



Income Maximisation Strategy

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Cadder Housing Association Ltd

Income Maximisation Strategy

Draft

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1.0 INTRODUCTION

- 1.1 Income generated through the collection of due monies from tenants and owner-occupiers is fundamental to Cadder Housing Association in achieving its business objectives. The Association recognises that in order to maximise income collection it is necessary to have a robust and supportive policies. This will enable the Association to deliver quality services that meet our objectives and ensure value for money.
- 1.2 We aim to collect all income due to the Association in a timely and efficient manner whilst recognising the individual needs and circumstances of our customers in a fair and supportive manner.
- 1.3 Whilst the majority of our income is raised through the collection of rent payments from our tenants, we are also responsible for the collection of other income, including:
- ❖ Service charges
 - ❖ Common works
 - ❖ Former tenant arrears
 - ❖ Factoring fees
 - ❖ Rechargeable repairs
 - ❖ Court expenses
 - ❖ Building insurance
- 1.4 This strategy is applicable to all current tenants and owner occupiers. It also applies to any former tenants or owners with outstanding monies owed to Cadder Housing Association.
- 1.5 The introduction of Universal Credit (Full service) brings added importance to rent collection and the Association's work in minimising rent arrears. A large number of Association tenants are expected to be moved onto Universal Credit. This will mean that any housing costs (Housing Benefit) will be paid directly to the tenant. This strategy outlines the options available to minimise arrears in this area.
- 1.6 This document outlines the Association's income collection strategy, which complements our Rent Arrears Policy, Rent Setting Policy, Factoring Policy, Universal Credit Policy, Equality & Diversity Policy and Welfare Reform Action Plan.

2.0 STRATEGY AIMS & OBJECTIVES

- 2.1 This strategy sets out the Association's key aims and objectives in maximising its income collection levels. These are:
- ❖ To create a culture of payment amongst residents;

- ❖ Prevent rent and factoring arrears occurring;
- ❖ To ensure a firm but fair professional, consistent and timely approach to debt recovery;
- ❖ Minimise legal actions being taken and sustain tenancies;
- ❖ To pursue rent, factoring, service charges and other arrears owed so as to minimise arrears levels;
- ❖ To improve the levels of income collected;
- ❖ Ensure that the Association is able to continue providing the highest possible standard of service to its residents;
- ❖ Protect the financial viability of the Association;
- ❖ Ensure it complies with all relevant legislation and good practice; and
- ❖ To work in partnership with other agencies to ensure that debt is managed in accordance with legislative provisions and best practice.

2.2 The collection of income is key to the attainment of the Association's Strategic Aims. These are:

- I. Provide a high quality housing service that is continually responsive to the expectations of our tenants and other customers;
- II. To engage and build relationships with our customers to ensure our service and activities meet their needs and aspirations of our tenants and other customers;
- III. To invest in our people to ensure they have good knowledge and skills to excel in their role within the Association;
- IV. Pursue development, regeneration and wider role initiatives in close working with key partners with the aim of improving Cadder, as well as the quality of life and living conditions of tenants and residents in Cadder; and
- V. Maintain the financial viability of the Association through sound business planning, control and achievement of best value in all that we do.

3.0 LEGAL, GOOD PRACTICE & REGULATION

3.1 The operation of this strategy will be compliant with the following legal requirements:

3.1.1 Legislation

Scottish Secure Tenancy – the Association’s tenancy agreement contains specific conditions in relation to the payment of rent and other tenancy related charges. Non-payment of these charges represents a breach of the tenancy conditions involved.

Housing (Scotland) Act 2001 - this strategy adheres to the provisions of the Housing (Scotland) Act 2001, including the guidance in relation to the recovery of possession of a tenancy when a tenant has breached the conditions of their tenancy agreement by accruing rent arrears.

Housing (Scotland) Act 2010 – this strategy has been drafted to take account of the arrears and eviction related provisions to be introduced through Section 14 of the 2010 Act. These include the provision of clear information to tenants on their tenancy and arrears situation; direct provision of advice and assistance; provision of information about other sources of information and advice; agreeing reasonable repayment plans; and revised arrangements for when a Notice of Proceedings can be served.

Property Factors (Scotland) Act 2011 - this strategy will comply with the Act’s Code of Conduct for Factors, specifically in relation to services to be provided within the Written Statement of Services and owners’ obligation to pay for services and the Association’s entitlement to recover unpaid monies.

