

EAST RENFREWSHIRE COUNCILCABINET4 September 2014Report by Deputy Chief ExecutiveCOLLECTION OF COUNCIL REVENUES**PURPOSE OF REPORT**

1. The purpose of this report is to seek Cabinet approval of revised Corporate Debt and Rent Arrears Policies.

RECOMMENDATION

2. It is recommended that the Cabinet notes this report and approves revised Corporate Debt and Rent Arrears policies.

REPORT

3. The following table shows a summary of collections and write offs in respect of all the Council's major Revenues. These are Council tax, Non Domestic Rates, Rents and Sundry Debtors. Figures for Council Tax are shown net of Council tax reduction and Rents is shown net of Housing Benefit. All funds show total cash collections including collections for prior years. The figures for write offs also include sums for prior years which were written of during 2013/14.

Council Revenues Collection 2013/14

Fund	Cash Collected	Sum Billed	% Collected	Written Off	% W/off
Council Tax	£41,028,634.82	£41,314,511.21	99.31	£548,953.41	1.33
NDR	£13,343,580.69	£13,684,722.07	97.51	£76,218.72	0.56
Rents	£3,703,115.12	£3,718,621.12	99.58	£70,428.72	1.89
Sundry Debtors	£8,735,855.59	£9,019,245.49	96.86	£178,584.27	1.98
	£66,811,186.22	£67,737,099.89	98.63	£874,167.12	1.29

4. In 2013/14 East Renfrewshire Council recorded the best in year council tax collection of any Scottish local authority at 98.75%. This showed improvement of 0.25% on the previous year which is the same level of improvement as total collections. The reported PI for Council tax collection only measures in year collections, while the figures above include all council tax collections received in 2013/14 irrespective of year of billing.

5. In year collection levels of Non Domestic Rates also increased by 0.9% on the previous year while total collections increased by 0.5%.

6. If rent collection performance was measured in the same way as council tax, we would show that collections of rent were around 1% higher in 2013/14 than the previous year. Due to this improvement, rent arrears occurring within 2013/14 were under 40% of the arrears which occurred in 2012/2013. The indicator which is used for benchmarking rent collection performance measures cumulative arrears from the start of individual tenancies, irrespective of when they occur, as a proportion of net rent due for the year of report. As rent collected during 2013/14 was marginally less than 100% of net rent due, cumulative rent arrears increased by £38,000 mainly caused by outstanding under occupancy charges. This led to a deterioration in the rent arrears performance indicator of 0.26%, however if under occupancy charges were excluded from the calculation the indicator would instead have improved by 0.5%. Since the level of rent arrears continues to be a concern, a review of rent collection arrangements is currently being undertaken which will partially be informed by a report to be produced by Audit Scotland in the autumn. This report focuses on the impact welfare reform changes are having on rent arrears.

7. Sundry debtor collections also improved and the length of time for payment to be received reduced particularly for older debt.

POLICY REVIEW

8. To assist in improving performance, policies covering Corporate Debt Recovery and Rent Arrears Collection have been reviewed. Revised policies are attached to this report as appendices 1 and 2. The procedures which support these policies are also regularly reviewed and benchmarking with other councils is used extensively to improve performance.

9. The main changes to the Debt Recovery Policy are as follows.

- Policy has been updated to relate more closely to the Council's Outcome Delivery Plan and provides examples of performance measurement and benchmarking opportunities.
- It has also been updated to reflect current payment methods and diligences available for each type of income collected.
- Given the current and future plans for welfare reforms and other changes a new write off condition has been added where exceptional financial or other circumstances are brought to the Council's attention by a support agency such as CHCP staff. It may be appropriate in certain exceptional circumstances e.g. resident in full time care for write off of debt to be considered.

10. The main changes to the Rent Arrears Policy are as follows.

- Clarifies that tenants are expected to pay rent in advance at outset of tenancy.
- Outlines tenants' responsibility to apply for Discretionary Housing Payment where an under occupancy charge is payable and reinforces the Council's right to take legal action where the tenant will not apply or cooperate with the rent team.
- Includes arrangements for more frequent visits to tenants' homes by rent team where arrears have occurred.

