

Policy Name	General Needs, Extra Care and Key Worker Arrears Policy
Policy No.	012

It is the policy of Guernsey Housing Association (GHA) to contain rent arrears at a low level in order to:

- Maximise our rental income so that our financial obligations can be met
 - Achieve this by ensuring that tenants are aware of their obligation to pay rent
 - Provide tenants with appropriate advice and assistance
 - Use eviction as a last resort
1. Financial Difficulty
 - a) GHA wants to keep tenants/licence holders in their homes and assist where possible if they suffer financial hardship. GHA will initially advise the occupier to speak with:
 - Income Support at Employment and Social Security to see if the tenant/licence holder qualifies for any assistance
 - Citizens Advice Bureau to see if they can help with any financial planning
 2. Rent
 - a) The tenant's agreement/licence states they must:
 - Pay the weekly rent/licence fee by the Friday before the rent/licence fee due date, (payments made at the Post Office before 12.00 noon on the Saturday are classed as being received on the Friday before).
 - b) Tenant records are updated daily and show current rent/licence balances.
 - c) The arrears report is run weekly on a Monday after ensuring all monies received up to and including the previous Saturday's receipts have been entered on the tenant rent/licence accounts. The majority of arrears actions to be dealt with weekly by Wednesday each week.
 - d) Arrears are reported to the Board quarterly
 - e) Monthly Arrears Key Performance Indicators are prepared and included with explanatory graphs in the monthly GHA management accounts

3. Procedure if tenant falls into arrears

- a) Stage 1a - where rent/licence arrears arise at the level of one week or less, the tenant/license holder is contacted and advised to clear the arrears. If the tenant/licence holder is unable to clear the arrears in one payment an arrangement can be made for the arrears to be paid back at a minimum of £25.00 per week or £108 per month.
- b) Stage 1b – where rent/licence arrears arise due to tenant/licence holder working towards paying one week in advance an agreement of £5.00 per week can be agreed. However, this is only for these circumstances.
- c) Stage 2 - when arrears reach the level of two weeks, the tenant/licence holder is contacted by letter and phone to discuss the arrears and advised if no payment is received, GHA may refer to Petty Debts. The arrears are to be paid in full. If the tenant/licence holder is unable to pay the arrears in full, the tenant/licence holder will be need to provide three months of recent bank statements within two weeks. For the two week period where the Housing Team is waiting to receive the bank statements, the tenant will be required to pay a minimum of £25.00 per week towards the arrears. On receipt of the bank statements the Housing Officer will confirm an arrangement for the arrears to be re-paid. The minimum GHA will accept is £25.00 per week towards arrears, only the Housing Manager or two Housing Officer's in agreement can agree a repayment towards the arrears at less than £25.00 per week. An agreement of less than £25.00 will only be agreed if GHA are in receipt of up to date bank statements. Confirmation of the agreement will be confirmed in writing.
- d) Stage 3 - where arrears reach the level of three weeks, the tenant/licence holder is advised GHA will refer to Petty Debts and a warning letter issued advising of breach of tenancy/licence and that their property is at risk. If the tenant/licence holder is claiming Income Support the tenant will be advised in writing that if arrears increase further the Income support will be claimed direct through Social Security. If the agreement is broken the case will be referred to Petty Debts. It is recommended that they attend the Citizens Advice Bureau for financial advice.
- e) Stage 4 – where arrears reach the level of four weeks, the tenant/licence holder is referred to Petty Debts and a further warning is issued (in red and advising how many tenants have been evicted in the previous twelve months). The tenant/licence holder will be asked to attend a meeting at GHA to discuss the breach of the tenancy/licence agreement and advise there are now grounds to evict. The tenant will be asked to sign disclosures to any relevant organisation that may be able to assist the tenant in sustaining the tenancy (this may include

Employment and Social Security, Housing, Doctors, Health Visitors, Social Workers or Voluntary organisations). If Income Support is claimed GHA will claim the payment direct from Social Security and advise the tenant in writing of this.

- f) Stage 5 – where arrears reach the level of five weeks, an intent notice to quit is sent to the tenant/licence holder. Any relevant organisations are informed to enable them to try and work with the tenant/licence holder and enable the tenant to sustain the tenancy. A timeline is completed for that tenant/licence holder and towards the end of that week the GHA's Board is contacted for permission to commence proceedings if the rent arrears increase to six weeks. The Board will decide on each case individually.
 - g) Stage 6 – where arrears reach the level of six weeks, a Notice to Quit is issued by The Sheriff's Department, giving one full calendar months' notice for the tenant/license holder to vacate the property. The tenant/licence holder will be advised in writing that the case has been referred to our advocates.
4. Procedure if a tenant continues to fall into arrears
- a) If a tenant/licence holder falls into arrears of more than five weeks more than three times in two years then the tenant/licence holder will be referred to the Board for eviction.

Date reviewed: April 2020	Next review: April 2023
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