.00 in arrears will be progressed on a monthly basis by means of an automated batch letter process.

8.3

When discussing rent arrears, Arrears Recovery Officers will encourage tenants to claim Welfare Benefits/Universal Credit to which they may be entitled. Where a tenant is experiencing financial difficulties, an Arrears Recovery Officer will be able to give limited money advice, or for more detailed financial counselling will refer the tenant to Arun's in-house Money Advisor, the local Citizens Advice Bureau, StepChange, Christians in Poverty, Money Advice Service, etc. Tenants will be encouraged to pay their rent and/or rent arrears using one of the following payment options - direct debit, bank standing order, Allpay swipe card, online or via the telephone, however, a bar coded invoice will be made available to those tenants wishing to pay in cash.

8.4

As the rent accounts of tenants, who occupy both an Arun dwelling and garage, are kept separate, any action in respect of arrears will be taken separately.

Arun's Rent Arrears Policy applies equally to dwellings and garages; all tenants are treated fairly and each account monitored in an effective and efficient manner.

Section 9 Legal Action

9.1 Pre- Action Protocols and Alternate Dispute Resolution

These are contained in the Civil Procedure Rules published by the Ministry for Justice. The relevant pre-action protocol is intended to reflect existing guidance on good practice in the collection of rent arrears by social landlords. The aim of the protocol is to;

- I. Encourage pre-action contact and exchange of information between the landlord and tenant.
- II. Enable the parties to avoid litigation by settling the case where possible,
- III. and enable the court to be used more effectively if proceedings are necessary.

Therefore, the protocol should be followed before the council makes any application to the Court for possession. This is particularly important in relation to rent arrears where the protocol must be followed unless there is very good reason not to do so.

The Council should as appropriate follow guidance issued from time to time by the Homes and Communities Agency and the Department for Communities and Local Government. The Council should also consider if it is possible to resolve the issues by discussion and negotiation.

The Court may require the Council to provide evidence that alternative means of resolving the dispute have been considered. Courts take the view that litigation should be the last resort, and that claims should not be issued prematurely when a settlement is still actively being explored.

The Court can impose sanctions if the council unreasonably fails to comply with the terms of the Protocol. The court may make an order for costs against the council, adjourn, strike out or dismiss the claim.

The Court may also take into consideration failure to comply with the protocol even if the Council proves its case.

9.2 Notice of Seeking Possession/Notice of Proceedings for Possession/Notice to Quit

Where no repayment agreement is made, or an agreement is broken and the arrears **exceed £400.00 or four weeks' rent**, the Council can commence legal action through the service of a Notice of Seeking Possession (NOSP) for a secure tenant or a Notice of Proceedings for Possession (NOPP) for an Introductory tenant.

The NOSP/NOPP gives the tenant Notice that, if the rent account is not cleared within four weeks (twenty- eight days), or a repayment programme agreed and maintained, the Council can commence steps to seek possession of their home. The NOSP/NOPP must be accompanied by a standard letter, together with a statement of the rent account. If an arrangement is made, and maintained, legal action will be avoided. **If the tenant discharges his/her arrears, the Notice will remain valid for the 12 month period.** All arrangements to pay, or Arrears Recovery action taken, will be recorded on the Housing Services computer system.

The NOSP & NOPP is served in respect of Introductory and Secure Tenancy Agreements under the Housing Act 1985, Section 83.

A Notice to Quit (NTQ) is served where an appropriate level of arrears has accrued on a Non Secure Temporary Licence to Occupy. **(Note: a Notice to Quit can be issued for reasons other than arrears).**

9.3 Demoted Tenancies

The Council may also consider seeking to have a tenancy demoted as an alternative to possession. A demotion has the effect of bringing to an end the secure tenancy and replacing it with a demoted tenancy which is similar to an introductory tenancy. The demoted tenancy remains in place for 12 months before it becomes secure again. The new secure tenancy will become a

flexible tenancy if the Council serves the required Notice before the demoted tenancy expires. The Council can seek possession of a demoted tenancy by serving the appropriate Notice; The Court must make the order for possession if the correct procedure for service of the notice has been followed.

Section 10 Court Action (including Types of Court Orders)

10.1

Following the service of a NOSP/NOPP, further attempts will be made to contact the tenant and agree a repayment proposal; a home visit will be made and followed up with a letter if there is no response. If a decision is taken to commence Court action, a court warning letter will be sent to the tenant, advising them of Arun's intentions. This will be accompanied by a statement of the rent account. However, if the above fails to result in payment, Arun will commence Court action. (***Whilst Arun would not wish to take possession proceedings against its tenants, they will do so if all other attempts to recover arrears are unsuccessful***).

10.2

The Rent Arrears Team Leader will submit an on online application to the relevant County Court for the issue of the Summons and listing for hearing.

10.3

The County Court Judge retains discretion on all decisions made in relation to Secure Tenancies. Introductory Tenancies are taken to court with the knowledge that the grounds sought are mandatory and an order for possession will be granted; the Court does not have the same discretion as with a secure tenancy. In respect of demoted tenancies the procedure is very much the same as for introductory tenancies.

10.4

Once the hearing date has been set, the Rent Arrears Team Leader/Arrears Recovery Officer will attempt to contact and interview the tenant to ensure they fully appreciate the seriousness of the situation, and provide advice regarding the Court hearing process.

10.5

At least 10 days prior to the hearing date, the Rent Arrears Team Leader will review the case and decide judgement to be requested from the Court. A rent statement and a witness statement, prepared by either the Rent Arrears Team Leader or Arrears Recovery Officer, will be submitted to both the County Court and the tenant.

The court options are to issue one of the following orders

- i. **Postponed Order (secure tenancies)** A possession order is granted, however the court 'postpone' giving the date for possession, on the

condition the defendant (tenant) makes weekly repayments as instructed by the court. If these weekly payments are not maintained an application is made to the court for the possession date to be fixed. During the postponed period the tenant does not lose security of tenure.

