



KINGDOM
Group

Arrears Policy

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Approved: March 2018
Next Review: March 2023

ARREARS POLICY

1. Statement of Intent

This is a Kingdom Group policy and this policy is drawn up with reference to legislation and guidance from regulatory bodies as detailed in the data control sheet at the end of this policy.

Kingdom is committed to the principles of good corporate governance and sustainability and will endeavour to develop fair and consistent policies, procedures and practices.

In line with Kingdom's commitment to equality and diversity, this policy can be made available in a variety of formats, including large print, translated into another language or on audio tape. Reasonable adjustments will also be made to assist individuals who have particular needs.

2. General Principles

We will provide all customers with detailed and accurate information about how much rent, service charges and other charges they must pay and the options available to do so.

We recognise the importance of ensuring that arrears are kept to a minimum. To ensure our financial viability we will work proactively to minimise the risk of arrears arising. Where arrears do arise; we will take early and effective action to control them.

We will offer all customers advice and assistance to help them reduce their arrears and provide them with opportunities to make realistic arrangements for the repayment of arrears.

The Kingdom Group has adopted a Sustainability Policy. The principles of that policy will be applied to the implementation of this policy.

We will provide all new and current customers with relevant information in respect of Welfare Reform and provide tailored support and advice. In all cases, we will seek to ensure that all customers understand their ongoing responsibilities to pay their rent and other charges. Where customers are in receipt of Housing Benefit or Universal Credit and do not receive enough benefit support to fully cover their rent we will provide all reasonable assistance to prevent them falling into arrears. For all customers, including those in receipt of state financial support for their housing costs, where arrears accrue and we have taken all reasonable steps to assist, we will treat the arrear as any other debt and follow our arrears policy and processes to recover this.

This policy is designed to ensure that we are able to achieve the above General Principles for all of our tenure types.



3. Methods of Payment

We will offer our customers a choice of as many convenient payment methods as we can, providing that they are cost effective for us to administer.

4. The Prevention of Arrears

We will proactively engage with new and current customers to help to identify issues that could potentially make it difficult for them to maintain payments. We will provide appropriate tailored assistance to enable customers to manage their payments and to support tenancy sustainment.

Customers have a responsibility to notify us of any change that may affect their ability to pay their rent.

Customers can request a copy of their account at any time. In addition our social rent tenants can also view their account through the self service portal, My Kingdom, on our website.

We will review all credit balances on a two monthly basis. Credit balances will be refunded to the customer as appropriate. A credit balance on a customer's account may be used by us to off-set against any other debts owed by the customer to us.

We will make sure all communications concerning an individual's rent account are treated as confidential and meet Data Protection requirements.

MMR tenants will pay a deposit, equal to one month's rent, when they sign their tenancy agreement.

5. Managing Arrears

All payments are due on the first day of each month and should be paid on or before this date.

Any exception to this must be formally agreed with the Association

All customer accounts will be monitored on at least a monthly basis. Any customer in arrears will be contacted to make arrangement for repayment.

If any customer is experiencing debt problems and this is impacting on their ability to make regular rent payments, we will provide them with internal money advice and tenancy support, or refer them to any other appropriate external agency that we are aware of in order for independent advice and assistance to be given.

We will liaise with appropriate external agencies to maximise income for our customers and Kingdom.



We will take all reasonable steps, taking in to account current legislation and recognised good practice to support customers who require assistance with managing their finances.

We will follow all current legislation, governmental and regulatory guidelines when taking action, including legal action in order to recover debt.

6. Legal Action

Legal action is the last stage in the arrears process and will be instructed where customers are not complying with arrangements to repay their arrears and all reasonable arrears recovery efforts have been exhausted. Full consideration will be given to the background to each individual case before instructing legal action.

7. Decree of Eviction or Eviction Order Granted

When we obtain a Decree for Recovery of Possession, a report will be prepared for the Director of Housing and Asset Management. The Director of Housing & Asset Management and the Chief Executive have the authority to decide to enforce the Decree.

At this stage the recovery of a property will normally only be halted if the customer clears 100% of the rent arrears and any other debt due by them to us, including legal expenses. Exceptions to this rule can only be approved by the Chief Executive or the Director of Housing & Asset Management.

8. Former Customers

We will pursue former customer debts using our own resources and appropriate external debt recovery agencies

It is good accounting practice to write off debts that are deemed unlikely to be recovered. The Customer Accounts Team Leader shall recommend the amount to be written off and request appropriate authorisation from the Head of Housing or the Director of Housing & Asset Management in line with the agreed authorisation limits.

9. Factoring Debt

Where our customers are not complying with an arrangement to reduce or clear Factoring charges we may look to recover the debt through small claims action. The customer may also be liable for legal expenses incurred with the recovery.

10. Monitoring

Performance will be reviewed on a monthly basis.



A quarterly report will be produced for the appropriate Board of Management which will detail performance against KPIs and additional relevant highlighted information.

We review our arrears performance against other Registered Social Landlords to compare performance and benefit from good practice.

11. The Scottish Social Housing Charter

The Scottish Social Housing Charter sets standards and outcomes that describe the results that tenants and others who use their services can expect from social landlords. This policy sets out how we meet these objectives. The two Charter Indicators are:

Charter ref no 1: Equalities

Social landlords perform all aspects of their housing services so that:

Every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.

- We will make sure the promotion of equal opportunities by publishing information and documentation in different languages and other formats such as large print, tape and braille, as required.
- We will visit customers in their own homes where they have a disability or any other restrictions that prevents them from coming to our office.

Charter ref no 11: Tenancy sustainment

Social landlords make sure that:

Tenants get the information they need on how to obtain support to remain in their home and ensure suitable support is available, including services provided directly by the landlord and by other organisations.

- We will give all our customers help and advice to help them to sustain their tenancies and sign post them to various agencies if further and more specialist assistance is required.
- Charter ref no 3 - Participation
- Social landlords manage their business so that tenants and other customers find it easy to participate in and influence their landlord's decision at a level they feel comfortable with.

We will consult with our customers when our Arrear Policy is due for review.



12. Review

This policy will be reviewed on a five yearly basis from the date of implementation, which will be the date the policy is approved by the Board of Management or earlier if needed.



KINGDOM GROUP

ARREARS POLICY

Policy drawn up with reference to:

Equality Act 2010
Data Protection Act 1998
Housing (Scotland) Act 2001 as amended
Housing (Scotland) Act 2010
Homelessness etc (Scotland) Act 2012

Reference made to the following sources and other guidance:

The Housing Regulator
Activity Standard AS1.8

Prepared by: Matthew Busher, Head of Housing

Reference to the current policy and date if one exists

Draft 1 Reviewed by Rosemary Trainer in January 2018

Draft 2 Reviewed by Solicitors

Policy Sub Group Review of Policy in February 2018

Presented for approval to KHA Board of Management – February 2018

Policy Approved: By KI as a Group policy 27 March 2018

Next review date: March 2023

