

Rent

Management Policy

Consultative Draft

2019/20

Contents

Section 1	Introduction
Section 2	Policy aims and objectives
Section 3	The council's approach
Section 4	Management of current tenant rent arrears
Section 5	Management of former tenant rent arrears
Section 6	Comments and complaints
Section 7	Monitoring and review
Section 8	Access to information
Section 9	Equal opportunities

1 Introduction

- 1.1 This consultative draft Rent Management Policy sets out the approach South Lanarkshire Council (the council) will take when managing current and former tenant rent and arrears for Scottish Secure Tenancies within council housing.
- 1.2 Rental income is paid directly into the Housing Revenue Account (HRA), which pays for a range of housing services for all tenants including; tenancy and estate management, repairs and maintenance and the Housing Investment Programme.
- 1.3 The council has an established and robust process in place for monitoring and setting council house rent levels annually. The approach includes effective engagement with tenants and other customers and helps to ensure that rent levels remain affordable and housing services continue to be delivered.
- 1.4 The policy was developed in accordance with the requirements of the Housing (Scotland) Act 1987, as amended, and other relevant legislation. The policy has also been developed to meet regulatory requirements.
- 1.5 The policy is consistent with the council's vision to improve the quality of life of everyone in South Lanarkshire in particular to support the protection of vulnerable children, young people and adults. The policy also aligns with Community Planning priorities including; prevention of homelessness, addressing child poverty, tackling disadvantage and deprivation and promoting sustainable communities.
- 1.6 The policy is not part of, but links to the council's Debt Recovery Policy.
- 1.7 Following consultation and approval, the policy will replace the current policy and will be effective from September 2020.

2 Policy aims and objectives

2.1 The aims and objectives of the policy are to:

- promote tenancy sustainment and prevent homelessness
- secure rental income to the council
- ensure tenants are clear about their responsibility to pay rent
- ensure the individual needs and circumstances of the tenant are taken into account
- lessen the impact of debt experienced by tenants by intervening early when arrears occur to provide advice and assistance
- minimise the level of rent arrears and the number of tenants in arrears
- maximise tenants' income
- provide clear information and advice

Q1a. Do you agree with the proposed aims and objectives of the Rent Management Policy?

Q1b. Are there any other aims and objectives that should be considered?

3 The council's approach

3.1 The council's approach to managing rental income aims to achieve the right balance, ensuring tenants are clear about their responsibility to pay rent, while taking account of an individual's circumstances.

3.2 Detailed procedures support the policy and set out a range of processes to ensure that there is consistency in approach, and that all tenants are treated fairly and sensitively.

3.3 There are three key aspects of the council's approach:

- prevention
- early intervention
- person centred

Further details on each of these are provided at 3.4 to 3.6.

3.4 Prevention

3.4.1 The council will make every effort to ensure that new tenants are clear about their responsibility to pay rent and are fully supported and informed of all costs associated with managing and sustaining a tenancy.

3.4.2 Clear information will be provided in relation to rent charges, payment requirements and options, and the council's preferred payment methods.

3.4.3 Where it is identified as appropriate, new tenants will be offered support to help them set up their home with the aim of achieving a good start to their tenancy.

3.4.4 Where required, tenants will be supported to maximise their income through entitlement to welfare benefits or signposted to specialist advice services.

3.4.5 Tenants will be advised that advice and support is available to them throughout their tenancy should they experience financial difficulties or struggle to pay their rent.

3.5 Early intervention

3.5.1 Where a tenant is in arrears the council is committed to intervening at the earliest stage. The purpose of this intervention is to support tenants to maintain payment of rent, prevent the escalation of rent arrears and sustain their tenancy.

3.5.2 Every effort will be made to establish an effective relationship with tenants through early personal contact to identify the cause of rent arrears and to discuss and agree how to resolve the situation.

3.5.3 Tenants experiencing financial difficulties will be referred to specialist services, such as the council's debt and money advice service, for help and advice on welfare rights, debt and money management. In addition, tenants may also be signposted to other relevant independent advice services.