- ii. **Suspended Possession Order (secure tenancy)** Possession of the property will be suspended on terms of weekly payments of current rent, plus an amount to repay the rent arrears; plus court costs will be awarded. In most cases where the tenant is unable to clear the debt in full, but indicates a willingness to make regular payments, this type of Order will be appropriate. If payments are not made a warrant for possession can be applied for 28 days after the court hearing.
- iii. **Outright Possession Order (Secure and Introductory tenancies)** The Court may award possession of the property to Arun District Council within an agreed period, normally 14 - 28 days. Such Orders are appropriate in the minority of cases where a tenant is in a financial position to clear the debt, but has declined to co-operate with Arun to resolve the situation, i.e. persistently in arrears or liable to multiple Court orders for arrears, or believed to have vacated the premises. For Introductory Tenancies an order giving possession in 28 days will be awarded.
- iv. **Adjournment on terms (secure tenancies)** The Court may adjourn possession proceedings on terms, e.g. where the arrears should be reduced by regular payments to a level considered acceptable by the Rent Arrears Team Leader/Court and tenant. Arun will have liberty to apply to the Court for the case to be restored and relisted for further hearing in the event of the tenant failing to reduce the arrears on terms laid down by the District Judge. If a hearing is adjourned, the tenant does not lose security of tenure, and generally does not incur court costs, (the granting of Court costs are at the discretion of the Court).
- v. **Adjournment for a fixed period (secure tenancies)** The Court may adjourn possession proceedings for a fixed period if the landlord has failed to follow/ is unable to demonstrate that the pre-action protocol has been followed. The court may also adjourn possession proceedings for a fixed period if there are outstanding Housing Benefit or benefits issues.
- vi. **Dismissal of Claim** The Court may strike out or dismiss the claim if there has been a serious breach of the Pre-Action Protocol or of procedure generally (this action is very unusual with social landlords).
- vii. **Possession in 7/14 days** This Order will only be granted if the claimant (Arun District Council) can prove that the property has been abandoned and that adequate effort has been made to trace the defendant and/or the dwelling has been left empty of all furniture and

belongings. This Order will only be granted in exceptional circumstances.

Section 11 Post Court Procedure

11.1

Immediately after the Court hearing, the tenant will be sent a letter explaining the terms of the possession order and a rent account statement. Their account will be closely monitored and, if the terms of the Court Order are breached, the Tenant will be advised by sending a further eviction warning letter. In the case of a Postponed Order the tenant must be notified of Arun's intention to apply to the Court to request the possession date to be fixed. A letter will be sent giving the tenant 14 days' notice of the Council's intention to apply to the court for the possession date to be fixed, requesting personal contact within 7 days, details of the rent account and the defendant's right to apply to the court for the order to be set aside.

11.2

In the event of payments being missed, either consecutively or cumulatively, the Rent Arrears Team Leader shall consider eviction proceedings, and a further home visit/contact should be made to ensure that the tenant is aware of the possibility of pending eviction.

11.3

When the tenant has discharged his/her arrears and satisfied the Court Judgement, including Court costs, the Order becomes null and void, and no further possession action can be taken on the court summons (secure only).

Section 12 Evictions

Eviction is undertaken with reluctance and as a last resort, when the rent arrears escalation procedures, which incorporate the pre-action protocol, have been exhausted. An eviction can only take place when the County Court has issued a repossession Warrant.

12.1 The Warrant will only be issued when:

- (a) Possession Order has been granted by the Court; and
- (b) Possession Order has been breached and, when the appropriate, time span has elapsed.

12.2

Prior to requesting Permission to Evict, the Rent Arrears Team Leader will attempt to interview the tenant to ensure the eviction cannot be reasonably avoided, and that the tenant understands the implications of this action.

12.3

Application for Warrant Order. The Rent Arrears Team Leader requires permission from the Head of Housing to proceed with an Application for a Warrant Order. Where permission is granted the Rent Arrears Team Leader will request an Eviction appointment from the County Court Bailiff and then progress the case in accordance with Arun's Eviction Procedures.

Section 13 Application to Suspend Warrant Order (to stay the Eviction)

13.1 The Tenant may apply to the Court to suspend or stay the Eviction. The Court informs Arun of the application and will hold a 20 minute hearing, usually within 48 hours of receipt of the application. At the hearing Arun, as the Claimant, will have the opportunity to defend the Possession Order. Prior to the hearing the Rent Arrears Team Leader will prepare a review of the case, attend the hearing and advise the District Judge of Arun's position:-

- a) Arun opposes the application; or
- b) Arun does not oppose warrant being suspended if the tenant pays either a substantial amount off the outstanding debt, or undertakes to make future payments of the current rent, plus a regular agreed sum off the arrears.

Assistance with the cost of an Application to Suspend a Warrant Order – An applicant can apply for a fee remission if they are on a low income, or generally in receipt of a pass-porting benefit (Income Support, income-based Job Seeker's Allowance, income-related Employment & Support Allowance, Universal Credit, guarantee element Pension Credit or Working Tax Credit (without Child Tax Credit) The form EX160 from the court has full explanations).

Section 14 Attendance at Eviction

14.1

In the event of an eviction taking place, the Rent Arrears Team Leader or Arrears Recovery Officer will be in attendance. The Court Bailiff is legally required to "make entry and return the empty repossessed dwelling back to Arun District Council".

14.2

If the Resident/Tenant remains in the premises until the actual eviction, the Rent Arrears Team Leader/Arrears Recovery Officer must ensure that the tenant is advised to contact the Housing Services Homelessness Team. The Bailiff will advise the tenants to leave the dwelling to enable vacant possession. There may be a range of reasons why a tenant refuses to leave the dwelling and each case must be assessed on its merits, past history and

the action that has been taken by Arun. The Bailiff will decide if eviction is to be enforced where a tenant remains in the dwelling at time of eviction.

Should the tenant(s) present as homeless, Arun's Homelessness Policy, which is a separate policy, will be followed.

Section 15 Disposal of Tenant Possessions following Eviction

If personal possessions are left in the dwelling following an eviction, Arun **may** be responsible for the safe storage of the items. If the tenant's whereabouts are unknown an assessment will be made as to the tenant's possible future requirements of the possessions. If the items are broken, badly damaged or just bags of rubbish etc. and they are of no financial value, they will be disposed of as part of the void.

