



Wigan Council

Income Team – Rent Arrears Policy

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Income Team Rent Arrears Policy

1. Introduction

Wigan Council aims to support tenants in being able to sustain their tenancy whilst at the same time minimising the level of rent arrears in a sensitive but effective manner.

We endeavour to offer support and advice to tenants on financial matters including benefits; we also offer budgeting advice and informal debt guidance.

All tenants, when entering into a tenancy agreement with Wigan Council, sign a legally binding document which states at Section 3.20 that:

The Tenant agrees to pay the Basic Rent and Service Rents (which are hereby reserved as rent) and all other sums when they are due

Rent can be paid via any of the following means:

- By Direct Debit
- Via the internet by visiting www.wigan.gov.uk/pay-for-it
- Standing Order
- At a Post Office or PayPoint outlet
- Via the telephone on 01942 489006

This is a public policy guide to explain The Council's approach to managing rent arrears. These are the actions and supportive steps that we will utilise.

2. What happens if I don't pay my rent?

Officers will work within the legal framework in relation to collecting and recovering arrears, and in line with the following legislation and guidelines:

- Housing Act 1985 (amended 2004)
- Homelessness Act 2002
- The Equality Act 2010
- Data Protection Act 1998
- Rent Possession Pre-Court Protocol

If rent payments are not made and tenants do not engage with our Officers, then it may become necessary for legal action to be taken because failure to pay rent is a breach of the conditions of tenancy. Rent Officers will attempt to contact the tenant as early as possible to make arrangements to repay the arrears before the debt gets out of control and see what can be done to assist. We have a number of specialised trained If rent payments are not made and tenants do not engage with our Officers, then it may become necessary for legal action to be taken because failure to pay rent is a breach of the conditions of tenancy. Rent Officers will attempt to

contact the tenant as early as possible to make arrangements to repay the arrears before the debt gets out of control and see what can be done to assist. We have a number of specialised trained staff who can advise on budgeting skills and dedicated Financial Support Officers who can offer intensive support for those in most financial hardship.

3. Escalation policy

- 3.1 If rent payments are missed, we will send you a reminder letter explaining how much is owed and how to pay. If you are struggling to pay your rent it is important that you speak to your Rent Officer as soon as possible.

We are here to help you – don't let the arrears get out of control. If there are any reasons as to why you cannot pay your rent you need to speak to our officers who may be able to help you. This may include any personal circumstances you want us to consider.

- 3.2 If further payments are missed or arrears continue to add up, it is likely that we will serve you with a Notice of Seeking Possession / Notice of Possession Proceedings. This is the first step in the legal process, for us to apply to Court to take the property back from you. At this stage you need to speak to us urgently to assist us before we make a final decision on whether to enter your case into Court. If you are entered for Court it is likely to result in costs being added to the amount of arrears owed.
- 3.3 If action is not taken at this stage to pay off the arrears, or to speak to our officers, then it is likely that the case will be entered into Court to seek a Possession Order against you. If this becomes necessary we will endeavour to give you at least 28 days before the hearing date.

At Court the Judge (a District or Deputy Judge) will decide whether or not to make an order against you. You will be given the opportunity to enter a defence; you may also choose to seek legal advice at this stage. You will be required to attend the Court hearing whereby you will be able to explain your circumstances to the Judge and also be given the opportunity to speak to a representative from the Citizen's Advice Bureau. The Judge will be asked to decide whether to make an order and what the terms of that order will be.

An Outright Order could be made against you which could result in the property being taken back from you within the time set by the Court. If your case is entered into Court you will likely be charged for the cost of the claim and any subsequent order made against you, meaning that you could be charged up to £355 in costs which could be added to your arrears figure.

- 3.4 Once an order for possession has been made against you, if you default on the terms of the order we are likely to request a warrant to evict you from your home. Consequently if you are evicted you are likely to be excluded from

being able to reapply for housing. On application for a request for a warrant a further £110.00 court costs could be added to your rent arrears.

Tenants can apply to the Court to apply to suspend, set aside or vary a warrant for eviction throughout the process.

NB a Warrant is the enforcement of the Court Order. Any application to suspend, vary or set aside the warrant is made by you the tenant. It is recommended that Legal advice should be sought at this stage.

4. Summary

- 4.1 We aim to avoid court action becoming necessary which is why we aim to work with tenants to prevent arrears accruing to an unacceptable level. Each case is assessed in its own right in this regard and we will seek legal action when we are satisfied that preventative measures have been exhausted, dependant on the merits of each case.
- 4.2 We are keen to work with tenants who find themselves in difficulty, as early as possible within the process so that we can try to offer help and advice throughout. It is imperative that you provide as much detail as possible about your personal circumstances which could affect the decision making in relation to your case.

Our Officers are here to help tenants in arrears, if you are struggling with your rent please contact us to discuss your circumstances.