Habitare Homes Limited: Rent Arrears Policy

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Policy Owner:	Board
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Approved By:	Board

1 | Introduction

1.1. This Policy sets out Habitare Homes Limited's ("Habitare") approach to the prevention, management and recovery of Rent arrears. Habitare expects its Managing Agents to undertake Rent collection and arrears management operations on its behalf in a manner consistent with this Policy.

1.2. Habitare, as landlord, must control its rental income by effectively managing Debts owed to it in order to remain financially viable and provide the range of services that Customers rightly expect from their landlord.

1.3. Habitare requires Managing Agents to comply with all applicable legal and regulatory requirements when managing Rent arrears, including (where applicable) the legislation and regulatory standards listed in Section 7 of this Policy.

2 | Scope

2.1. This Policy applies to all homes for which Habitare is the landlord in England, including fixed-term assured shorthold tenancies.

2.2. Where a property is managed via a lease arrangement to a housing association ("Managing Agent"), Habitare will seek to ensure that the Managing Agent's policies and procedures substantially reflect this Policy.

3 | Purpose

3.1. The purpose of this Policy is to:

3.1.1. define what Habitare means by Debt, including Rent arrears;

3.1.2. set out preventative actions expected to minimise the incidence of Debts owed to Habitare by Customers;

3.1.3. provide an overview of the actions expected to collect Debts effectively but sympathetically and fairly, with eviction as a last resort; and

3.1.4. ensure that arrears management complies with the Regulator of Social Housing's Consumer Standards (including the Tenancy Standard), the Housing Ombudsman's statutory Complaint Handling Code, and all applicable legislation.

4 | Objectives

4.1. Habitare's Managing Agents will:

4.1.1. take proactive, supportive action to maintain and sustain tenancies rather than terminate them; eviction will be a last resort;

4.1.2. promote a prompt payment culture by encouraging early payment and offering Customer choice through a wide range of payment methods that best suit their circumstances;

4.1.3. engage with Customers promptly where Debts arise, working with them to tackle causes, maximise income, and clear Debts through affordable repayment agreements;

4.1.4. ensure that arrears action is fair, proportionate, evidence-based, and takes account of vulnerability and reasonable adjustments;

4.1.5. ensure that any notices, possession claims, and enforcement action are undertaken only when lawful and in line with current statutory requirements, the Pre-Action Protocol for Possession Claims, and court rules; and

4.1.6. comply with the Regulator of Social Housing's Consumer Standards, including the Tenancy Standard, and contribute to Habitare's Tenant Satisfaction Measures ("TSM") reporting obligations.

5 | Definitions

5.1. The following defined terms are capitalised throughout this Policy:

5.1.1. **Board**: the Board of Directors of Habitare.

5.1.2. **Customer**: a tenant of Habitare (or a tenant of a Managing Agent leasing from Habitare, where applicable).

5.1.3. **Debt**: money owed to Habitare by a Customer when payments have not been made, usually for Rent and/or other services or costs charged under the terms of their Occupancy Agreement.

5.1.4. **Managing Agent**: the organisation appointed to provide housing management services on behalf of Habitare.

5.1.5. **Occupancy Agreement**: the tenancy agreement Customers have entered into with Habitare via its Managing Agents.

5.1.6. **Rent**: a payment due to Habitare from a Customer in accordance with the terms of their Occupancy Agreement.

6 | Customer Responsibilities

6.1. Customers are responsible for paying their Rent and any other charges as set out in their Occupancy Agreement. These may include recharges for certain repairs which are the Customer's responsibility, charges for damage or vandalism, and costs incurred by Habitare in recovering arrears (such as court costs).

6.2. Customers are also responsible for informing Habitare's Managing Agents promptly if they are having any difficulties in paying their Rent or if they have fallen into arrears.

7 | Relevant Legislation and Regulatory Standards

7.1. This Policy should be read in conjunction with the following legislation and regulatory standards:

- 7.1.1. Housing Act 1988 (as amended), including Section 8 and Section 21 (where applicable);
- 7.1.2. Social Housing (Regulation) Act 2023;
- 7.1.3. Renters' Rights Act 2025 (provisions applicable to the social rented sector, when commenced);
- 7.1.4. Equality Act 2010;
- 7.1.5. Tenant Fees Act 2019;
- 7.1.6. Consumer Rights Act 2015 and consumer protection legislation (as applicable to communications and fairness);
- 7.1.7. Data Protection Act 2018 and UK GDPR;
- 7.1.8. Pre-Action Protocol for Possession Claims based on Rent Arrears;
- 7.1.9. current prescribed notice requirements, forms and court rules applicable to possession claims in England;
- 7.1.10. RSH Consumer Standards (April 2024), including the Tenancy Standard, Safety and Quality Standard, Neighbourhood and Community Standard, and Transparency, Influence and Accountability Standard;
- 7.1.11. RSH Rent Standard and associated Government Policy Statement on Rents;
- 7.1.12. RSH Governance and Financial Viability Standard;
- 7.1.13. Housing Ombudsman Complaint Handling Code; and
- 7.1.14. Awaab's Law.