FINANCE AND EFFICIENCY

11. There are no specific financial implications arising from this report. Policies and supporting procedures will continue to be benchmarked against other councils and landlords to seek improvements in performance.

CONSULTATION

12. The Housing Service has been consulted regarding the revised Rent Arrears Policy.

PARTNERSHIP WORKING

13. Income collection requires involvement of all council departments working together to maximise collection. In the case of rent collection specific services e.g. Revenues, Housing, Legal and CHCP need to work together to maximise income. The policy relies on debtors having access to support as necessary. Currently support to debtors is provided by Money Advice, Benefits team, CHCP and East Renfrewshire Citizens Advice Bureau.

CONCLUSION

14. Collections of Council Revenues generally increased in 2013/14 with East Renfrewshire Council being the best performing council for Council tax collections. However, the level of rent arrears continues to cause some concerns particularly in the light of planned welfare reforms. To ensure continuing improvement, policies guiding debt recovery and rent collection have been reviewed and revised versions are attached to this report for consideration.

RECOMMENDATION

15. It is recommended that the Cabinet notes this report and approves revised Corporate Debt and Rent Arrears policies.

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East Renfrewshire Council

**Debt Recovery Policy
September 2014**

Debt Recovery Policy 2014	Revenues Section
Date effective: 1 st Sept 2014	Review annually

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1.0 Introduction

The purpose of this policy is to provide information about how the Revenues service of the Council follows up sums of money due. The Revenues service is committed to recovering debts owed to the Council, and significant efforts are made to maximize the collection of income due to the Council and to minimize sums written off. It should also be noted that the service aims to assist customers by minimising any additional recovery costs when possible, and by providing advice & support in relation to both maximising the customer's income, and debt relief options.

This policy provides an overview of the processes the Revenues service will undertake in the collection of income, but it should be noted that the procedures behind this policy are very comprehensive and provide more detail on the processes followed within the teams.

2.0 Policy Aims

The policy aims to maximise the collection of debt, whilst taking into account the individual circumstances of the customer. In so doing, the desired outcome is to break the customer's circle of debt, and minimize recovery costs when possible. The following income streams are covered in this policy:-

Council tax charges / arrears
Non Domestic rate charges / arrears
Sundry debt charges / arrears
Housing benefit overpayments

The policy relates to East Renfrewshire Council's Outcome delivery plan, Section 2: Customer, Efficiency and People Outcomes and the Revenues service plan drawn up to provide more detail of the activities carried out to meet this objective.

Within the ODP we report as follows:-

Efficiency

01-Our systems and processes are streamlined, enhancing customers' access to services.

Council Tax

% of income due from council tax received by the end of the year

02-Residents benefit from cost effective and efficient services that comply with financial and legislative requirements

Cost of collecting council tax per dwelling £

As well as the above items, further reporting takes place, both via statutory performance indicators, reported to Audit Scotland, and local performance indicators, via the Directors of Finance network.

As well as the statutory reporting, the Revenues service takes part in a number of benchmarking exercises and always aims to improve performance results, and implement best practice. Examples of ongoing benchmarking include:- IRRV (Institute of Revenues, rating & Valuation) , Solace, (society of local authority chief executives) and Scottish Government.

3.0 Income streams

3.1 Council Tax

Council Tax is levied on all domestic properties. We have a duty to all those Council Taxpayers who pay their Council Tax on time to make sure that all possible action is taken to recover unpaid Council Tax from those who are slow to pay. These are monies which are legally due to the Council and finance the front-line services the Council provides to the Community. The Council is, however, always willing to resolve payment difficulties at an early stage and is prepared to negotiate realistic payment arrangements where possible. The Council must issue a Reminder Notice to a liable person who has failed to make payment of an instalment of Council Tax by the due date.