3.6 **Person centred**

- 3.6.1 Council tenants may face a range of different challenges in paying their rent which will reflect their diverse range of needs and circumstances.
- 3.6.2 It is recognised that some tenants may be vulnerable for a variety of reasons, including age, disability, ill health, mental health or addiction. In addition tenants may also be vulnerable due to other circumstances, such as families living in poverty, those experiencing domestic abuse, care experienced or those with a history of tenancy failure.
- 3.6.3 The council will work with tenants and partner agencies to identify any vulnerabilities or risks to a tenancy at the earliest stage.
- 3.6.4 The council is committed when dealing with vulnerable tenants, to take account of an individual's circumstances and ensure that a tailored approach is taken to suit their needs. This will involve working closely with other council services and partner agencies, including the Third Sector, to ensure that tenants who are vulnerable or who require additional support to manage and sustain their tenancy, are provided with appropriate support services, advice and guidance.

Q2a. Do you think the focus on prevention, early intervention and being person centred will help tenants pay their rent?

Q2b. Is there any other support/help that the council could provide?

4 **Management of current tenant rent arrears**

- 4.1 A fair and person centred approach will be taken to the management of rent arrears. Any action taken will be proportionate to the level of arrears and take account of good practice and legislative requirements.
- 4.2 Rent arrears may have a detrimental impact on tenants' entitlement to certain services or non-statutory payments from the council.
- 4.3 Management of rent arrears will be based on a staged process which will take account of an individual's circumstances and the level and extent of their engagement with the council. Throughout the process, the council will consider whether there are any other interventions or supports required to help the tenant sustain the tenancy.
- 4.4 Every effort will be made through personal contact and written correspondence to provide the tenant with clear information including, the current and outstanding rent, any other outstanding financial obligations of the tenancy and the implications for their tenancy.
- 4.5 The council will emphasise the advice and assistance available to tenants. This will include providing information on how to apply for housing costs/housing benefit; making a referral to the council's debt and money advice service; advising of the availability of other sources of financial help; and signposting to independent advice services.

- 4.6 A key aspect of the council's approach will be to encourage tenants to engage with the council and work together to agree an appropriate solution. The council will ensure it does not adopt any approaches which could discourage engagement.
- 4.7 The council will seek to make repayment agreements to ensure regular rent payments and reduce arrears, taking account of an individual's circumstances and their ability to pay. The importance of maintaining continued payments will be emphasised and tenants encouraged to make early contact should they be unable to maintain the agreement.
- 4.8 If no agreement is reached with the tenant, the council will continue to take action as necessary to recover the outstanding rent and arrears.
- 4.9 Ultimately and where appropriate, and only where all other non-legal interventions have been exhausted, the council may consider raising legal action. This may include seeking to recover possession of the property.
- 4.10 In all cases, the council will ensure that it meets all legal Pre Action Requirements for social landlords.
- 4.11 Prior to seeking a decree for possession, authorisation to progress will be required by a senior manager. This will follow a robust review of each case, taking into account all of an individual's circumstances and consideration of any alternative resolution.
- 4.12 In all circumstances the council considers eviction as a last resort.
- 4.13 The council will continue to engage with tenants throughout the legal process and provide ongoing advice and information. Tenants will also be encouraged to seek independent legal advice.

Q3a. Do you think that the management of current rent arrears will encourage tenants who are experiencing difficulties to engage with the council?

Q3b. What other approaches should the council consider to encourage engagement?

5 Management of former tenant rent arrears

- 5.1 The Scottish Secure Tenancy Agreement requires tenants to give 28 days written notice of their intention to terminate their tenancy and the tenant must pay all outstanding rent by the date the tenancy ends. Where possible, the council will attempt to prevent former tenant rent arrears occurring by ensuring tenancies are ended in a planned and managed way.
- 5.2 At the point of terminating a tenancy the council will advise tenants of any rent owed and that should they fail to pay the outstanding balance, the council will seek to recover this.

- 5.3 Every effort will be made through personal contact and written correspondence to provide the former tenant with clear information about the outstanding rent balance.
- 5.4 The council will seek to provide the former tenant with clear information and advice in order to make a realistic and sustainable repayment agreement to clear the debt. Former tenants will be signposted to debt and money advice services for assistance and also to relevant independent advice services.
- 5.5 Management of former tenant rent arrears is based on a staged process. This will involve taking the necessary steps to trace the former tenant, establish their financial circumstances and attempt to recover the sum owed.
- 5.6 Legal action to recover the former tenant rent arrears will be proportionate and only taken in cases where an assessment of the former tenant's financial circumstances indicates such action would be appropriate.
- 5.7 Where it is uneconomic to pursue former tenant rent arrears or where there is no prospect of recovery, the debt may be written off. In cases where a write off has occurred, the council can retain this information for five years. Should the former tenant be located within that time, the council can restart the recovery process.

