



Item B3

Key Housing

Rent Arrears Policy

First approved: March 1997

Revised: 4/98; 2/02; 2/08; 8/12; 9/16

KEY POLICY ON RENT ARREARS

Key recognises the importance of maintaining a rent collection system that encourages prompt payment of rent and promotes early and effective intervention in the case of non-payment. Key will, as a last resort, take action for repossession in the event of serious rent arrears.

To this end, Key will:

- develop and maintain appropriate procedures for dealing with rent arrears for all tenants
- report rent arrears regularly to the Board
- provide appropriate support, as required, in relation to rent payment
- consider individual cases at the Board for approval to proceed with action for repossession, if required.

At all stages in its arrears management Key will take account of the pre-action requirements as outlined in the Housing (Scotland) Act 2010, the main specific requirements being to;

- Give clear information about the tenancy agreement and unpaid rent or other financial obligations
- Make reasonable efforts to give help and advice on eligibility for housing benefit and other financial assistance
- Give information about sources of help and advice with the management of debt
- Make reasonable efforts to agree with the tenant a sustainable plan for payments
- Consider the likely result of any application for housing benefit that has not yet been decided
- Consider other steps the tenant is taking which are likely to result in payment within a reasonable time
- Consider whether the tenant is complying with the terms of an agreed plan for future payments

Where rent arrears are significant or present a serious cause for concern (normally where arrears exceed three month's rent due) initial legal action will be taken by the issue of Notice of Proceedings. Authority to issue NOP's is delegated to the Director/Head of Housing and the Board will be notified of any such cases with a commentary on the situation, including an assessment of the vulnerability of the tenant should eviction progress.

Once decree is granted, Board approval is subsequently required for any repossession to take place (normally in cases where a decree for re-possession is obtained from the Sheriff Court. Key will take all reasonable steps and use its best endeavours to avoid

repossession being required.

Key shall set rent arrears targets each year, incorporated into the Housing Strategic Plan and performance against targets shall be measured and reported to the Board.

Key shall also review the position with the arrears (or credits) of former tenants and this will be formalised at the end of each financial year and presented for approval to the Board. Where appropriate former tenants will be pursued for arrears where this is feasible, particularly where wage arrestment is possible.

This policy is reviewed annually at the January meeting of Management Committee.