3.2 Non Domestic rates

Non-Domestic Rates is a tax on properties not in domestic use. Examples of the types of properties for which non-domestic rates may be payable are hotels, offices, public houses, schools and shops. The Administration of non domestic rates (billing & recovery) is undertaken on East Renfrewshire's behalf by the neighbouring Renfrewshire Council, and a service level agreement is in place. East Renfrewshire monitors Renfrewshire's billing & collection performance, on a monthly basis, with review meetings taking place at regular intervals. Recovery action taken is in line with current legislation.

3.3 Sundry Debts

The Council charges a fee for various services and there is a Charging policy in place to dictate the level of these fees. An example of some of the services which will be invoiced to customers include:- Commercial Rent, home care, Education (music lessons, wrap around nursery charges, bus passes) and re-chargeable housing repairs.

3.4 Housing benefit Overpayments

Housing Benefit Overpayments can occur where a claimant fails to notify or incorrectly notifies us of their financial circumstances. This can be as a result of fraud or error. The reasons for the overpayment occurring together with the claimants circumstances will determine the action taken to recover the debt.

4.0 Recovery Approach

As stated above, East Renfrewshire aims to maximize collection of income due, whilst taking into account the circumstances of the customer. The list below is an overview of the actions which take place, but is not an exhaustive list. Full procedure manuals are available within each of the teams in Revenues.

4.1 Payment methods

It is important to offer a wide range of payment methods to customers and the following is a list of the methods of payment available for the income streams covered in this policy:-

Online payment via East Renfrewshire's website

Payment by debit / credit card via automated phone line (a fee of 2% is charged on credit card payments)

Payment by debit / credit card to a member of staff during office hours (a fee of 2% is charged on credit card payments)

Payment at Council offices, cash, cheque, debit and or credit card payments accepted (a fee of 2% is charged on credit card payments)

Payment by standing order

Payment by direct debit (Council Tax, Non domestic rates & certain types of sundry debt charges)

Payment at the post office (Council tax only)

Cheque payments can be posted or hand delivered to East Renfrewshire's offices

4.2 Payment Arrangements

4.2.1 Council tax

The Council recognises that accurate & timely billing is key crucial in aiding the recovery process, and the Council Tax team aim to ensure all liability changes are processed within a 20 day turnaround time. Legislation dictates how the Council should recover unpaid Council tax, and this allows for a petition to be presented at court which, if signed by the Sheriff, provides the Council with a summary warrant. When a summary warrant has been granted in the Council's favour a surcharge of 10% of the unpaid charge is added onto the balance. Further diligence can be enforced by the Council's agents, (for example a wage arrestment) but this is always a last resort.

The Corporate debt recovery team will enter into repayment arrangements with customers at any point in the arrears process, and aim to break the customer's cycle of debt by ensuring all current ongoing liabilities are included in payment arrangements. This also minimises the risk to the customer of further costs being added, as this will happen if there is a need to enforce further diligence.

In addition to accepting arrangements from customers who contact the Council, the corporate debt team will pro-actively contact customers to encourage them to come to a payment arrangement without the need for Sheriff Officer Intervention.

4.2.2 Non Domestic rates

As with Council Tax, accurate & timely billing is required to maximise collection with Non domestic rates charges. Procedures exist (Renfrewshire Council procedure manual) and there are regular service review meetings, as well as monthly monitoring of collection levels.

Renfrewshire administer all collection activity for Non domestic rates including referral to their appointed sheriff officer when necessary. High level debt cases are discussed on an ad-hoc basis, and the best course of action is mutually agreed between the authorities.

4.2.3 Sundry Debts

The Council has a set of 'debt rules' which govern the approach taken to invoicing for services. These rules embrace the principles of good practice, and dictate that payment in advance should be made where practical. The Council also has a transparent charging policy which is regularly reviewed, to determine the level of charges customers will be requested to pay. Certain services also operate concession policies based on customer circumstances.