Data Protection - The Association is fully committed to compliance with the requirements of the General Data Protection Regulations (GDPR), which came into force on 25 May 2018. The Association will therefore follow procedures that aim to ensure that all employees, Committee members, contractors, agents, consultants, partners or other persons involved in the work of the Association and who have access to any personal data held by or on behalf of the Association, are fully aware of and abide by their duties and responsibilities under GDPR.

Equality Act 2010 - The Equality Act 2010 applies to everyone who provides a service to the public and is based on all persons having the right to be treated with dignity and respect. The Association will ensure that the Equality Act 2010 is adhered to during its management of rent accounts. We will ensure that all residents are treated fairly, with support needs being met when required.

An Equality Impact Assessment accompanies this strategy (appendix 1).

3.1.2 Good Practice

This strategy takes account of the good practice areas contained within the below documents:

- ❖ Factoring Guidance 2015 (Scottish Federation of Housing Associations)
- ❖ Code of Conduct for Property Factors (Scottish Government)

- ❖ Rent Collection under Universal Credit (Chartered Institute of Housing)
- ❖ Managing Rent Arrears (Accounts Commission)
- ❖ How to Effectively Manage Void Properties (Chartered Institute of Housing)
- ❖ Managing Void Properties (Audit Scotland)
- ❖ UC Guidance for Landlords (Department of Work & Pensions)
- ❖ UC Rent Collection (Chartered Institute of Housing)

3.1.3 Regulation

Scottish Social Housing Charter

The Social Housing Charter came into effect in April 2012 and sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The Association's Income Maximisation Strategy will take account of and comply with the relevant Outcomes contained within the Social Housing Charter:

Outcome 1 - Every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.

Outcome 2 - Social landlords manage their businesses so that tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides.

Outcome 9 - People at risk of losing their homes get advice on preventing homelessness.

Outcome 13 - Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

Outcome 14/15 - Social landlords set rents and service charges in consultation with their tenants and other customers so that a balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and service users can afford them. Tenants get clear information on how rent and other money is spent, including details of any individual items of expenditure above thresholds agreed between landlords and tenants.

Scottish Housing Regulator's Regulatory Framework

This policy is aligned to Standards 2, 3 and 5 of the SHR's Regulation Framework:

Standard 2 - The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.

Standard 3 - The RSL manages its resources to ensure its financial well-being and economic effectiveness.

Standard 5 – The RSL conducts its affairs with honesty and integrity.

4.0 TENANT INCOME

4.1 In order to meet the needs of our Business Plan, which is ultimately in place to provide quality services to tenants and owners, whilst protecting the Association's viability, we must ensure that optimum monies are collected from tenants and owners and lost rent on empty homes is kept to a minimum.

4.2 The Cadder Scottish Secure Tenancy Agreement informs all tenants of their obligation to pay due rent. This is affirmed in the Tenant Handbook.

4.2.0 Rent Collection (Tenants)

4.2.1 The Association's main source of income is rents and it is therefore critical that maximum collection of due rent payments are made. Ultimately, high rent arrears could prevent the Association from having sufficient funds to maintain and manage the housing stock in the long term and adversely impact upon day to day services.

4.3.0 New Tenants

4.3.1 We will take an early / preventive approach to mitigate against tenants accruing rent arrears or missing agreed payments.

4.3.2 All prospective new tenants will be advised of the due rent for the available property in the offer letter and rent payments will be discussed at the viewing. The staff member will confirm the rent due, the importance of making rent payments on time, payment options and ascertain if an application for Housing Benefit / Universal Credit requires to be made.

4.3.3 If the property is accepted by the viewing customer, arrangements will be made for missives to be completed. Payment of rent will be reinforced at the sign-up (missives). The Association's Financial Inclusion Service will attend at sign-ups and complete any Housing Benefit / Universal Credit claim. A full benefit health check will also be carried out to ascertain if any other benefits can be claimed. This will also involve any rent charge being calculated, pending a Housing Benefit claim assessment.

4.3.4 The attending officer from the Financial Inclusion Service will also discuss the Scottish Welfare Fund with the new tenant, to ascertain if household items are

required to assist the customer take occupancy of the property. The Financial Inclusion Service will make any such applications.