Section 16 Former Tenancy Arrears Policy

16.1

The former Tenancy debt recovery process starts when a tenant's period of occupation has ended. Former tenant arrears should not be viewed as uncollectable rent debts, as often with quick intervention following the termination of a tenancy, revenue can be collected. There are five main reasons for former tenant rent arrears:

- a) **Death of tenant** – whereby arrears can be recovered from the Estate. Housing benefit is not paid after date of death. Rent will continue to accrue until the personal representative returns the keys to the property. Outstanding arrears can be recovered from the Estate (where possible) following the death of a tenant and the Former Tenancy Arrears Recovery Officer will endeavour to liaise with relatives/legal representatives of the deceased to enquire if an estate is available to cover any outstanding balance. If the next of kin responds by letter stating there are no funds in the Estate, the debt will be written off.
- b) **Termination of tenancy** – Tenants with rent arrears or housing related debts will not be able to access Arun's Housing Register until all rent arrears have been cleared in full. Tenants can, however, legally give notice and move to private accommodation but will still be pursued via the former tenancy arrears recovery process. When notice of "termination of tenancy" is received from the tenant, they will be advised by the Rent Arrears Team of the rent arrears balance as at the date of termination.
 - I. The Conditions of Tenancy state that **28 days' notice** of termination must be given by the tenant. The decision on the void date will be made by the Allocations Team based on the date of key return to the

Civic Centre Littlehampton or the Town Hall Bognor Regis. A notice to terminate must start on the first Monday on or after receipt of notice. Tenancy will end 28 days thereafter.

- II. If an outstanding arrears balance has not been cleared, the Former Tenancy Arrears Recovery Officer shall pursue in accordance with the Former Tenancy Arrears Recovery Procedures.
- c) **Abandoned properties** – Rent Arrears are difficult to collect, as forwarding address is generally not known. However in the first instance a search of the Experian database will be undertaken; where this search produces no results and where the debt exceeds £250.00, the services of a tracing company will be employed to obtain the latest known address for the former tenant. On receipt of an alternative correspondence address every effort will be made to secure repayment in accordance with Arun's Former Tenancy Arrears Recovery Procedures.
- d) **Eviction** – the policy is as for Abandoned properties.
- e) **Cancellation of Housing Benefit prior to void** - In cases where the forwarding address is unknown, information may be gained from other Agencies, Council Tax/Housing Benefit records/Experian etc. However, data protection laws prevent other contact points from providing information.

16.2

Payment Arrangements for Former Tenancy Rent Arrears

When the whereabouts of the former tenant are known (and recorded on the computer system), the Former Tenancy Arrears Recovery Officer will send a Statement of Account to the tenant and advise the former tenant of the level of arrears; tenant to be informed that payments can be made:

- a) by post; or
- b) by bank/building society direct debit/ standing order
- c) by telephone and internet payments.
- d) With Allpay Swipe Card

16.3

If, subsequent to the termination of a garage tenancy, the former tenant requests restoration of the tenancy, this is only to be considered with the prior approval of the Arrears Recovery Officer and subject to any outstanding arrears being cleared and the cost of lock change being paid by the tenant.

16.4

Referral to Debt Collection Agency

Selected former tenancy debts will be referred to a Debt Collection Agency where the debt is in excess of £250.00 and:-

1. an address is available
2. Arun's Former Tenancy Arrears Recovery process has been exhausted and
3. the former tenant is still not paying.

Referral of cases to a Debt Collection Agency must be considered prior to referral to Arun's Legal Services Department.

Section 17 Alternative Legal Actions for Debt Recovery of Former Tenancy Rent Arrears.

17.1

Where a tenant has failed to comply with the terms and conditions of a Money Judgement granted by the County Court, the Former Tenancy Arrears Recovery Officer is authorised to refer cases to Legal Services to issue proceedings in respect of:

- a) Attachment of Earnings Orders (whereby an employer is ordered by the County Court to make wage deductions from a defendant's earnings);
- b) Third Party Deductions (served on anyone who owes the defendant money);
- c) Distrain (where the County Court Bailiff can levy against goods belonging to the defendant/Debtor).
- d) Debt Recovery Orders
- e) Bankruptcy Orders
- f) Insolvency Orders

Section 18 Write Off Policy.

In cases where payments are not forthcoming and the Former Tenancy Arrears Recovery Officer is unable to trace the whereabouts of a former tenant, consideration shall be given to write off, in accordance with financial regulations and the Housing Services Write Off Policy for Former Tenant Rent Arrears & Deposit Bond Shortfalls.

Section 19 Data Protection, confidentiality and information sharing.

The council will ensure it complies with the requirements of the Data Protection Act 1998 and its own data protection policy when managing information it holds about its tenants.

Section 20 Equality Act 2010 and Human Rights Act 1988

Equality Act.

The Equality Act 2010 identifies those characteristics in respect of which it is unlawful to discriminate (protected characteristics). Examples of these are; age, disability, race, sex, religion or belief, sexual orientation.

The Act protects a person from discrimination if they are associated with someone who has a protected characteristic e.g. a family member.

Disability

The Council must have regard to those who have a disability. This is called the Public Sector Equality Duty. In relation to disability, the duty may mean treating disabled people more favourably than other tenants, having due regard to the need to remove or minimise disadvantage suffered by protected groups, taking steps to meet their needs, where different, and encouraging participation in public life where participation is disproportionately low. E.g. tenant representative groups. The Courts have held that the disability equality duty applies to decisions about individuals, including decisions about evictions.

Human Rights

The Convention Rights have a particular role to play in the context of social housing. The rights protected under the Human Rights Act 1998 are incorporated in to the law of England and Wales. The Council is required to treat people in accordance with the Convention Rights unless required by Act of Westminster to do something that is incompatible with the Convention Rights. Interference with a person's human rights must be proportionate to those rights, this means balancing the rights of the individual with the duties and responsibilities of the Council as a landlord. The Council is responsible for showing that the actions it takes are necessary and therefore proportionate. Thus, the principles are directly relevant to the day to day decision making of officers.