Once an invoice has been issued, the sum due should be paid within 28 days. Where the bill is not for a recurring service, and is for a substantial amount, the sundry debt team will enter into repayment arrangements with customers, taking into account the sum owed, and the individual's circumstances.

In some cases, for example capital repair invoices, there is another set of legally enforceable rules which cover payment arrangement terms.

The service departments have a critical role to play in minimizing sundry debt, which is outlined within the Council's debt rules. These rules include stopping service, or the non supply of a future, non statutory Council service.

4.2.4 Housing benefit overpayments (HBO)

Housing Benefit Overpayments can occur where a claimant fails to notify or incorrectly notifies us of their financial circumstances. This can be as a result of fraud or error.

Recovery of HBO's is covered within legislation, and one of the options available is to deduct a sum from a claimant's ongoing housing benefit (HB) to reduce the overpayment. The dwp oversees this and issues an annual communication to all local authorities advising of the maximum amounts which can be deducted. The amount is higher when the overpayment has been as a result of fraud. The overpayment officer will administer the deduction from ongoing Housing benefits. Overpayments for customers not in receipt of ongoing benefit will be referred onto the corporate debt recovery team.

When the overpayment is as a result of fraud, the maximum level of deduction will be taken from ongoing benefit. For non fraudulent cases, the overpayment officer will take into account the individual's circumstances when setting the level of deduction. Deductions will not be taken from ongoing benefit if the tenant is in arrears with rent due to ERC, of £250 or more.

The corporate debt team will ensure an invoice is issued to inform the customer of the overpayment, and will come to a mutually agreeable repayment arrangement, taking into account the customer's circumstances.

4.3 Advice & Assistance

Whilst customers are interacting with any of the Revenues teams, staff will do all they can to assist the customer with their financial position, and this includes referring customers onto the income maximisation team, the money advice team or both. Income maximisation & money advice are located within the Revenues service, and there is close working

relationships between the teams who're collecting income, and the financial assistance services. All teams work together to get the best outcome for the customer, and financial statements are prepared by money advice, to ensure any arrangement entered into is realistic in terms of the customer's income & other outgoings.

4.4 Corporate approach

With all debt streams, the aim of any repayment arrangement is to ensure ongoing charges are met, to prevent the debt spiralling, and smaller sums can be accepted to reduce arrears over time. The time period given is dependent on the individual's circumstances. The corporate debt team offer 'combination' arrangements i.e. that the customer can pay one payment and this can be allocated across different income streams.

Customer information, such as current whereabouts, is shared across the different income streams, subject to provisions of the data protection act.

4.5 Legal Action

The Revenues service only instigates legal action as a last resort, when other avenues of collection activity have proven ineffective.

The Revenues service works with a firm of Sheriff Officers, and also works closely with the Council's legal team and action is taken where it is deemed appropriate. The action taken will be proportionate to the case.

Legal action can include:-

Council Tax

Following the granting of a summary warrant and the service of a charge for payment:-

Wage arrestment
Funds held with a customer's bank account frozen
Petitioning court for bankruptcy

Non domestic Rates

Following the granting of a summary warrant and the service of a charge for payment:-

attachment order
money attachment
Funds held with a customer's bank account frozen
Petitioning court for liquidation

Sundry debts

Summary warrant is not applicable for sundry debts, so court action would need to be taken. This would be carried out on the Council's behalf by legal services, following consultation with Revenues, and the service department.

HBO

An overpayment which has been certified by an officer of the Council can be subject to same forms of diligence that follow summary warrant. Due to the differing legislation regarding HBO's the certification process has the same effect as the granting of a summary warrant.

