



**First Priority Housing Association**  
**Arrears Policy**

Scope	The policy applies to all of First Priority Housing Association's properties
Policy relates to	Tenancy Policy Rent and Service Charge Policy
Version	1.0
Release Date	20 April 2026
Responsible Officer	Chief Executive Officer
Review Frequency	No more than 3 years
Review Date	1 April 2029

## **1. Introduction**

- 1.1. This document sets out the approach to the management of rent arrears.
- 1.2. Under the terms of our tenancy agreements with tenants, they must pay rent and service charges. Failure to do this constitutes a breach of their tenancy agreement, which if unresolved, can result in eviction.
- 1.3. We are committed to supporting tenants to sustain their tenancies. We will always prioritise this and work with partners, appointees and the support network of tenants to avoid legal action whenever possible.

## **2. Purpose**

- 2.1. The purpose of this policy is to:
  - Ensure we take a consistent approach to the management of arrears with tenants.
  - Support our colleagues to apply an empathetic and understanding approach, balanced with the need to collect income for the organisation that is owed.
  - To maximise the income we receive, preventing the accumulation of arrears which can place a tenant's accommodation at risk.

## **3. Approach to managing arrears**

- 3.1. To achieve these objectives the company is committed to:
  - Making tenants aware of the importance of regular rent payment
  - Early contact with and notification to tenants in arrears
  - Vulnerable tenants being afforded appropriate support
- 3.2. We expect its tenants take responsibility for ensuring rent and service charges are paid regularly, in advance and on time. The company will promote a rent payment culture and will make it as easy as possible for tenants to pay their rent.

## **4. Rent and methods of payment**

- 4.1. Rent is due in advance on the Monday of each week and must be paid on time.
- 4.2. Tenants who wish to make monthly payments will be required to pay their rent and service charges monthly in advance.
- 4.3. The payment of rent and service charges is the sole responsibility of the tenant. Rent can be paid;
  - By standing order from a bank
  - Via direct payments of Housing Benefit (generally paid four weekly in arrears)
  - Cheque
  - BACS – bank transfer payment

## **5. New tenants**

- 5.1. During application stage, and affordability check will be done for the tenant to ensure that they can afford the charges associated with the property in which

they want to move into. This will be carried out between the tenant, the Care Provider and the Housing Officer.

5.2. During tenancy sign up it will be made clear to tenants what their rent and service charges are for the home in which they are moving into

5.3. At sign up, the tenant can be supported to make a claim for Housing Benefit if they are eligible for support with their rent and service charges.

## **6. Management of arrears**

6.1. It is always our priority to support tenants to sustain their tenancies. We are committed to working with our Support Provider partners and the wider support networks of our tenants to manage any areas of concern, including rent arrears. Eviction should only be used in exceptional circumstances where all other informal action has been attempted.

6.2. Rent is due in advance, either weekly, 4 weekly or monthly, depending on individual payment cycle. A tenant who has not paid rent due by close of business on Monday (or the following working day if Monday is a public holiday) is technically in arrears.

6.3. Any tenant falling into arrears will receive prompt notification from FPHA. It is the resident's responsibility to notify FPHA of any changes in their circumstances which could impact on their ability to maintain a clear rent account.

6.4. Tenants must endeavour to ensure that any delays in the payment of Housing Benefit are kept to a minimum. This includes the prompt provision of information to Housing Benefit Departments when it is requested.

6.5. Our colleagues will be trained to support tenants, appointees and Support Providers in resolving any issues with Housing Benefit claims.

6.6. Where possible and agreeable with tenants and their appointees, we will ask for a letter of authority to act on their behalf in managing their Housing Benefit claims. This helps us to provide good levels of support to tenants in resolving any issues or queries with their Housing Benefit claims.

## **7. Recovery action**

7.1. Early action is essential to ensure the tenant is aware of any arrears, to keep their account up to date and to enable the tenant to deal with any problem before it escalates beyond easy remedy. The Support Provider will be consulted before any recovery action is taken. We will also contact any financial appointees relevant to the tenant.

7.2. Where a tenant has a nominated Social Worker, we will make them aware of any risk to the tenancy. If possible and relevant, we will convene a best interest meeting to discuss next steps and possible solutions.

7.3. Written records should be kept of actions taken at each stage of the recovery process.

7.4. Standard letters are available to be sent to tenants and Housing Benefit departments at key trigger points in the arrears process.

- 7.5. Additional support will be provided in these instances to tenants, their appointees and Support Providers by our Income Manager and Housing Officers.
- 7.6. At four weeks, arrears standard letter TEN1 should be sent to the tenant, followed by Rent Arrears Letter 1a – repayment agreement confirmation as appropriate. Standard letter HB1 should be sent to the Housing Benefit department.
- 7.7. At Eight weeks arrears TEN 2 should be issued to the tenant. Standard letter HB2 should be sent to the Housing Benefit department.
- 7.8. At Twelve weeks arrears the case should be discussed between Income Manager, Housing Officer, Head of Housing and Director of Operations. Letter TEN3 should be issued to the tenant and HB3 should be issued to the Housing Benefit department. A notice seeking possession may be served on the tenant (as per 5.9)

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- 7.9. At twenty-six weeks arrears the case should be discussed between the Senior Housing Manager, Director of Operations and CEO.

A decision will then be made as to whether to instigate eviction procedures.