The Equality and Human Rights Commission states that there are rights contained in Articles 6, 8 and 14 that are most likely to be relevant to social housing.

Article 6 - Right to a fair trial

Article 8 - Right to respect for private life, family life and the home.

Article 14 - Prohibition of discrimination.

These rights do not necessarily prevent the Council from managing its housing stock and taking action to end tenancies, but the Council must act in accordance with the law and in a way that is in pursuit of a legitimate aim and both necessary and proportionate. This is a balancing exercise between the human rights of a particular tenant or occupier and the rights of others. The convention does not prohibit the Council from taking sensible and proportionate measures to encourage or enforce payment or other compliance.

Section 21 Protection of Staff

- Dealing with tenants can result in confrontation, verbal abuse and threats of physical violence. The Council has duty to provide staff with a safe and healthy working environment and will therefore take appropriate steps to minimise risk to its staff.
 - The Tenancy Agreement is a legal agreement between the tenant and the Council as landlord; and defines the rights and responsibilities of both parties. It prohibits the use of or threats of violence, harassment or intimidation against Council Staff or Agents by tenants, members of their household and visitors and if necessary the Council will take appropriate legal action against perpetrators.
 - The Council will also:
 - Provide training for staff to help them deal with potentially confrontational situations;
 - Undertake risk assessments and devise safe systems of work to manage any identified risks;
 - Keep appropriate records of tenants whose behaviour may pose a threat to staff and administer a system for notifying staff;
 - Provide appropriate support for staff following any incidents involving violence of aggression.

Section 22 Media Strategy

The Council will where appropriate publicise its work and promote positive case outcomes. When appropriate it will also liaise with other agencies in doing so. Normally this will be through the Council's Public Relations Department, but it may liaise with other public agency public relations departments to issue joint statement.

Section 23 Complaints

The Council is committed to providing the best possible service at all times with the available resources. Sometimes things do go wrong and we would always prefer to put things right straight away if at all possible. If a complaint cannot be resolved by speaking to the person involved or the section or department who handled the matter in the first place, we have a procedure for dealing with complaints from members of the public. This enables complaints to be dealt with in a fair and consistent manner. Details of this can be found on the council's website at www.arun.gov.uk, or you can telephone us on 01903 717709 and ask for a complain form, or they are available at Council offices.

Section 24 Training

- **The Council recognises that training for staff is essential to assist them in responding effectively to tenants. Training will be provided at regular intervals to ensure staff have the necessary skills and knowledge to use the full range of tools available to them.**

Section 25 Equalities Impact Assessment

- **To be undertaken in each case.**

Section 26 Equal Opportunities

- The council recognises that it operates in a community that is diverse. It is therefore committed to providing equal opportunities for all its tenants and those seeking to be housed by the council.

Section 27 Exceptional Circumstances

There may be limited circumstances where the Head of Housing or the Director Customer Services or other duly authorised officer, may exercise discretion in relation to a tenancy. This will only be in exceptional circumstances taking into account all the circumstances and in line with legislation, regulation, council policy and procedure and the council's constitution.

Section 28 Related Policies

This policy should be read in conjunction with the following Arun policies, procedures and regulations:

- Equality and Diversity Policy
- Financial Regulations
- Allocations Policy
- Homeless Policy
- Housing Services Write Off Policy
- Corporate Debt Policy

GUIDANCE NOTES

A.0 Pre- Action Protocol for Possession Claims made by Social Landlords

The pre-action protocol is part of the Civil Procedure Rules (Court Process) and must be taken into account when monitoring the rent arrears of tenants to ensure that all appropriate contact, visits and action has been taken prior to consideration to take repossession proceedings and throughout the Court process.

Consideration must be given throughout the arrears/court process to a tenant's disability, ethnic origin, diversity, religion, family situation, to ensure that they understand the process and that rent has to be paid and how. Issues that may involve children must be considered and the appropriate agencies informed.

PART I: - AIMS AND SCOPE OF THE PROTOCOL

- 1.1** This Protocol applies to residential possession claims by social landlords (such as local authorities, Registered Social Landlords and Housing Action Trusts) and private registered providers of social housing. Part 2 relates to claims which are based solely on claims for rent arrears. Part 3 relates to claims where the Court's discretion to postpone possession is limited by s89 (1) Housing Act 1980. The protocol does not apply to claims in respect of long leases or to claims for possession where there is no security of tenure.
- 1.2** Part 3 of the protocol applies to cases brought by social landlords solely on grounds where if the case is proved, there is a restriction on the Court's discretion on making an order for possession and/or to which s89 Housing Act 1980 applies.
- 1.3** Part 2 of the protocol reflects the guidance on good practice given to social landlords and private registered providers in the collection of rent arrears. It recognises that it is in the interests of both landlords and tenants to ensure that rent is paid promptly and to ensure that difficulties are resolved wherever possible without court proceedings.
- 1.4** Part 3 seeks to ensure that in cases where Article 8 of the European Convention on Human Rights is raised the necessary information is before the Court at the first hearing so that issues of proportionality may be dealt with summarily, if appropriate, or that appropriate directions for trial may be given.
- 1.5 The aims of the protocol are:**
- (a) To encourage more pre-action contact and exchange of information between landlords and tenants;
 - (b) To enable the parties to avoid litigation by settling the matter if possible; and
 - (c) To enable court time to be used more effectively if proceedings are necessary.

1.6 Courts should take into account whether this protocol has been followed when considering what orders to make. Social Landlords and private registered providers of social housing should also comply with guidance issued from time to time by the Homes and Communities Agency, the Department for Communities and Local Government and the Welsh Ministers.

(a) If the landlord is aware that the tenant has difficulty in reading or understanding information given, the landlord should take reasonable steps to ensure that the tenant understands any information given. The landlord should be able to demonstrate that reasonable steps have been taken to ensure that the information has been appropriately communicated in ways that the tenant can understand.