8 | Sustaining Tenancies

8.1. Habitare will approve affordability assessments for residents to ensure the home they are being allocated is affordable.

8.2. Habitare expects Managing Agents to:

8.2.1. provide advice and assistance to Customers in claiming any welfare benefits they may be eligible for, including Housing Benefit and Universal Credit, in order to help sustain their tenancy and prevent Customers falling into arrears;

8.2.2. take reasonable steps to support Customers to sustain their tenancy, including timely signposting to free independent debt advice and support services; and

8.2.3. keep clear records of engagement, advice and signposting provided, and outcomes.

9 | Promoting a Rent Payment Culture

9.1. Habitare will ensure Customers are offered a variety of payment methods, including standing orders, direct debits, payments by telephone and via the internet.

9.2. Rent is payable in advance as set out in the Occupancy Agreement. Any request for Rent in advance must be clearly set out in the tenancy documentation and must comply with the Tenant Fees Act 2019 and consumer protection requirements. Managing Agents must consider affordability and any vulnerability factors when agreeing Rent in advance arrangements.

10 | Engaging with Customers Where Debts Arise

10.1. Habitare expects Managing Agents to establish and maintain direct personal contact with Customers, including by writing to them, arranging home visits (where appropriate), telephone, email and text messages.

10.2. Where Customers fall into Debt, Habitare expects Managing Agents to:

10.2.1. make early contact and explain the arrears position clearly, including how arrears have arisen and how the Customer can pay;

10.2.2. seek to understand the reasons for arrears and agree an affordable repayment agreement based on the Customer's circumstances (including an income and expenditure review where appropriate);

10.2.3. confirm any repayment agreement in writing, monitor adherence, and review arrangements where circumstances change;

10.2.4. signpost Customers to free independent advice agencies providing welfare benefits advice, debt counselling and support (for example, Citizens Advice, StepChange, or local equivalents);

10.2.5. consider whether the Customer may be vulnerable and whether any reasonable adjustments are required (see Section 12). Where safeguarding concerns are identified, Managing Agents must follow appropriate safeguarding escalation processes; and

10.2.6. consider whether domestic abuse may be a contributing factor in the Customer's arrears, and where this is suspected, signpost the Customer to appropriate support services and handle the case sensitively in line with relevant policies.

10.3. Habitare expects Managing Agents to minimise avoidable Rent losses from Customers who wish to leave their tenancies while owing Debt, by early intervention while the Customer is still in residence and by ensuring that, when a tenancy is terminated, the Debt position is addressed and forwarding address details are recorded (where available).

10.4. Habitare will make suitable arrangements to pursue Customers for outstanding Debts after they leave Habitare's accommodation and may use debt collection agencies to assist it where deemed appropriate. Any third-party collection activity must be proportionate, compliant with UK GDPR and Habitare's data protection requirements, and must not use misleading or aggressive practices.

10.5. Habitare does not expect its Managing Agents to be registered with the Financial Conduct Authority to provide financial advice. Assistance in the context of Rent arrears collection should be limited to financial guidance, which is distinct from financial advice:

10.5.1. **Financial Guidance**: provides information about the various options available, but does not recommend any particular option over another.

10.5.2. **Financial Advice**: recommends a specific product to suit a customer's needs (this is a regulated activity).

10.6. In guiding Customers on financial matters, Managing Agents must not recommend specific financial products. Managing Agents must signpost Customers to free independent debt advice where appropriate.

11 | Data Protection

11.1. All personal data processed in connection with Rent arrears management must be handled in accordance with the Data Protection Act 2018, UK GDPR and Habitare's data protection policies. This includes:

11.1.1. processing arrears data lawfully, fairly and transparently;

11.1.2. sharing data with third parties (including debt collection agencies and welfare benefit agencies) only where there is a lawful basis to do so;

11.1.3. ensuring Customers are informed about how their data will be used in the arrears process; and

11.1.4. retaining arrears records in accordance with Habitare's data retention policy.