Q4a. Do you agree with the council's approach to the management of former tenant rent arrears?

Q4b. Are there any other approaches the council should consider?

6 Comments and complaints

- 6.1 The council is committed to providing high quality services to customers. Any customer dissatisfied with any aspect of the service have the right to make a complaint through the council's comments and complaints scheme.

Further information on the comments and complaints scheme can be found on the council's website at www.southlanarkshire.gov.uk.

If, after making a complaint, an applicant continues to be dissatisfied with the service, that they have received, a further complaint can be made to the Scottish Public Services Ombudsman. The Ombudsman will only consider complaints of injustice or hardship as a result of maladministration or service failure.

The address of the Scottish Public Services Ombudsman is:

Bridgeside House, 99 McDonald Road, Edinburgh, EH7 4NS (FREEPOST SPSO)

7 Monitoring and review

- 7.1 To support the achievement of the policy aims and objectives set out in section two, the policy will be subject to regular monitoring and review.
- 7.2 The council will continue to prepare regular monitoring reports in order to benchmark performance against its peers and provide performance information through statutory returns.
- 7.3 The reports on performance will be provided to a range of audiences, including the Housing and Technical Resources Committee and the Housing and Technical Resources Management Team, tenants and tenant representative groups.
- 7.4 The council also submits reports on performance to the Scottish Housing Regulator (SHR) in order to comply with the regulatory requirements set out by the SHR Framework.

8 Access to information

- 8.1 Any information that is held regarding an individual must be treated lawfully and correctly in line with the safeguards outlined in the General Data Protection Regulation 2016 (GDPR) which requires data to be:
- lawfully, fairly and transparently processed
 - processed for limited purposes
 - adequate, relevant and limited to what is necessary in relation to the purposes for which it is processed
 - accurate and kept up to date
 - kept no longer than the period necessary and
 - kept securely against unauthorised or unlawful processing and protected against accidental loss, destruction or damage.
- 8.2 The processing shall be carried out in a way that ensures compliance with the rights of data subjects, including:
- the right to be informed
 - the right of access
 - the right to rectification
 - the right to erasure (so far as applicable)
 - the right to restrict processing
 - the right to data portability (so far as applicable)
 - the right to object to processing (including profiling); and
 - the right not to be subject to fully automated decision making including profiling.
- 8.3 Further information is available by viewing the council's Privacy Policy, Data Sharing Policy, Information Security Policy and Information Compliance Policy

9 Equal opportunities

- 9.1 South Lanarkshire Council has an Equality and Diversity Policy which is committed to the principle that everyone has the right to be treated with dignity and respect. The Rent Management Policy is consistent with the requirements of the Equality and Diversity Policy and ensures that the council acts fairly and lawfully in all that it does. The council does not discriminate against applicants in any way on the grounds of age, disability, gender, gender identity (reassignment), marriage and civil partnership, pregnancy and maternity, race, religion or belief or sexual orientation.
- 9.2 To support this and as part of the development of the policy, an equality impact assessment has been carried out to ensure that the policy is inclusive and does not unfairly disadvantage any of the particular groups detailed above. A copy of the impact assessment is available on the council's website at www.southlanarkshire.gov.uk. The council will continue to monitor the policy to ensure that it achieves all equalities objectives set.
- 9.3 If any applicant feels that they have been treated unfairly they have the right to have their case reviewed. Section six provides further details on how to do this.
- 9.4 If information in another language or format is required, please contact the council to discuss how these needs can best be met by e-mailing equalities@southlanarkshire.gov.uk.

- Q5. Do you think the policy achieves the right balance between ensuring tenants are clear in their responsibility to pay rent while taking account of an individual's circumstances?
- Q6. Are there any other comments you would like to make about the policy?

If you or someone you know needs this information in another language or format, please contact us to discuss how we can best meet your needs. Phone: 0303 123 1015
Email: equalities@southlanarkshire.gov.uk

www.southlanarkshire.gov.uk