(b) If the landlord is aware that the tenant is under 18 or is particularly vulnerable, the landlord should consider at an early stage–

i. whether or not the tenant has the mental capacity to defend possession proceedings and, if not, make an application for the appointment of a litigation friend in accordance with CPR 21;

ii. Whether or not any issues arise under Equality Act 2010; and

iii. In the case of a local authority landlord, whether or not there is a need for a community care assessment in accordance with National Health Service and Community Care Act 1990.

PART 2:- POSSESSION CLAIMS BASED UPON RENT ARREARS

Initial contact

2.1 The landlord should contact the tenant as soon as reasonably possible if the tenant falls into arrears to discuss the cause of the arrears, the tenant's financial circumstances, the tenant's entitlement to benefits and repayment of the arrears. Where contact is by letter, the landlord should write separately to each named tenant.

2.2 The landlord and tenant should try to agree affordable sums for the tenant to pay towards arrears, based upon the tenant's income and expenditure (where such information has been supplied in response to the landlord's enquiries). The landlord should clearly set out in pre-action correspondence any time limits with which the tenant should comply.

2.3 The landlord should provide, on a quarterly basis, rent statements in a comprehensible format showing rent due and sums received for the past 13 weeks. The landlord should, upon request, provide the tenant with copies of rent statements in a comprehensible format from the date when arrears first arose showing all amounts of rent due, the dates and amounts of all payments made, whether through housing benefit, discretionary housing payments or by the tenant, and a running total of the arrears.

2.4 If the tenant meets the appropriate criteria, the landlord should arrange for arrears to be paid by the Department for Work and Pensions from the tenant's benefit.

2.5 The landlord should offer to assist the tenant in any claim the tenant may have for housing benefit, discretionary housing benefit or universal credit (housing element).

2.6 Possession proceedings for rent arrears should not be started against a tenant who can demonstrate that –

- (a) The local authority or Department for Work and Pensions have been provided with all the evidence required to process a housing benefit or universal credit (housing element) claim;
- (b) A reasonable expectation of eligibility for housing benefit or universal credit (housing element); and
- (c) paid other sums due not covered by housing benefit or universal credit (housing element).

The landlord should make every effort to establish effective ongoing liaison with housing benefit departments and DWP and, with the tenant's consent, make direct contact with the relevant housing benefit department or DWP office before taking enforcement action.

The landlord and tenant should work together to resolve any housing benefit or universal credit (housing element) problems.

2.7 Bearing in mind that rent arrears may be part of a general debt problem, the landlord should advise the tenant to seek assistance from CAB, debt advice agencies or other appropriate agencies as soon as possible. Information on debt advice is available on the Money Advice Service website <https://www.moneyadviceservice.org.uk/en/tools/debt-advice-locator>.

After service of statutory notices

2.8 After service of a statutory notice but before the issue of proceedings, the landlord should make reasonable attempts to contact the tenant, to discuss the amount of the arrears, the cause of the arrears, repayment of the arrears and the housing benefit or universal credit (housing element) position and send a copy of this protocol.

2.9 If the tenant complies with an agreement to pay the current rent and a reasonable amount towards arrears, the landlord should agree to postpone issuing court proceedings so long as the tenant keeps to such agreement. If the tenant ceases to comply with such agreement, the landlord should warn the tenant of the intention to bring proceedings and give the tenant clear time limits within which to comply.

Alternative dispute resolution

2.10 The parties should consider whether it is possible to resolve the issues between them by discussion and negotiation without recourse to litigation. The

parties may be required by the court to provide evidence that alternative means of resolving the dispute were considered. Courts take the view that litigation should be a last resort, and that claims should not be issued prematurely when a settlement is still actively being explored.

Court proceedings

2.11 Not later than ten days before the date set for the hearing, the landlord should—

- (a) Provide the tenant with up to date rent statements; and
- (b) Disclose what knowledge it possesses of the tenant's housing benefit or universal credit (housing element) position to the tenant.

2.12

(a) The landlord should inform the tenant of the date and time of any court hearing and provide an up to date rent statement and the order applied for. The landlord should advise the tenant to attend the hearing as the tenant's home is at risk. Records of such advice should be kept.

(b) If the tenant complies with an agreement made after the issue of proceedings to pay the current rent and a reasonable amount towards arrears, the landlord should agree to postpone court proceedings so long as the tenant keeps to such agreement.

(c) If the tenant ceases to comply with such agreement, the landlord should warn the tenant of the intention to restore the proceedings and give the tenant clear time limits within which to comply.

2.13 If the landlord unreasonably fails to comply with the terms of the protocol, the court may impose one or more of the following sanctions—

- (a) an order for costs; and
- (b) in cases other than those brought solely on mandatory grounds, adjourn, strike out or dismiss claims.

2.14 If the tenant unreasonably fails to comply with the terms of the protocol, the court may take such failure into account when considering whether it is reasonable to make possession orders.

PART 3:- MANDATORY GROUNDS FOR POSSESSION

3.1 This part applies in cases where if a social landlord proves its case, there is a restriction on the Court's discretion on making an order for possession and/or to which s. 89 Housing Act 1980 applies (e.g. non-secure tenancies, unlawful occupiers, succession claims, and severing of joint tenancies).

3.2 In cases where the court must grant possession if the landlord proves its case then before issuing any possession claim social landlords—

- (a) should write to occupants explaining why they currently intend to seek possession and requiring the occupants within a specified time to notify the landlord in writing of any personal circumstances or other matters which they wish to take into account. In many cases such a letter could accompany any notice to quit and so would not necessarily delay the issue of proceedings; and

(b) should consider any representations received, and if they decide to proceed with a claim for possession give brief written reasons for doing so.

3.3 In these cases the social landlord should include in its particulars of claim, or in any witness statement filed under CPR 55.8(3), a schedule giving a summary—

(a) of whether it has (by statutory review procedure or otherwise) invited the defendant to make representations of any personal circumstances or other matters which they wish to be taken into account before the social landlord issues proceedings;

(b) if representations were made, that they were considered;

(c) of brief reasons for bringing proceedings; and

(d) copies of any relevant documents which the social landlord wishes the Court to consider in relation to the proportionality of the landlord's decision to bring proceedings.