- 4.3.5 The 'How to Pay' leaflet will be given to all new tenants and payment options will be explained at the missive stage. Where a rent charge is due to be paid, staff will encourage new tenants to pay by Direct Debit. Where the new tenant decides to pay by Direct Debit, staff will set this up with the new tenant and confirm payment date(s) and frequency. A rent payment card will be provided to the new tenant.
- 4.3.6 We will also offer the free services of the Glasgow Home Energy Advice Team (GHEAT) to the new tenant. GHEAT can check for the best energy deals and if any favourable tariffs are available.
- 4.3.7 A tenant handbook will also be provide to new tenants. This provides details on rent payment and the Association's Financial Inclusion service.
- 4.3.8 All new tenant sign-up packs will also include a copy of the Association's Benefits & Debt Services Guide. This reinforces the specialist help available from the Association.
- 4.3.9 These early measures may help the new tenant's ability to pay the rent charge and it turn mitigate against arrears accruing and help the new tenant to sustain the tenancy from its inception.

4.4.0 All Tenants

- 4.4.1 Staff will adhere to the Association's Rent Arrears Policy and Universal Credit Policy in the management of rent arrears and recoverable court expenses. These policies detail the Association's approach to the monitoring and management of rent accounts and have a main aim of assisting tenants and minimising rent arrears.
- 4.4.2 The Association will monitor all accounts to ensure that required payments are made. This will be done at the start of each month when the new monthly rent charge is raised (monthly debit) or more frequently during the month, where rent accounts have a repayment arrangement in place. Tenants are required to make required payments no later than the last day of each month.
- 4.4.3 Where a missed payment has occurred, staff will quickly attempt to make personal contact with the tenant, either by telephone or a home visit.
- 4.4.4 Tenants will have access to the Association's Financial Inclusion Service. This service is free and seeks to maximise residents' incomes through welfare benefit checks, appeals and applications.

- 4.4.5 Tenants will have access to the free services provided by the Glasgow Home Energy Advise Team (GHEAT). The service provides energy advice to households in matters such as disputed bills; switching; setting up new accounts (new tenants) and obtaining the best tariffs.
- 4.4.6 The Association will assist all households with debt issues by sign-posting / referring cases to Maryhill & Possilpark Citizens Advice Bureau.
- 4.4.7 The Association recognises the impact that debt and benefit issues can have on rent payments and will promote the above services to ensure maximum awareness.
- 4.4.8 The Association may instruct its solicitors to pursue an action on its behalf to recover due monies.

4.5.0 Rent Payments - Strategic Methods

- 4.5.1 In order to maximise rent payments, the Association will consider the use of various methods. These are:

Personal Contacts

Making personal contact with tenants when rent issues arise will be our most common method of engagement. This type of approach best serves communication between the Association and tenants and can help to resolve issues in a more effective and clearer manner.

Case Monitoring

The Association operates a tracking system that monitors the position of all rent accounts. The tracking system will highlight whether the current balance on an individual tenant's rent account has reduced, increased or remained static against the preceding monthly balance. Staff will also monitor individual accounts during the month to check if agreed payments have been made (weekly payments; specified payment date).

Proactive Contacts

We will proactively contact tenants who have a repayment arrangement to clear rent arrears. This will normally be carried out nearer the end of each month and acts as a reminder to tenants. We will normally contact tenants by telephone, text or in-person to confirm the agreed amount to be paid.

Repayment Arrangements

Where a tenant accrues rent arrears, staff will discuss the matter in a sensitive and supportive manner. Where possible, an Income & Expenditure form will be completed with the tenant to gauge the amount to be paid. We will ensure that the agreed repayment amount is reasonable and fair. All arrangements will be confirmed in writing.

Informed Arrangements

Where tenants in arrears do not engage with the Association to make a repayment plan, we may in turn inform the tenant of the amount to be paid, which will include a reasonable amount to the arrears amount. Tenants will be asked to contact us if they do not agree with the amount that has been set.

Planned Home Visits

The Association discuss rent and benefit issues at planned home visits. We will attempt to establish if the tenant has any payment difficulties and where this is the case, discuss possible areas of assistance.

Annual Rent Statements

We will issue rent statements to all tenants in April of each year. This will advise of any outstanding rent and promote the Financial Inclusion Service.

Financial Inclusion Service

We will actively promote our Financial Inclusion Service to ensure maximum awareness of the help available. The service is supported by tailored information booklets. The service will be promoted in all tenant (rent) correspondence; by staff; our website; reception area and community events. The service will aim to verify / maximise tenants' incomes and enhance their ability to pay their rent.

