



Arrears and Debtors Policy Summary

The GHA Arrears and Debts Policy provides a clear approach to rent arrears and debt recovery. The policy has six main elements

- Preventing arrears
- Increasing tenants' incomes
- Arrears management
- Legal action
- Debt recovery
- Allocations and Arrears

PREVENTING ARREARS

We want to help to prevent customers from building up arrears and debts.

- GHA has extended the rent guarantee to limit rent increases until 2011.
- We aim to implement a fairer rent structure in 2011.
- We encourage tenants to pay their rents through information and publicity campaigns.
- Glasgow Gold rewards tenants who pay their rent.
- Tenants can pay weekly, fortnightly, four weekly or monthly but payment should always be made in advance.
- We provide a wide range of payment methods for rent and other debts

INCREASING TENANTS INCOME

We aim to help customers to increase their income in a number of ways.

- We will help tenants to submit Housing Benefit claim forms on time.
- We employ a team of specialist Welfare Benefit Advisers and housing officers should also be able to provide basic benefits advice.
- We provide help and advice to new tenants on rent and service charges, rent payment methods and benefits advice.
- We publicise the Housing Benefit Scheme in newsletters and have Housing Benefit claim forms at our local offices.
- We promote local credit unions
- We support *Scotcash* - an independent organisation that offers affordable loans to people unable to get bank loans.
- We work with the Council to help tenants get training and jobs.

ARREARS MANAGEMENT

We have a firm but sensitive approach to arrears recovery.

- We take prompt action when customers fall into behind with payments.
- Staff try to make personal contact to find out whether there is a problem.
- We aim to agree arrangements to repay the debt.

- We make sure that our customers understand the serious implications of failing to pay rent and other debts.
- We use interpreters, lip speakers and sign language where customers need this. We will also provide letters in different languages, large print, easy read, Braille or other formats if requested.
- We will send all our tenants a rent statement at regular intervals, whether they are in rent arrears or have clear accounts.
- Where customers have other problems such as multiple debts, illness, harassment or relationship breakdown we will refer people to social work or specialist support agencies.
- We will consider alternatives to legal action, where appropriate.

LEGAL ACTION

If we cannot make contact or if the tenant does not keep an arrangement to pay, we will take legal action.

- We will issue a Notice of Proceedings for Recovery of Possession (NPRP). This is the first stage of the legal process.
- If the arrears continue to increase, we will start court action to recover the property.
- We will continue to accept reasonable offers to repay arrears up to the court date.
- Once a Sheriff has granted decree the eviction must take place.

We may agree to grant a new tenancy. This will only take place if:

- The tenants' circumstances have changed significantly or
- The arrears have been fully repaid

DEBT RECOVERY

Debts include all monies owed to GHA by current or former tenants. This includes:

- Current Rent Arrears (including service and insurance charges)
- Court Costs (to clear court orders)
- Former Tenant Debts (rent and garages)
- Garages Current Arrears
- Rechargeable Repairs
- Other Debts

We will take prompt action when a debt arises and ask the customer to make arrangements to pay. We have a Debt Recovery Team to pursue monies owed.

ALLOCATIONS AND DEBT MANAGEMENT

If a customer is applying for housing and has arrears or other debts to us, certain legal rules apply:

- Arrears of less than one months rent – offers can still be made. Customer will be expected to pay the sum due.
- Arrears and debts of more than one months rent – offers will only be made where the applicant has:
 - Made an arrangement to pay the debt
 - Kept that arrangement for at least three months

- Continues to make such payments.
- Where there are large arrears and no arrangement to pay, we will not make any offers of accommodation.
- If the applicant is due a Home Loss payment, we will ask the customer to agree to the deduction of any money they owe.