Following the certification of a debt and the service of a charge for payment:-

Wage arrestment

Funds held with a customer's bank account frozen

Petitioning court for bankruptcy

5.0 Write Off

The Council is aware that in the case of a small number of debts, all viable means of collection can be exhausted with no or less than full payment being received. Therefore the Cabinet will consider annually writing off debts which are considered irrecoverable. These include situations where the:

1. Debtor is deceased and has left no estate.
2. Debtor is no longer resident at the address where the debt occurred, and all available tracing options have been exhausted. .
3. Debtor has been sequestered.
- 4.. Sheriff Officer advises low probability of debt recovery.
- 5.. Small balance outstanding under £20.00.
6. some exceptional circumstances, such as an approach by chcp regarding a nursing home resident, or terminally ill customer with no assets.



East Renfrewshire Council

Rent Arrears Policy

September 2014

Rent arrears policy 2014	Revenues service
Date effective : 1 st September 2014	Review annually

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Rent Arrears Policy

1.0 Introduction

This policy describes the activities and responsibilities involved where tenant rent accounts of both current and former tenants are in arrears. The Rent Arrears Policy applies to all council housing managed by East Renfrewshire Council. As at 1st April 2014 there were 3,011 Council houses and 2,972 tenants.

1.1 The Council's aim is to

- maximise tenant's income
- take early preventative action to avoid arrears debt escalating out of control
- take effective action to reduce the level of debt owed to the Council

This will help prevent homelessness, contribute to building sustainable communities and assist in eliminating poverty which is a main theme of the Council's Outcome Delivery Plan. The main links to this policy from the Outcome Delivery Plan include:

SOA 04 East Renfrewshire residents are safe and supported in their communities and homes

Efficiency

01-Our systems and processes are streamlined, enhancing customers' access to services

Current tenants' arrears as a percentage of total rent due %

2.0 Policy methods

The effective management of arrears recognises that prevention is better than cure and, accordingly, the range of actions to deal with arrears is progressive with an emphasis on good communication at all stages. The key action areas are:

- Information and Advice
- Tenants' responsibilities
- Accessibility
- Early Intervention
- Affordable Arrangements
- Recovery Action
- Eviction

2.1 Information and advice

Information and advice is primarily given to prevent arrears from accruing. It is important to ensure that this is provided at the outset of the tenancy and reinforced throughout the tenancy.

If it is necessary to take arrears control action, the nature of the information and advice will change but should take account of the circumstances of the tenant. All information provided by the tenant will be recorded and will be dealt with confidentially.

When a tenant signs a new missive they will be:

- advised of rent charges, frequency and methods of payment
- where the tenant would not be eligible for housing benefit, they will be asked to pay one week's rent at the time of sign up, in line with the terms of their tenancy which stipulates rent is payable in advance
- advised on the rules for public sector size criteria, and that if they need to make a claim for HB on a property they are under occupying in terms of the rules, that they will be expected to complete an application for discretionary Housing benefit. The tenant will be asked to sign a document confirming this has been explained.
- issued with Housing Benefit (HB) application form and associated documents
- offered help to fill in the HB form and related documents
- advised how to contact HB staff
- given advice on what to do and who to contact if they have difficulty in paying their rent
- advised of the implications of non-payment of rent
- advised that they will receive a visit from their housing officer within 4 weeks of moving into their home, and if appropriate, accompanied by their tenancy support officer, where rent issues can be discussed.

All tenants will be provided with:

- a swipe card holding information about their account
- advised of their rent levels on annual basis
- provided with rent statements on request
- advised on how to access financial, welfare and budgeting advice from within the Council or from partner agencies.

2.2 Tenants' responsibilities

2.2.1 The term 'tenant' includes sole and any joint tenants. If two or more people have signed the Tenancy Agreement, they are jointly and severally liable for the payment of rent. This means that each person is fully responsible for the payment of rent and any arrears of rent.

2.2.2 Tenants have an obligation under the Terms and Conditions of their Tenancy Agreement to pay rent due every week, in advance on or before the first day of each rental period.