The service will assess all possible benefit entitlement areas. This will include Housing Benefit, which if authorised, would be paid to the tenant's rent account.

The service will also assist tenants to prepare and manage a budget and access best financial products.

The service will provide IT assistance to help tenants with internet use and benefit claims.

Rent Campaigns

We will carry out 'Rent First' campaigns at strategic periods of the year to maximise income collection. These will be carried out as the festive period approaches and in advance of the financial year-end.

Community Events

We will hold benefit related events for our residents to encourage engagement with the Association. These events will help to check individual benefit entitlement and maximise household incomes.

End of Tenancy Reward Scheme

See 6.8

Payment Options

The Association has a variety of payment methods to allow tenants and owner occupiers to have accessible and convenient payment options to make payments. These numerous options are in place to maximise payment levels. Available payment options are:

- ❖ Swipe cards that can be used at the Post Office and Pay Point outlets
- ❖ Direct Debit facility through their Bank / Building Society
- ❖ Housing Benefit direct
- ❖ Arrears Direct (deductions taken at source from state benefit payment)
- ❖ Via internet
- ❖ By telephone
- ❖ Cheque
- ❖ Allpay app
- ❖ Payments at the Association (debit card)
- ❖ Managed Universal Credit (housing element) payments

Where a rent charge is due to be paid directly by the tenant, staff will promote payment by Direct Debit method.

Universal Credit

The Department for Work & Pensions (DWP) are expected to notify landlords when a tenant (claimant) has been awarded UC. This should also advise of the UC payment date. We will immediately engage with tenants when we are notified that UC is to be paid to discuss payment options.

The Association will capture this information to monitor cases daily to facilitate contacts being made with tenants to remind of their due rent payment. Where an Alternative Payment Arrangement (see below) is not in place, we shall also encourage tenants receiving UC to pay their rent by Direct Debit.

Alternative Payment Arrangement (Universal Credit)

The Association may submit an Alternative Payment Arrangement request to the DWP to have the rent element (Housing Benefit) of a tenant's UC payment deducted at source and paid directly to the Association. Such a request can be made if the tenant meets the DWP vulnerability criteria or owes eight weeks or more in unpaid rent.

Third Party Deductions

Where a tenant is in receipt of applicable benefits and owes eight weeks or more rent, the Association may submit an application for Third Party Deductions to the DWP. If approved, this will result in deductions being taken at source from the tenant's benefit payment and paid to the Association.

Scottish Choices (Universal Credit)

The Scottish Social Security system provides tenants claiming Universal Credit with the right to inform the DWP to pay the rent element (Housing Benefit) of their UC claim directly to their landlord. The tenant can make this instruction at any time of the UC claim. Scottish tenants also have the right to request fortnightly UC payments.

Payment Culture

To support the above methods, the Association will promote a payment culture and continually remind and support tenants to make timeous rent payments. This will be achieved through the following methods:

- ❖ Regular newsletter articles
- ❖ Newsletter / website benefit and payment articles
- ❖ Extensive circulation of the 'How to pay your rent leaflet'
- ❖ Promotion of Direct Debits
- ❖ Promotion of Alternative Payment Arrangements
- ❖ Promotion of payment frequency options (weekly; fortnightly; monthly)
- ❖ Clear and easy to understand communications

5.0 OWNER-OCCUPIER INCOME

5.1.0 The Association provides a factoring service to some 40% of Cadder dwellings. As with tenants, it is important that the Association maximises the collection of due monies from owner occupiers for services provided by the Association.

5.1.1 The Written Statement of Services which is provided to all owners informs all tenants of their obligation to pay due charges for services provided by the Association. This is affirmed in the Owner Handbook.

5.2.0 New Owners

- 5.2.1 Once notified of a property resale, the Association will issue a 'Welcome Pack' to new owner. This will advise of due applicable charges (factoring fee; service charges; building insurance; common repairs) and of the Association's invoicing arrangements. The pack will also contain a 'How to Pay' booklet and a Written Statement of Services, which details the services to be provided and the new owner's requirement to pay for such services.

We will confirm the opening amount to be paid by the new owner and the set amount to be paid thereafter. A Factoring Agreement will be issued and the new owner will be asked to sign and return this to the Association, which acknowledges the requirement to pay due charges.

A factoring payment card and will be provided to all new owners.

- 5.2.1 An owner handbook will also be provided to new owners. This provides details on payment of due charges and the Association's Financial Inclusion service.