CHECKLIST - COMPLIANCE WITH PRE-ACTION PROTOCOL

Evidence

| | |
|--|--|
| <p>Initial Contact</p> <ol style="list-style-type: none"> 1. Tenant contacted as soon as fell into arrears 2. Payment agreement attempted 3. Rent statements sent to tenant on a quarterly basis 4. If tenant meets criteria, arrange DWP pay arrears direct from benefit 5. Reasonable steps taken to ensure tenant understands all information <p>If Tenant under 18 or particularly vulnerable</p> <ol style="list-style-type: none"> 1. Does tenant have mental capacity to defend possession proceedings If not apply for appointment of litigation friend 2. Are there any issues under Equality Act 2010? 3. Is there a need for a community care assessment? <p>Housing Benefit/Universal Credit</p> <ol style="list-style-type: none"> 1. Offered to help tenant with Housing Benefit/Universal Credit Claim. 2. Has tenant provided all evidence required to process housing benefit claim? 3. Has tenant a reasonable expectation of eligibility for housing benefit? 4. Has tenant paid other sums due which are not covered by housing benefit? <i>If yes to all do not start proceedings.</i> 5. Worked with housing benefit department/made direct contact if tenant consented 6. Advised tenant to seek assistance from CAB or similar <p>After Service of Statutory Notice</p> <ol style="list-style-type: none"> 1. Before issue of proceedings made reasonable attempts to contact tenant to discuss arrears Postpone proceedings if payment agreement made 2. If tenant has broken agreement, warned of intention to bring proceedings. 3. Can matter be resolved by discussion and negotiation 4. Alternative means of resolving dispute considered? <p>At least 10 days before the Hearing</p> <ol style="list-style-type: none"> 1. Provide tenant with up-to-date rent statement Provide tenant information known on Housing Benefit position 2. Notify tenant of date and time of court hearing and order applied for 3. Advised tenant to attend as home is at risk 4. If keeping to payment agreement made after issue of proceedings, consider postponing proceedings 5. If tenant has broken agreement warned of intention to restore proceedings | |
|--|--|

B.0 Civil Procedure Rules regarding Litigation Friends and Capacity Issues:

It is crucial for all those involved in litigation to be aware of the rules whenever dealing with children or someone who lacks capacity to conduct legal proceedings on their own behalf as it means that a special procedure must be followed to appoint a 'litigation friend' to act on their behalf. The rules specify:

- a) How a person may become a litigation friend and the court's power to accept or change the litigation friend.
- b) How to decide if a person needs a litigation friend to be appointed or not.
- c) Legal steps taken before the appointment of a litigation friend may have no effect therefore steps have to be taken prior to proceeding with court action.
- d) To ensure appropriate action is carried out:
 - I. Secure contact at start of arrears.
 - II. Obtain completed and signed Data Protection form to enable contact to be made with various Agencies, family members to assist and/or Litigation friend when applicable.
 - III. Use telephone numbers as a means of contact if home visits have proved unsuccessful.
 - IV. Letters for rent arrears to be sent out from earliest point of arrears action.
 - V. Home visit/Invite tenant (s) to Civic Centre Littlehampton or Town Hall Bognor Regis for interview.
 - VI. During interviews ensure that details of household, names and ages, details of all income and outgoings, and outstanding debts are documented. Document to be saved in the Housing Services computer system.
 - VII. All arrears stages must be completed in appropriate manner as a minimum of contact, taking into account any family/ financial issues that may occur or cause the rent arrears.
 - VIII. Tenants to be advised to undertake assistance/advice from Arun's Money Advisor, Citizens Advice Bureau etc.
 - IX. If level of welfare benefit is an issue, the tenant should be guided in what information is required to enable a claim to be processed. The tenant should attend the Housing Benefit Office or Job Centre Plus to ensure that they receive the correct welfare benefit advice. In certain circumstances the tenant will need assistance and providing the tenant has completed the Data Protection form, the Arrears Recovery Officer will be able to make benefit enquiries on their behalf. Early contact with a tenant when the benefit has been stopped will ensure that the arrears do not increase unnecessarily.
 - X. Notice of Seeking Possession (NOSP) /Notice of Possession Proceedings (NOPP) or Notice To Quit (NTQ) must be sent to each tenant in the case of a joint tenancy.
 - XI. All Tenants irrespective of arrears receive a minimum of 4 rent statements each year, which covers the full 52 weeks of the financial year. Additional rent statements must be sent out with any NOSP/NOPP/NTQ, all court warning letters and court applications. A

statement from start of arrears to date of application must be sent with the Court Summons.

- e) The Arrears Recovery Officer must consider whether it is possible to resolve the rent arrears issues by discussion and negotiation without the need for litigation. Further contact must be made with the tenant after the first court warning letter and prior to court application being made, with Diary entry being made of successful/unsuccessful interview/attempted visit. Claims for possession will not be issued prematurely when a settlement may be reached.
- f) Rent statements can and should be sent out at other stages throughout the rent arrears process; a hand written calling card requesting urgent contact will be left at a property when arranging a home visit.
- g) A record will be made of all contact, content of interviews and any repayment agreements made. Copies of automated and bespoke Rent arrears letters will be saved in the Housing Services computer system. If a visit is made and the officer does not receive a reply, this too will be recorded and used as evidence in any court proceedings.
- h) As part of the pre-action protocol it is now required that all parties of the tenancy must receive a copy of the NTQ/NOSP/NOPP addressed on the envelope to each party (Certificate of Service is required for each NTQ/NOSP/NOPP delivered). By recording with whom contact has been made, this will often provide evidence that both parties are aware of the arrears. *If a party to the tenancy attends court and states they were not aware of the rent arrears, unless proven otherwise a Possession Order will not be awarded and the case may have to be withdrawn, incurring court fees and officer time.***

The above details are for guidance and must be used throughout the Court process.

C.1 Rent arrears processing in respect of the elderly

When processing the rent accounts for tenants who are resident in Sheltered Accommodation or tenants in general stock and are known to be elderly, more consideration needs to be given when monitoring the rent arrears and sending out warning letters.