2.2.3 Tenants have a responsibility to notify the Council of any change that may affect their ability to pay their rent.

2.2.4 Tenants can choose to pay their rent from one of the following methods: -

- Cash or cheque (in person or by post)
- Standing Order
- Credit or Debit Card (in person, by telephone or online)
- Post Office or other retail outlets who are members of common payment networks.
- Direct debit payment facility will be developed during 2014/15

2.3 Ensuring accessibility

It is important to ensure that payment methods are as accessible and flexible as possible and take into account modern methods of personal financial budgeting. We will also ensure that tenants can contact the right people to discuss their finances.

We will achieve this by:

- providing a choice of methods to pay rent including online & automated telephone 24 hour payment
- providing facilities to pay rent at post offices and Council cash halls
- providing access to staff who can advise on benefits entitlement
- directing clients to sources of independent advice

2.3.1 Payment allocation / Credit balances

Any monies a tenant pays for rent will be credited directly to the rent account reference they quote when they make the payment (or the reference which is hard coded into their payment card, if they use this at the time of payment)

Should there be any overpayment of the tenant's rent account; staff will follow the procedures which are in place for credit balances.

2.4 Early intervention

Early intervention is crucial for the successful management of arrears. All rent accounts will be monitored on a weekly basis and missed payments will be flagged by the system. In order to allow staff to make contact before debt increases, we will:

- regularly monitor and audit rent accounts
- visit the tenant within 4 – 6 weeks of the tenant moving in, and reiterate some of the information provided at sign up, e.g. payment methods, the importance of quickly informing ERC of any change in circumstances etc.
- seek early dialogue with tenants when 1 weekly payment is missed (unless another payment cycle has been agreed)

- normally visit tenants when 4 weekly payments are missed (prior to proceeding to 'notice of proceedings' stage)
- agree realistic repayment schedules with tenants to reduce arrears based on their financial circumstances.
- Where the arrears can be identified as being a result of under occupancy charges there will be staff on hand to assist tenants by explaining the reason for arrears, encouraging a discretionary HB application, and negotiating payment arrangements.
- In addition to an early arrears visit, tenants will be contacted (at any stage of the arrears process) by telephone to remind them rent payments are due, or to chase up missed payment arrangement instalments.
- Text messaging is also used to encourage tenants to contact the rent team

2.5 Affordable arrangements

2.5.1 Interviews

Interviews will be carried out in the tenant's home, the office or at an agreed suitable location. The tenant can be accompanied by a relative, friend or advocate, who should be able to positively contribute to resolving the situation. All information provided will be treated in confidence. The purpose of the interview is to:

- obtain up to date information as to current family composition, income, expenditure, whether housing benefit is in payment if appropriate, special needs etc.
- identify reasons for non payment of rent and discuss options to resolve the situation.
- advise the tenant on sources of advice and assistance which may be able to help them not only resolve their current problem, but who may also be able to provide information on other matters which could help them.
- confirm to tenants who refuse to provide relevant information, or agree and maintain a schedule of payments, that they are endangering their tenancy and the Council will inform the tenant of the consequences of this.

2.5.2 Agreements

Agreements to reduce arrears will be based on realistic affordable instalments over a specified period of time, taking into account the tenant's financial situation. When making agreements to pay, the rent team will, as far as possible, take into account other debts owed by the tenant to the Council to ensure that the overall burden on the tenant remains affordable. The tenant will receive written confirmation of the agreement and will be advised of the implications of non-payment. A payment arrangement can be entered into at any time, and at any stage of the recovery proceedings, prior to Court action taking place.

When a tenant's account goes into arrears, the rent team will continually try to speak to the tenant to discuss the different financial support available to them. Referrals are made to the money advice team who can help the tenant deal with all of their debt including non council debt.

2.5.2 Agreements (continued)

The money advice team will work confidentially with the tenant to discuss realistic payments arrangements to pay off rent arrears and any other debt owed.

Money Advice staff will also talk to any creditor on behalf of the tenant to ensure that payment arrangements are affordable. If there is a change in circumstances and a tenant can no longer afford a specific payment arrangement, Money Advice will help to set up a new more affordable arrangement. Unfortunately experience suggests that despite the above procedures, a minority of tenants may refuse to engage with the Council. When a tenant refuses to enter into a payment arrangement, the Council must proceed with court action (gaining a decree) to recover monies owed.