5.3.0 All Owners

- 5.3.1 Staff will adhere to the Association's Factoring Policy in the management of monies due from owners. The Factoring Policy details the Association's approach to the monitoring and management of accounts.

- 5.3.2 The Association invoices all owners on a six monthly basis (June and December). These confirm the standing charges to be paid and of any shared costs for common works. Invoices are required to be settled within 21 days of issue and a 'How to Pay booklet' is enclosed with these.

- 5.3.3 Owners will also be able to access the services provided by the Association's Financial Inclusion Service and GHEAT. There will be no charge to owners for this. The Association will assist owner occupiers with debt issues by sign-posting / referring cases to Maryhill & Possilpark Citizens Advice Bureau.

- 5.3.4 The Association may instruct its solicitors to pursue an action on its behalf to recover due monies.

5.4.0 Factoring Payments - Strategic Methods

- 5.4.1 In order to maximise payments from owners (factoring fee; estate management fee and building insurance), the Association will consider the use of various methods. These are:

Case Monitoring

The Association operates a tracking system that monitors the position of all owner accounts. The tracking system will highlight whether the current balance on an individual factoring account has reduced, increased or remained static. Arrears letters will be issued where arrangements are not in place. Staff will also monitor individual accounts during the month to check if agreed payments have been made (weekly payments; specified payment date).

Repayment Arrangements

Where an owner-occupier accrues arrears, staff will discuss the matter in a sensitive and supportive manner. We will set fair repayment amounts. All arrangements will be confirmed in writing.

Informed Arrangements

Where owners in arrears do not engage with the Association to make a repayment plan, we may in turn inform the owner of the amount to be paid, which will include a reasonable amount to the arrears amount. Owners will be asked to contact us if they do not agree with the amount that has been set.

Invoices

We will issue invoices to all owners every six months. This will advise of the amount due for the billing period and of any outstanding amount. Owners will be asked to settle the invoice within 21 days or contact the Association to discuss repayment terms.

Financial Inclusion Service

We will actively promote our Financial Inclusion Service to ensure maximum awareness of the help available. The service is supported by tailored information booklets. The service will be promoted in all correspondence; by staff; our website; reception area and community events. The service will aim to verify / maximise household incomes and enhance owners' ability to pay their factoring fee and any other Association charges.

The service will also assist owners to prepare and manage a budget and access best financial products.

The service will provide IT assistance to help owners with internet use and benefit claims.

Community Events

We will hold benefit related events for our residents to encourage engagement with the Association. These events will help to check individual benefit entitlement and maximise household incomes.

Payment Options

The Association has a variety of payment methods to allow owner occupiers and tenants to have accessible and convenient payment options to make payments. These numerous options are in place to maximise payment levels. Available payment options are:

- ❖ Swipe cards that can be used at the Post Office and Pay Point outlets
- ❖ Direct Debit facility through their Bank / Building Society
- ❖ Housing Benefit direct
- ❖ Arrears Direct (deductions taken at source from state benefit payment)
- ❖ Via internet
- ❖ By telephone
- ❖ Cheque
- ❖ Allpay app
- ❖ Payments at the Association (debit card)
- ❖ Managed Universal Credit (housing element) payments

Staff will promote payment by Direct Debit method.

Payment Culture

To support the above methods, the Association will promote a payment culture and continually remind and support owners to make timeous payments. This will be achieved through the following methods:

- ❖ Regular newsletter articles
- ❖ Newsletter / website benefit and payment articles
- ❖ Extensive circulation of the 'How to pay your rent leaflet'
- ❖ Promotion of Direct Debits
- ❖ Promotion of payment frequency options (weekly; fortnightly; monthly)
- ❖ Clear and easy to understand communications

6.0 FORMER TENANT & OWNER-OCCUPIER ARREARS

- 6.1 Staff will adhere to the Association's Rent Arrears Policy in the management of former tenant rent arrears.
- 6.2 Where possible, the Association will obtain a forwarding address for outgoing tenants and owners.
- 6.3 Where it is established that the outgoing tenant / owner will not be leaving a clear rent / factoring account, the Association will endeavour to make an arrangement for these to be cleared after the date of leaving.

