

Information for Tenants

Leaflet No. 2
(Issue May 2011)

Rent Arrears & Legal Proceedings



arcon
H O U S I N G
■ ASSOCIATION ■

The collection of rent is vital to the Association and to tenants. The income from rent pays for the day to day repairs and major improvements such as double glazing and kitchens. High levels of rent arrears affect the Association's ability to provide this service and could result in the eviction of tenants who fail to pay their rent.

If you are having difficulty paying your rent or if your financial circumstances change, consult your Housing Officer at the earliest opportunity. We can check your entitlement to Housing Benefit, which you may be able to claim even if you are in employment.

Responsibility for payment of rent

The tenant(s) whose name(s) appears on the tenancy agreement is (are) responsible for payment of rent. If you have a joint tenancy then both are equally liable for payment even if one joint tenant moves out. If you are claiming housing benefit it is the tenant(s) responsibility to pursue assessment of pending claims.

How to pay

There are many options available to pay your rent:

- Standing Order—please contact your housing officer for a form.
- Direct Debit—please contact the Finance Department for a form.
- Payzone—use a rent card to pay at any post office or Payzone outlet.
- Phone—pay over the telephone by credit or debit card.
- Online—Register with Santander at www.santanderbillpayment.co.uk
- Cheque—Post or hand deliver your cheque to our office.
- Cash—Call into our office during working hours.

Rent Arrears

Please contact the Association immediately if you are aware that you will be unable to pay your rent on time. We understand that financial problems may result from crisis such as sudden unemployment or illness and we can give advice and assistance to help you through difficult periods. This may include referring you to an independent debt advisory service.

If rent arrears develop your housing officer will attempt to contact you. If you do not respond we will commence arrears recovery procedures which may involve legal action. If you are unable to pay off any arrears at once your housing officer will discuss methods of paying by instalments. Under certain circumstances and if you are unemployed the Association can apply for small direct deductions from your benefits. You may be asked to sign an arrears agreement promising to pay your rent due plus a supplement off your arrears. Provided you keep to the terms of the agreement no further action will be taken.

Legal Proceedings

The Association will always try to avoid taking legal proceedings but if arrears continue to increase we will have no choice but to use the legal process to enforce payment or repossess your home.

The first step of the legal process is to serve a 'Notice Seeking Possession'. If you do not make an agreement to pay your arrears or if you

have defaulted on a previous agreement we can apply for a court hearing to take possession of your home. The legal notice is valid for twelve months so if you break the terms of any subsequent arrangement we can apply to the court at anytime within that period.

Once the application has been made to the court you will be served with a summons giving you a date to attend a court hearing. If you start and keep up agreed payments at this stage we can apply for a Postponed Possession Order. In this situation we could only reapply for possession of your home if you break the terms of payment as defined in the Court Order. In more serious cases we can apply for an Immediate Possession Order.

Eviction

If the conditions of the court order are broken we can immediately apply to the Court for a Warrant of Execution and you will be notified of an eviction date to be enforced by a Bailiff. The eviction will proceed and locks changed even if you have not sought alternative accommodation or removed all your furniture and belongings.

Implications of Eviction

Terms of the judgement include a Money Judgement Order meaning that you are still liable for payment of your arrears whether you are evicted or leave the property of your own accord. A County Court Judgement (CCJ) will remain on the court register for six years which will make it difficult to obtain credit, a loan or a landlord reference.

You will be regarded as intentionally homeless by the local authority and they will have no obligation to provide alternative accommodation. This information will be made available to other housing organisations who may not consider you for rehousing until the debt has been cleared.

Clearly the consequences of legal action are extremely serious and Arcon Housing Association will only take such action when all normal arrears recovery procedures have been exhausted. In the event of legal proceedings being taken against you the following contacts will be able to give free legal advice and assistance.

South Manchester Law Centre

584 Stockport Road
Longsight
Manchester
M13 0RQ
Tel: 0161 225 5111
www.smlc.org.uk

Rochdale Law Centre

15 Drake Street
Rochdale
OL16 1RE
Tel: 01706 657 766
www.rochdalelawcentre.org.uk

Trafford Law Centre

2nd Floor Atherton House
88-92 Talbot Road
Old Trafford
Manchester
M16 0GS
Tel: 0161 872 3669
www.traffordlawcentre.org.uk

Please refer to Leaflet No. 1 'Rents and Service Charges' for details of other organisations who can offer advice if facing legal action.

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