C.2 Cancellation of Housing Benefit specifically relating to the elderly

- a. The Arrears Recovery Officer should first make contact with the Housing Benefit Office in order to ascertain the reason for the cancellation.
- b. If financial information has not been provided, personal contact should be made with the tenant either by telephone or home visit.
- c. Documentary evidence can be obtained by the Arrears Recovery Officer and taken to the Benefit Office to hasten the claim.
- d. If Housing Benefit is cancelled due to non-completion of the Housing Benefit review form, the Arrears Recovery Officer should visit the tenant with a new benefit form and assist with the completion.
- e. For frail, disabled or very elderly a home visit by a housing benefit visiting officer will be requested.

- f. If the tenant has financial funds which prevents them from qualifying for Housing Benefit, advice should be given on alternative methods of repayment.
- g. If the tenant is believed to be too frail/elderly to deal with their own rent situation or Housing Benefit claims – personal contact will be made with a relative or manager of a sheltered scheme where telephone numbers have been provided.
- h. If the tenant is not in sheltered accommodation the Arrears Recovery Officer should check with the tenant and obtain permission to contact a third party whenever possible.
- i. A tenant's next of kin should be contacted in order to assist the tenant with the completion of any documents or assistance with setting up direct debits etc.
- j. Notice Seeking Possession/Legal Action should only be considered when all other avenues of assistance have been exhausted and where the tenant is aware of the arrears and either chooses not to pay or pays erratically, thereby causing increased rent arrears.
- k. Advice should be given regarding methods of paying rent to ensure that the tenant is aware of the full range available.
- l. Statement of best practice for prevention and recovery of rent arrears:-
 - Act promptly in contacting tenants where rent arrears accrue, and keep records of all steps taken; a copy of all written letters will be saved in the Housing Services system in case of legal action and proof of contact.
 - Personal contact to be made wherever possible, with home visits as a priority, especially in the early stages of arrears to prevent the debt spiralling out of control. COURT ACTION SHOULD BE A LAST RESORT not as a matter of course for lack of contact.
 - Promote access to independent advice where tenants have multiple debts, e.g. CAB Fast Track Service.

D.0 Arranging an affordable repayment agreement

1. From April 2015 – tenants in receipt of Income Support are expected to make a Payment Arrangement of 5% of the basic single person's weekly rate of Income Support, in order to clear their rent arrears over a period of time.
2. Where higher amounts of benefits/Universal Credit are received a minimum payment of £5.00 per week is expected to be paid.
3. For tenants in employment (depending on levels of income) higher but affordable levels of repayment are required.
4. For joint income families/couples depending on level of wages and other priority debts, rent arrears payments should be higher but again still affordable.
5. Arrears Recovery Officers have discretion in accepting repayment agreements (unlike Court Order repayments which are set or varied via the Court), although the repayment must be affordable to the tenant, the tenant needs to be made aware that the length of the repayment period needs to be acceptable to Arun District Council and the debt should be repaid in the shortest affordable period.

6. Other priority debts should be taken into account when making an arrangement as priority debts must be paid first; Rent and rent arrears are classed as priority debts.
7. An application for rent and rent arrears deductions to be made directly from certain benefits may be made if the tenant is in receipt of Universal Credit or in receipt of full housing benefit when debt is at least equal to 2 months' rent.
8. Arrears Recovery Officers will establish regular contact with the Housing Benefit Section to ascertain housing benefit entitlement and resolve any problems which may delay payment.
9. Arrears Recovery Officers will contact the tenants to obtain the documents required by the Housing Benefit Team.

E.0 Court Action

1. Possession Action should not be taken where tenants have made and maintain repayment arrangements.
2. Court action will not be pursued where Housing Benefit issues are outstanding; in line with Court Protocol.
3. Court action will only be taken when all other action has failed to result in reduction of arrears.
4. Tenants will be encouraged to seek independent advice from CAB, Shelter or a solicitor prior to attending Court.
5. Tenants will be encouraged to attend the court hearing and to arrive at court half an hour early so that they may see the court desk adviser who can provide free, independent legal advice and assistance on the day in court.
6. Contact will be maintained throughout the legal process in order to ensure that advice and support is available to enable tenants to remain in their homes.
7. Tenants will be provided with information on how to apply to the Court to vary an order or suspend a repossession warrant.
8. The Rent Arrears Team Leader/Arrears Recovery Officer will inform all relevant teams within Arun Housing Services Department and the relevant Social Services Department of any pending evictions where children or vulnerable people are involved.

F.0 Claimants considered as vulnerable; may include people with medical conditions such as:

- People with mental ill health
- Alzheimer's disease or a terminal illness
- People with learning difficulties
- People with physical disabilities and are housebound
- Illiteracy or inability to speak English
- A person who lives alone with no support
- A person receiving assistance from a homeless charity
- A person with alcohol/substance/gambling addiction
- A person receiving funding from the Supporting People Grant
- A person who has recently experienced changes in their lifestyle that means they are temporarily unable to deal with their financial affairs. E.g.

bereavement, fleeing a violent relationship, leaving prison, leaving care, homelessness.

The list is not exhaustive and there may be other causes of vulnerability.

All residents must pay their rent but Arun recognises that some have difficulties maintaining their responsibilities for reasons often beyond their control. Arun will ensure that the needs of these vulnerable tenants are taken into account when taking action to recover rent arrears. This includes liaising with appropriate external agencies and family to provide support to these vulnerable tenants.

AGENDA ITEM NO.7ARUN DISTRICT COUNCILHOUSING & CUSTOMER SERVICES WORKING GROUP – 15 SEPTEMBER 2016

Information Paper

Subject : HOUSING FRAUD INITIATIVE

Report by : JUDY KNAPP

Report date: 25.8.16

EXECUTIVE SUMMARY

This report explains the reasons for the Council's Housing Fraud initiative; the success of the initiative since January 2016; and asks Members to note the intention to extend the initiative for a further 12 months.