- 6.4 Where outstanding monies are owed by the former tenant / owner and no repayment plan is in place, the Association will initially issue a letter advising of the outstanding sum and request full payment. Where full payment is not possible, the Association will agree a reasonable repayment arrangement.
- 6.5 Where a forwarding address is not known, the Association may instruct its debt recovery agent to conduct a tracing search to obtain this.
- 6.6 The Association may instruct its solicitors to pursue an action on its behalf to recover due monies.
- 6.7 We will take into account any outstanding debt owed where a former tenant / owner subsequently seeks to obtain accommodation from the Association. This may result in any application for housing being suspended.
- 6.8 The Association operates an 'End of Tenancy Reward Scheme' for outgoing tenants, which amongst other areas is designed to encourage the outgoing tenant to leave a clear rent account. If the criteria is fully met, the tenant will receive £50.

7.0 RECHARGEABLE REPAIRS, COMMON WORKS & COURT EXPENSES

7.1 Rechargeable Repairs

- 7.1.1 The Cadder Scottish Secure Tenancy Agreement informs that the tenant is responsible for repairing damage caused wilfully, accidentally or negligently by the tenant, anyone living with the tenant or an invited visitor to their home. If the Association decides to carry out the repair work the tenant must pay us the cost of the repair. This is affirmed with the Association's Tenant Handbook and the Association's Rechargeable Repairs Policy.
- 7.1.2 Where a rechargeable repair situation arises, we will normally seek full or partial payment for the works to proceed. However, we recognise that this may not always be possible as this will be dependent on the tenant's available income. Where full or partial payment cannot be made by the tenant, we will take account of the prevailing situation and may proceed with the repair. Where partial or nil payment occurs, we will enter into a fair repayment arrangement with the tenant.

7.2 Common Repairs

- 7.2.1 All tenants and owners living within a common property will be liable to pay an equal share for any common works.

7.2.2 Common works may include:

- ❖ The roof - which includes all slates or tiles, timbers, the loft space, roofing felt, flashing's, leadwork, gutters, parapets, chimney heads and chimney stacks
- ❖ External stonework (where this is defined in the title deeds), roughcast, brickwork and gable ends (where the tenement is not adjoined by another tenement).
- ❖ Downpipes
- ❖ The rising cold water main pipe on your side of the building
- ❖ The common close and staircase including steps, bannisters and ballustrades
- ❖ The front steps and any porticos or decorative entranceways
- ❖ External steps, ballustrades and wrought iron works
- ❖ A controlled entry door and common electrical circuitry
- ❖ Close tiles and/or plasterwork
- ❖ A rear close door or gate, any stairs leading to the backcourt and any rear close access areas
- ❖ All parts of the back court including fences, railings, gates, bin stores or bin shelters, common drying areas including washing poles, grassed or earthed areas, gravel beds and hard standing areas; retaining walls
- ❖ Some (but not all) front garden areas
- ❖ Drains and underground pipes
- ❖ The solum and foundations
- ❖ Gable wall

7.2.3 We will include common repair works in owner invoices, detailing the nature of the work and the shared cost amount.

7.2.4 We will consult with owners where works will exceed £250 per dwelling property. A simple majority will be required for works to proceed. Each owner will be entitled to a single vote and the Association will cast a single vote on behalf of any tenants in the block. Where works of an urgent / emergency nature arise and are likely to exceed £250 per dwelling property, it may not be possible consult with owners.

7.2.5 Where planned common works have been identified by the Association, we shall inform all owners (and tenants) of these works and the shared amount to be paid. We will advise owners that they can make payments for the works in advance, so as to make payment easier.

7.3 Court Expenses

7.3.1 Where legal action has been taken against a tenant or owner, the Association will seek to recover due court expenses awarded by the court.

7.3.2 Where this occurs, we shall notify the tenant / owner of the amount to be paid and seek full payment. Where full payment cannot be made, we will enter into a fair repayment arrangement.

8.0 LEGAL ACTION

8.0.1 Legal proceedings will only commence when all other steps have been taken and all reasonable options to tackle the debt have been attempted. Details of the specific grounds we use for possession can be found in our Rent Arrears Policy, Factoring Policy and Rechargeable Repairs Policy.

8.1 Tenants

8.1.1 The Association will consider serving legal notices (Notice of Proceedings for Recovery of Possession) on tenants who are in rent arrears to facilitate legal action. The decision will be based on reasonability and the following factors will be taken into account:

- ❖ Level of arrears
- ❖ Continued non-payment of rent
- ❖ Number of breached repayment arrangements
- ❖ Responses to communication or contact from the Association to set repayment arrangement
- ❖ Maintenance of repayment arrangement.