12 | Equality and Vulnerability

12.1. Habitare expects Managing Agents to work in partnership with relevant agencies, organising campaigns to raise awareness and promote take-up of welfare benefits, particularly with groups who may otherwise be disadvantaged through a lack of awareness.

12.2. Habitare expects Managing Agents to ensure the implementation of this Policy does not discriminate against any particular group and that cases of Debt are treated confidentially and sensitively.

12.3. Managing Agents must consider whether a Customer may be disabled or otherwise vulnerable and must offer and implement reasonable adjustments in line with the Equality Act 2010. Reasonable adjustments may include (but are not limited to):

12.3.1. providing information in accessible formats;

12.3.2. allowing additional time to respond;

12.3.3. using preferred communication channels;

12.3.4. involving an advocate or support worker where consent is given; and

12.3.5. pausing or adjusting arrears escalation where vulnerability is identified.

13 | Rent Arrears Procedure

13.1. Managing Agents must submit their rent arrears procedures for approval by Habitare to ensure that they meet the requirements of this Policy prior to being put into effect. Any revisions to procedures must subsequently also be submitted to Habitare for approval.

13.2. Managing Agents' rent arrears procedures must, as a minimum, set out:

13.2.1. arrears stage triggers and timescales for contact and escalation;

13.2.2. approach to affordability assessments and repayment agreements;

13.2.3. approach to vulnerability identification, reasonable adjustments and safeguarding escalation;

13.2.4. compliance with the Pre-Action Protocol for Possession Claims based on Rent Arrears;

13.2.5. approval controls for service of notices and issuing court claims;

13.2.6. record-keeping requirements and audit trail standards;

13.2.7. complaint handling linkages and cooperation requirements; and

13.2.8. management information reporting requirements to Habitare.

13.3. Any notice service, possession claim, or enforcement action must be undertaken only where lawful and in compliance with the Housing Act 1988, all current prescribed forms and notice requirements, the Pre-Action Protocol for Possession Claims, and current court rules and guidance. Eviction is a last resort and must be authorised in accordance with Managing Agents' approved procedures.

14 | Complaints

14.1. Customers and their representatives can complain if they believe that this Policy has not been applied properly. All complaints are taken seriously and investigated properly.

14.2. Complaints will be dealt with under Habitare's Complaints Policy and Procedures, which comply with the Housing Ombudsman's Complaint Handling Code.

14.3. Managing Agents must cooperate fully with complaint investigations and provide complete records of contact attempts, repayment agreements, vulnerability considerations, and any escalation decisions.

15 | Policy Monitoring and Performance

15.1. The Board has overall responsibility for this Policy.

15.2. This Policy will be reviewed every two years or earlier if there is a change in circumstances, in work practices, or upon the introduction of new legislation or regulatory standards.

15.3. Diversity information relating to Customers in Rent arrears will be reviewed to ensure that this Policy and services are accessible to all. Any concerns identified will be addressed and additional support or reasonable adjustments offered.

15.4. Habitare will ensure that this Policy and the procedures put in place by Managing Agents are kept under review to reflect good practice and changes in legislation and regulation.

15.5. Habitare's Managing Agents will be consulted when this Policy is reviewed.

15.6. Habitare will monitor the following key performance indicators in relation to this Policy, including (where applicable) for the purposes of Tenant Satisfaction Measures (TSM) reporting:

- 15.6.1. current and former Customer arrears levels;
- 15.6.2. number and value of repayment agreements in place;
- 15.6.3. number of notices served, possession claims issued, and evictions executed;
- 15.6.4. Customer satisfaction with arrears management (where measured); and
- 15.6.5. complaints relating to arrears management and their outcomes.

16 | Related Policies

16.1. This Policy should be read in conjunction with:

- 16.1.1. Habitare Complaints Policy and Procedures;
- 16.1.2. Habitare Safeguarding Policy;
- 16.1.3. Habitare Equality, Diversity and Inclusion Policy;
- 16.1.4. Habitare Data Protection Policy;

16.1.5. Habitare Allocations and Lettings Policy; and

16.1.6. Habitare Tenancy Management Policy.

Version Control

Date	Amendment	Version
March 2026	Full policy review: updated to reflect Social Housing (Regulation) Act 2023, RSH Consumer Standards 2024, Housing Ombudsman statutory Complaint Handling Code 2024, Renters' Rights Act 2025 provisions, RSH Rent Standard 2026, Pre-Action Protocol requirements. Defined terms standardised throughout.	3.0