1.0 INTRODUCTION

- 1.1 The Housing Fraud initiative started in January 2016. Its purpose is to prevent and detect fraud in relation to the Council's Housing function. This includes subletting Council properties, tenants living elsewhere, fraudulent housing register applications and Right to Buy fraud.
- 1.2 The aims of the initiative are to ensure the Council is making the best use of its housing stock and managing the increasing demand for social housing by making it available to those in greatest housing need.
- 1.3 Financial gains would also result from the initiative by increasing the available accommodation to help meet our statutory homelessness duties.
- 1.4 The initiative also establishes a culture of zero tolerance, to assure Arun residents that the Council is making the best use of its assets and preventing individuals from taking advantage of its scarce social housing resources.

2.0 OUTCOMES TO DATE

- 2.1 Justine Moore was seconded into the post of Housing Fraud Investigator for 12 months from January 2016.
- 2.2 A target was set for a total of 10 properties to be brought back into legitimate social housing use during 2016.
- 2.3 In the first 8 months of the year, the target of getting 10 properties back into use has been achieved, with another property likely to be back in the Council's allocation process during September.

- 2.4 In that period, 65 cases of possible fraud have been considered. The referral sources have been Housing colleagues and contractors; other Council departments; neighbours and other members of the public; and data searches.
- 2.5 Two fraudulent Right to Buy applications have been identified where the tenant had not lived at the property as their main home for a considerable time. The RTB applications were cancelled.
- 2.6 Two fraudulent Housing Register applications have been identified where the applicants failed to declare excessive capital savings. The applications for Council housing were refused.
- 2.7 Cases have been referred to the Housing Benefit and Council Tax teams and to the DWP for them to carry out their own investigations into possible benefit fraud.

3.0 ASSESSED FINANCIAL SAVINGS

- 3.1 The Audit Commission has assessed that bringing a social housing property back into legitimate use brings a financial saving of £18,000 pa to a housing authority.
- 3.2 Based on that nominal sum as well as the prevention of Right to Buy and the savings from fraudulent Housing Benefit and Council Tax benefit, Arun's Housing Fraud initiative has saved in the region of £300K.

4.0 FURTHER INVESTIGATIONS FROM DATA MATCHING

- 4.1 Common indicators of potential housing fraud can include tenancies where there have been no reported housing repairs for a lengthy period; and those where there is large credit on the rent account. Good practice from other local authorities shows that these can be mechanisms used by fraudulent occupiers to remain unnoticed by Council staff.
- 4.2 We have already considered several tenancies with large rent credits, but these have been discounted as no fraudulent activity, but other rent misunderstandings or errors have been rectified.
- 4.3 We will be considering tenancies where no repairs have been reported in the last 2 years.
- 4.4 We have also used the services of Call Credit Match to identify tenancies where debt or applications for credit, County Court Judgements or insurance claims indicate a possible irregularity about the named tenant being the occupant of the property. There are up to 500 such cases in Arun to be investigated.

5.0 CONTINUATION OF THE INITIATIVE

- 5.1 The Audit Commission estimate that up to 5% of social housing is likely to be subject to housing fraud. In Arun that would indicate that in the region of 100 tenancies have sub-letting, non-occupation or other issues which should be investigated.

- 5.2 It is intended that the Housing Fraud initiative be extended and continued beyond 2016, and that Justine Moore's secondment in the role of Housing Fraud Investigator be extended until 31 December 2017.

Background Papers: None

Contact: Judy Knapp, Housing Services Manager ext 37740

| Housing & Customer Services Working Group - 2016/17 | | | | | | |
|--|-------------|---------------|------------------|------------------|------------------|------------------|
| Meeting Date | | | 07-Jul-16 | 15-Sep-16 | 10-Nov-16 | 26-Jan-17 |
| Item | Lead | Origin | | | | |
| Election of Chairman & Vice-Chairman | | ToR | * | | | |
| Terms of Reference | | ToR | * | | | |
| Work programme - set and review 2016/17 | | ToR | * | | | |
| Empty Homes Report | LC | LC | * | | | |
| Digital Customer Services Update | JF | JF | | | | |
| Appeals & Review Paper | JK | JK | * | | | |
| Customer Services Shared Services Project | JF | JF | * | | | |
| Draft Rent Arrears Policy | | BP | | * | | |
| Draft Introductory Tenancy Policy | | BP | | * | | |
| Housing Fraud | | PW | | * | | |
| Update from StonePillow | | BP | | | * | |
| Dates TBC | | | | | | |
| Draft Anti-Social Behaviour Policy | | BP | | | | |
| New Housing & Planning Act | | BP | | | | |
| Draft Allocations Scheme | | BP | | | | |
| Agenda Prep Timetable | | | | | | |
| Send for CMT by 2pm Thurs | | | 02-Jun-16 | 11-Aug-16 | 06-Oct-16 | 15-Dec-16 |
| CMT Tues | | | 07-Jun-16 | 16-Aug-16 | 11-Oct-16 | 20-Dec-16 |
| Draft Reports to Erica by 11am Thurs | | | 09-Jun-16 | 18-Aug-16 | 13-Oct-16 | 22-Dec-16 |
| Agenda Prep Date 3pm | | | 14-Jun-16 | 23-Aug-16 | 18-Oct-16 | 03-Jan-17 |
| Room | | | CR2 | CR2 | CR2 | CR2 |
| Final Reports to Erica by 11am Mon | | | 20-Jun-16 | 29-Aug-16 | 24-Oct-16 | 09-Jan-17 |
| Despatch Agendas by 2pm Thurs | | | 23-Jun-16 | 01-Sep-16 | 27-Oct-16 | 12-Jan-17 |
| Date of Meeting 6pm | | | 07-Jul-16 | 15-Sep-16 | 10-Nov-16 | 26-Jan-17 |
| Room | | | CR1 | CR1 | CR1 | CR1 |
| OSC Meeting Dates | | | 26-Jul-16 | 27-Sep-16 | 22-Nov-16 | 21-Mar-17 |
| Cabinet Meeting Dates | | | 25-Jul-16 | 17-Oct-16 | 12-Dec-16 | 13-Mar-17 |
| Full Council Meeting Dates | | | 20-Jul-16 | 09-Nov-16 | 11-Jan-17 | 08-Mar-17 |