On serving a legal notice on a tenant, the Association will ensure that the criteria set within the Pre-Action Requirements [Housing (Scotland) Act 2010] has been met.

8.1.2 Where Decree to evict a tenant has been awarded by the court, an anonymised report will be submitted to the Association's Management Committee. This will provide an overview of the account and contain a number of options and a recommendation. The Management Committee will take account of all factors within the report, including any previous court actions raised against the tenant to inform their decision. Committee may make the decision to provide the tenant with an opportunity to pay the accrued arrears and awarded court expenses partially or in full to avoid eviction being carried out. This option would provide for the possibility of income being collected by the Association.

8.2 Owner Occupiers

8.2.1 The Association will consider taking legal action against owners with arrears balances in excess of £500. This will include registering a Notice of Potential Liability (NOPL) against the property. The NOPL will prevent any owner owing monies to the Association from selling their property without settling the outstanding amount in full first. Dependent on the number of missed payments, there may be occasions where the Association will apply for a NOPL when the arrears are less than £500. In such a circumstance, consideration will be given to the efforts made to engage with the owner, circumstances, engagement and the number of unpaid invoices.

8.2.2 The Association will also give consideration to an Inhibition Order being applied for. This is similar in nature to an NOPL, but prevents the owner from selling any land or property that s/he owns in Scotland, without settling the lodged debt first.

8.2.3 In addition to the above, the Association may seek to obtain Decree from the court against the non-paying owner. If a Decree is granted and full payment (including court/legal costs) is still not forthcoming, either in total or by means of an agreed repayment plan, we will instruct our legal representatives to carry out debt enforcement action. This may include, but is not restricted to:

- Arrestment of wages
- Arrestment of bank account
- Arrestment of any paid rent (Housing Benefit)
- Exceptional Attachment Order
- Inhibition on property
- Sequestration

9.0 PARTNERSHIP WORKING

9.1 The Association will work closely with the following partners to achieve the objectives of this strategy:

Glasgow City Council – Housing Benefit Department

Housing Benefit payments form a large part of the Association's annual income. We will engage closely with the Housing Benefit Department in relation to individual claims and the annual uprating of our rents to ensure that tenants receive their correct entitlement and to maximise our income.

Glasgow City Council – Social Work Department

The Association will liaise closely with the Social Work Department in the event of potential court action for elderly tenants, tenants with children or tenants who may be vulnerable (for example mental health issues). Where we are aware of Social Work Department with tenant, we will engage when rent issues emerge. Such joint working can result in unclaimed / outstanding Housing Benefit being paid to the Association and repayment arrangements being maintained and mitigate any risk of the tenant losing his/her home.

Department for Work & Pensions

The Association will liaise closely with DWP on strategic and operational levels through its partnership working arrangements in relation to the introduction of Universal Credit. The DWP's role in UC payments to Cadder tenants and its engagement with the Association will be critical to income collection.

The DWP will provide a weekly outreach surgery from the Association's offices. This will focus on employment and benefits advice to Cadder residents.

Maryhill & Possilpark Citizens Advice Bureau

We will enhance our engagement with Maryhill & Possilpark Citizens Advice Bureau to ensure that the best interests of Cadder residents are being met. This will include joint working on household benefit claims and the provision of a debt advocacy service to our residents by CAB. Debt is a significant barrier to rent and factoring payments and debt management support can help tenants and owners maintain required payments to the Association.

Local Schools (Cadder Primary & Langa Nursery)

Our Financial Inclusions Service will receive benefit and money referrals from our local schools on behalf of parents (Cadder residents). The service will also operate periodic surgeries at the schools.

SFHA / GWSF / SHN

The Association has active membership of the Scottish Federation of Housing Associations (SFHA); Glasgow & West of Scotland Forum of Housing Associations (GWSF) and Scotland's Housing Network (SHN). These bodies provide frequent updates on Universal Credit developments, which could be important to our approaches in this key area.

Cadder Credit Union

The Association will continue to promote Cadder Credit Union, who operate weekly from Cadder Community Centre and have a healthy membership. The Credit Union provides saving facilities and low cost loans.

10.0 MONITORING & REVIEW

- 10.1 This strategy will be reviewed every 3 years, unless legislation or business developments require otherwise so as to ensure that it continues to meet the stated objectives and take account of good practice developments.