2.6 Recovery Action

2.6.1 Broken Arrangements and Notice of Proceeding

If the payment arrangement breaks down, the tenant will be contacted to find out the reason for the lapse. They will be advised to commence the payment schedule or, depending on the amount missed, the arrangement may be renegotiated. If payment is not made, or the arrangement is broken for a second time, a Notice of Proceedings (NOP) will be issued. This notice confirms the Council's intention to seek recovery of the arrears, as well as repossession of the property. Prior to the issue of the NOP the Council's Housing Service and Community Health and Care Partnership (CHCP) are notified to enable them to raise any relevant concerns with regards to tenant or family circumstances.

The process is the following:

- The NOP list of tenants is sent weekly to housing staff CHCP Children and Families and Community Care managers.
- On receipt CHCP managers check their information system to determine whether an allocated social worker is in place and if so, they will contact the tenant to provide advice and support in relation to the arrears.
- If the tenant is not on the CHCP system, we would contact the tenant to offer them a duty appointment with a view to providing advice and support. This then allows CHCP staff to determine whether there are children in the household or a vulnerable adult.

The tenant will be advised to contact the rent team, to discuss the situation, and to receive assistance in resolving the problem.

When the notice becomes live, if the tenant has not been in touch, or where there has been no payment made to clear the arrears, a member of the rent team will visit the tenant, along with the arrears control liaison officer. The purpose of the visit is to again offer assistance with any potential housing benefit claim, and to negotiate a further repayment schedule. The rent staff will explain the seriousness of the situation to the tenant and the possible outcome of their actions should they continue not to pay their rent.

2.6.2 Implementing Legal Action

The rent team will take action to repossess a tenancy when all other reasonable options have been taken and failed. Legal action will be undertaken by the Arrears officer, in line with the Council's procedures, and Legal services will be instructed to seek a date for a Court hearing.

Rent staff will continue to discuss options, sources of advice and assistance and methods of repayment of arrears with tenants until the case is called at the Sheriff Court.

When legal action has been instigated, the tenant will be notified in writing.

Tenants whose arrears are solely due to under occupancy charges, and who have not been co-operative in applying for discretionary HB cannot be excluded for this process however; all attempts will be made to resolve the arrears by alternative means.

2.6.3 Post Decree

The Homeless Team will be informed when an eviction has been scheduled. (This will follow a decree to evict being granted by the Sheriff Court).

When the Court has granted a decree to evict, the Scottish Secure Tenancy (SST) ends on the appointed date for eviction and the Council has the right to recover possession on or after that date. On the appointed date of the eviction, the Council can:

- obtain vacant possession of the property; or
- in certain circumstances, set out in Schedule 6 of the Housing (Scotland) Act 2001, provide a Short SST, for example, in need of support; or
- define the tenant as homeless and provide temporary accommodation in the same property in accordance with its duties and powers under the homeless legislation. The tenant must enter a new, non-secure Occupancy Agreement.

2.6.4 Serial Decrees

Where a tenant allows their rent account to go into arrears and pays the account prior to eviction, then proceeds to run up arrears again, compelling the Council to return to Court for a further decree, we will charge interest (at the Judicial Rate) on the second decree and proceed with eviction on the third decree regardless of whether the payment is made. This procedure will apply in cases where three decrees have been obtained within a 10 year period from the start of the tenant's current tenancy with the Council. The tenant will be given prior warning of these actions in both scenarios and the Council will enforce this policy unless there are exceptional circumstances.

2.6.5 Court Expenses

All court expenses will be re-charged to the tenant in full unless there is good reason not to do so.

