



Bexley Churches Housing Association Rent Arrears Policy

1. Introduction

- 1.1 Approximately 60% of BECHA's tenants are on either full or partial Housing Benefit.
- 1.2 Approximately 85% of the HB payments are paid 4 weeks in arrears. This will always result in arrears ranging between 1% and 4%, which is recognised as being collectable.
- 1.3 These arrears are called HB arrears. However tenants are still responsible for notifying the HB office for any changes in their personal circumstances that could affect the amount of benefit to which they are entitled.
- 1.4 BECHA's aim is to prevent personal arrears, i.e. those amounts due directly from the tenant.

2. Policy Statement

- 2.1 Dealing with rent arrears quickly and efficiently is in the Association's interest in order to maximise the rental income so BECHA will therefore take a firm but fair approach in resolving personal rent arrears as quickly as possible.
- 2.2 In order to prevent personal arrears from arising BECHA will take the following action:
 - The tenants' obligations regarding the payment of rent will be clearly explained to them before the tenancy agreement is signed.
 - BECHA will make tenants aware they are responsible for informing the Housing Benefit Department and BECHA of any change in their circumstances which may result in a change in Housing Benefit entitlement.
 - BECHA will wherever possible help tenants with appropriate support or advice on budgeting and/or benefits issues to minimise arrears.
 - BECHA will issue rent statements to all tenants on a regular basis, showing their current balance.
 - BECHA will liaise closely with the Housing Benefit Department to minimise Housing Benefit arrears.
 - Where arrears are due to outside causes, such as non-payment or underpayment of benefits or admission to hospital, all possible support and assistance will be given to the tenant.
- 2.3 Where tenants leave the Association, every effort will be made to ensure they leave with no arrears, especially if they are transferring to another Housing Association. However if they do leave with arrears, are evicted for rent arrears, or they abandon the property, leaving no forwarding address, then

the outstanding debt will be passed to a Debt Collection Agency for them to pursue and collect that debt.

2.4 We will ensure that all our tenants understand the information given.

3. Arrears Monitoring

3.1 It is the responsibility of the Tenancy Services Officer to ensure the arrears are monitored on a weekly basis and appropriate action is taken.

3.2 These actions will then be monitored on a monthly basis by the Director, who will provide advice on any further action that should be taken to prevent any escalation.

3.3 The Director will report the arrears to the Committee at the meeting following the quarter end. This report will provide members with the level of the current arrears with an explanation as to that level and what actions are being taken.