## **8. Notice of seeking possession (NOSP)**

- 8.1. A NOSP (Form No 3) is a notice of our intent of seeking possession. Full details must be entered on the notice and full details of arrears etc. In the accompanying continuation sheet deleting the grounds not being relied upon. A NOSP won't be issued until there has been consultation with Operations Director.
- 8.2. Covering Letter – a covering letter Accompanying Letter with NOSP will be attached to explain to the tenant the implications of the notice.
- 8.3. Service of Notice – the notice should preferably be served by hand on the tenant. If this is not possible, staff should post the notice through the tenant's letterbox. This action should be witnessed by another member of staff, and a written record must be kept of the date, time and manner of service of the notice. A certificate of service is to be completed and filed.

## **9. Court action**

- 9.1. If, at the expiry of the notice, a satisfactory arrangement has not been agreed or not kept, staff will commence court possession proceedings and issue instructions to solicitor. The tenant will be issued with Rent Action Letter 1 and staff will also attempt to visit the tenant at home.
- 9.2. When a date for a court hearing is received Rent Action Letter 2 will be issued to the tenant giving details of the date and time of the hearing.
- 9.3. Where a reasonable proportion of the arrears has been paid and the tenant appears in court, a suspended possession order will be requested on the

agreement of the tenant to pay current weekly rent and service charges plus regular amounts towards the arrears.

9.4. If the tenant has failed to agree to and to make satisfactory payment or does not appear at the court, an outright possession will be sought. If an outright possession order is granted standard *Eviction Letter to Tenant* will be issued.

9.5. If possession is granted costs will be requested which will be added to the arrears.

## **10. Eviction**

10.1. If the tenant fails to comply with the terms of the suspended possession order a Bailiff's Warrant to enforce the possession order and evict the tenant will be sought.

10.2. In the case of an outright possession order, if the tenant has not vacated the property by the given date a Bailiffs Warrant to enforce the order will be sought.

10.3. When an eviction is scheduled, the (Housing Manager/ Director of Operations) will attend the property with the Bailiff.

10.4. The presence of the Police and other welfare representatives may be requested if problems are anticipated.

## **11. Former tenant arrears**

11.1. Every reasonable effort will be made to recover former tenant arrears.

11.2. Where a forwarding address is known, the former tenant will be contacted in writing an attempt made to recover the debt or negotiate an agreement to pay by instalments.

11.3. If the former tenant fails to respond the debt will be passed to a debt collection agency.

## **12. Reporting and monitoring**

12.1. We will produce fortnight reports on arrears which will be reviewed in a fortnightly arrears review meeting. This will be led by the Income Manager, with the Head of Housing supporting.

12.2. There will be other meetings outside of this with the relevant Housing Officers for any arrears case. This will be to discuss what support can be offered to resolve any arrears issues.

12.3. A monthly arrears performance report will be produced and included within our Performance Reporting Framework.

12.4. We present arrears performance to the Board as standard.

## 1. Equality and diversity – impact assessment

Protected characteristic		Explanation (if required)	Controls
<p>Is it likely that the policy could have a positive or negative impact on minority ethnic groups? What evidence (either presumed or otherwise) do you have for this?</p>	Y	<p>Tenants where English is not a first language could struggle to understand arrears information when it is presented to them.</p>	<p>We will have the ability to translate documents where required.</p> <p>We will work with Support Providers to understand the best way to communicate the information.</p> <p>Where there are financial appointees in place, we will contact them as part of our early intervention.</p> <p>We will also consult with Social Workers (when possible) to make them aware of the arrears and the risk to the tenancy if left unresolved. They may have additional resources that can help to resolve issues and communicate effectively with the tenant.</p>
<p>Is it likely that the policy could have a positive or negative impact due to gender (including pregnancy and maternity)? What evidence (either presumed</p>	N		

or otherwise) do you have for this?			
Is it likely that the policy could have a positive or negative impact due to disability? What evidence (either presumed or otherwise) do you have for this?	Y	It is possible this Policy could have an adverse impact on our tenants due to their capacity challenges. This may mean they struggle to understand arrears information when it is presented to them and may struggle to engage in legal processes (in the event we reach that stage).	<p>We will identify arrears cases and apply early intervention. Communication will always be made available in Easy Read.</p> <p>We will work with Support Providers to understand how best to communicate with our tenants and how to resolve any issues.</p> <p>Where tenants have a financial appointee, we will contact them as part of our early intervention to make them aware of the situation and discuss solutions.</p> <p>We will also contact Social Workers (where possible) to make them aware of any legal action being taken or concerns about the tenant's ability to sustain their tenancy.</p>
Is it likely that the policy could have a positive or negative impact on people due to sexual orientation? What evidence (either presumed or otherwise) do you have for this?	N		
Is it likely that the policy could have a positive or negative impact on people due to their age? What evidence (either presumed or otherwise) do you have for this?	N		
Is it likely that the policy could have a positive or negative impact on people due to their religious belief (or none)? What evidence (either presumed or otherwise) do you have for this?	N		

<p>Is it likely that the policy could have a positive or negative impact on people with dependants/caring responsibilities? What evidence (either presumed or otherwise) do you have for this?</p>	<p>N</p>		
<p>Is it likely that the policy could have a positive or negative impact on people due to them being transgender or transsexual? What evidence (either presumed or otherwise) do you have for this?</p>	<p>N</p>		
<p>Is it likely that the policy could have a positive or negative impact on people due to their marital or civil partnership status? What evidence (either presumed or otherwise) do you have for this?</p>	<p>N</p>		