2.7 Eviction

2.7.1 Authorisation

The Billing and Recovery Manager (or nominee) will authorise the eviction, following consultation with Housing Services and the Community Health Care Partnership. (CHCP). Sheriff Officers will be contacted to make appropriate arrangements. Written notice of the eviction will be issued 14 days prior to the event, giving the date and time, and will be sent to:

- The Tenant
- Local Elected Member
- Head of Housing Service
- Housing Services Manager
- Homeless Strategy and Services Manager
- The tenant's Housing Officer
- Head of Children and families and criminal justice (CSWO)
- Relevant CHCP service managers
- Head of Revenue Services
- Billing & Recovery Manager

Notification of the eviction amongst these key council posts allows any concerns with tenant or family circumstances to be addressed. Where it is considered necessary by any Council department, a case conference will be held to ensure that before any decision to evict is implemented, all issues have been discussed and action has been agreed.

One to two weeks prior to the eviction, the Rent Officer along with the Homelessness Team will visit the tenant to provide relevant information.

Confirmation that the eviction took place, or was cancelled will also be sent to the above group.

2.7.2 Appeal of Eviction Decision

A tenant has a right to appeal against the decision of the Billing and Recovery Manager to evict them for non payment of rent, in writing to Head of Revenue Services (or nominee). Tenants will be advised that they can seek assistance from the Citizens Advice Bureau on how to prepare their appeal. The appeal should be lodged within 7 days of receipt.

3.0 Monitoring and evaluation

The Revenues Service will use the Open Housing Management (OHMS) software to record all actions and contacts with tenants on matters relating to rent arrears. The Service will commence action on accounts which show one week or more in arrears and thereafter on a weekly basis. A first reminder letter will be sent to the tenant in the week following their missed instalment, with a first home visit following the issue of a final notice, and prior to issuing a Notice of proceedings. This will be followed by weekly monitoring of the account and appropriate action will be taken if the level of arrears remains unacceptable. After the first instalment is missed, the tenant will receive information on the Council's money advice

service. Referrals will also be made to the money advice team at all stages of the recovery process.

Performance against the statutory performance indicator for the level of current tenant arrears is reported monthly to senior management. Every 6 months, rent arrears levels are measured against targets set out in the Outcome Delivery Plan using the corporate performance management system (Covalent) and this is reported to the CMT and Cabinet. The success of this policy will be evaluated using the following performance measures:

<ul style="list-style-type: none">• HS4a: Current tenants' arrears as a percentage of net rent due in the year
<ul style="list-style-type: none">• HS4b: Percentage of current tenants owing more than 13 weeks rent excluding those owing less than £250
<ul style="list-style-type: none">• HS4c: The proportion of those tenants giving up their tenancy during the year that were in rent arrears.
<ul style="list-style-type: none">• HS4d: The average number of weeks rent owed by tenants leaving in arrears
<ul style="list-style-type: none">• HS4e: The percentage of arrears owed by former tenants that was either written off or collected during the year.

4.0 Former tenant arrears

Every effort will be made to prevent Former Tenant Arrears accruing. Outgoing tenants will be advised of any rent monies which are due or will become due until their date of leaving. Outgoing tenants will be encouraged to provide a forwarding address. Where Former Tenant Arrears accrue, systems will be checked to identify a forwarding address. Where an address is provided, we will write to the former tenant advising them of the amount of the debt and how to contact us to make arrangements to pay. Any arrangement to pay will be confirmed in writing. A reminder letter will be issued to debtors who fail to respond. Where there is no forwarding address, or where the former tenant fails to respond, or where there is a breakdown of the agreement to pay, we will employ a number of agencies to assist in recovery of arrears including the Council's Legal Services and the Council's external debt recovery partners.

5.0 Write off

Debts pertaining to deceased or tenants permanently hospitalised or permanently admitted to a care home will be presented to Committee for write-off along with former tenant debts of less than £20.00.

Where the Debt Recovery Agency has exhausted the mechanisms to recover the debt and it becomes no longer viable to pursue, these debts will also be presented to Committee for write-off. Sequestered balances which have been discharged will be presented for write-off.