



RENT MANAGEMENT

POLICY AND PROCEDURE

Version Number: 1

Approval Date: November 2025

Approved by: CEO

Next Review Date: September 2026

Responsible Officer: CEO

1. Introduction & Purpose

- 1.1 This policy sets out HYELM's approach to the collection of rent, service charges, and other tenancy-related income.
- 1.2 Rent is the Association's primary source of income and is essential to maintain services, meet financial obligations, and provide safe, secure, and affordable housing.
- 1.3 The purpose of this policy is to ensure that rent collection is managed in a fair, consistent, transparent, and effective manner, while supporting tenants to sustain their tenancies.

2. Scope

- 2.1 This policy applies to all HYELM tenants.
- 2.2 It covers the collection of rent, management of arrears, and recovery of arrears.

3. Legal & Regulatory Framework

- 3.1 The policy is underpinned by the following legislation and regulatory requirements:
 - Housing Acts 1985, 1988, and 1996 (as amended)
 - Pre-Action Protocol for Possession Claims by Social Landlords.
 - Debt Respite Scheme (Breathing Space) Regulations 2020.
 - Equality Act 2010.
 - Data Protection Act 2018 and UK GDPR.
 - Regulator of Social Housing's standards and good practice guidance.

4. Roles & Responsibilities

- 4.1 Housing Officers are responsible for monitoring accounts, making early contact with tenants in arrears, and setting up repayment arrangements.



- 4.2 The Housing Manager is responsible for authorising legal action and ensuring that the Pre-Action Protocol is followed (see Appendix A).
- 4.3 The Board is responsible for monitoring overall performance against rent collection KPIs.

5. Payment Terms & Methods

- 5.1 Rent is due monthly in advance unless otherwise stated in the tenancy agreement.
- 5.2 Tenants are expected to make payment using one of the following methods: Standing Order or BACS transfer.
- 5.3 Cash payments are not accepted for security reasons.

6. Arrears Prevention & Support

- 6.1 HYELM is committed to preventing arrears wherever possible through early intervention and tenancy sustainment.
- 6.2 At tenancy sign-up, new tenants will be required to pay rent in advance.
- 6.3 HYELM staff will explain rent obligations and set up preferred payment methods where applicable.
- 6.4 Ongoing support includes helping tenants to maximise their income. This means:
- Checking that tenants are receiving all benefits and financial support they are entitled to, such as Universal Credit, Housing Benefit, Council Tax Reduction, or disability benefits.
 - Signposting tenants to discretionary housing payments, charitable grants, or hardship funds.
 - Providing budgeting support to help tenants manage their household income effectively.
 - Offering advice or referrals for help with energy costs and other essential living expenses.
 - Referring tenants to specialist money and debt advice agencies where appropriate.
- 6.5 HYELM's aim is to ensure tenants have the best possible chance of meeting their rent commitments and sustaining their tenancy.
- 6.6 Reasonable adjustments will be made for tenants circumstances, in line with the Equality Act 2010.



7. Arrears Management & Escalation

- 7.1 Arrears will be monitored weekly. All actions taken in relation to rent arrears must be fully documented on Arthur, to ensure a clear audit trail.
- 7.2 HYELM will adopt a staged approach to arrears recovery. While the stages below provide a consistent framework, each case will be considered on an individual basis, taking account of the tenant's circumstances and vulnerabilities. (See Appendix B)
- **Stage 1 – Early Reminder (within 7 days of arrears arising):**
An initial reminder will be issued by the Finance Officer. The purpose is to alert the tenant quickly, offer an opportunity to resolve the arrears at an early stage, and signpost support where appropriate.
 - **Stage 2 – Formal Notification (where arrears have been outstanding for 3 weeks):**
If the arrears have remained unpaid for a period of three weeks from when they first arose, a formal written notification will be issued by the Housing Manager (this function may be delegated if necessary).
At this stage, the Pre-Action Protocol Checklist will be started. A repayment plan must be discussed with the tenant, and legal advice may be sought.
 - **Stage 3 – Repayment Agreement Monitoring:**
Any agreement or repayment plan must be monitored monthly by the Housing Officer to ensure compliance. HYELM requires that repayment plans are set at a minimum of £100 per month, unless an affordability assessment indicates this is not realistic.
 - **Stage 4 – Notice of Seeking Possession (NOSP):**
A NOSP may be served if arrears exceed the equivalent of two months' rent or where a repayment plan has failed.
 - **Stage 5 – Court Action:**
If no satisfactory arrangement is in place, the tenant has failed to engage, or arrears continue to escalate despite support and intervention, HYELM may commence possession proceedings through the court.
- 7.3 At each stage of the process, HYELM will make proportionate attempts to engage with the tenant, provide support, and offer reasonable adjustments before escalating enforcement action.

8. Repayment Arrangements

- 8.1 Repayment plans will be based on affordability and agreed with the tenant wherever possible.
- 8.2 HYELM will take into account Universal Credit assessment periods when setting repayment schedules.



- 8.3 Alternative Payment Arrangements (direct payments to landlord) may be requested in cases of persistent arrears.

9. Legal Action

- 9.1 Legal action will only be taken as a last resort and once all other avenues have been exhausted.
- 9.2 When necessary, the Housing Manager will recommend commencing legal proceedings. However, no proceedings may be issued without written authorisation from the CEO.
- 9.3 HYELM will ensure full compliance with the Pre-Action Protocol for Possession Claims by Social Landlords. See Appendix A.

10. Former Tenant Arrears (FTA)

- 10.1 HYELM will actively seek to recover arrears from former tenants in a fair and proportionate manner, while balancing recovery costs with likely outcomes.
- 10.2 Recovery methods may include:
- Tracing services to establish a former tenant's new address.
 - Negotiating repayment agreements based on affordability.
 - Referral to debt collection agencies where appropriate.
 - Application to the County Court for a Judgement (CCJ) to secure the debt.
- 10.3 Where a CCJ has been obtained, HYELM may consider a range of enforcement measures, including but not limited to:
- Attachment of Earnings Orders.
 - Charging Orders.
 - Third-Party Debt Orders.
 - Bankruptcy petitions in serious cases.
- 10.4 HYELM will also consider seeking interest on late payment of rent, costs orders, or other remedies available through the courts.
- 10.5 Debts of £25 or less may be written off administratively. Larger debts may only be written off with managerial approval, with Board oversight through quarterly performance reporting.
- 10.6 HYELM will consider vulnerability and individual circumstances before pursuing enforcement action.

11. Monitoring

11.1 HYELM will monitor rent collection and arrears against the following KPIs:

- Current tenant arrears as % of gross debit.
- Former tenant arrears as % of gross debit.
- Percentage of tenants maintaining repayment agreements.

11.2 Reports will be presented to the Board quarterly.

11.3 This policy will be reviewed every three years, or sooner if required by legislative or regulatory change.

12. Data Protection & Information Sharing

12.1 All rent collection activity will comply with the Data Protection Act 2018 and UK GDPR.

12.2 Tenants will be informed how their data may be used in line with HYELM's Privacy Notice.

13. Linked Documents and Related Policies

13.1 This policy should be read in conjunction with:

- Complaints Policy
- Safeguarding Policy
- Lettings Policy
- Data Protection Policy

14.0 Appendices

- Appendix A: Pre-Action Protocol Compliance Checklist
- Appendix B: Arrears Escalation Flowchart

Version Control Table

Status (draft/ approved)	Version #	Date	Amendments
Approved	1	Nov 2025	New policy – replaces rent collection policy.

