

Non-Rent Debt Recovery Policy

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Implemented by	Finance Manager
Approval Body	Management Committee
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0131 458 5480



enquiries@prospectch.org.uk



www.prospectch.org.uk

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1. INTRODUCTION AND AIMS

This policy outlines how we will seek to prevent non-rent arrears, and how we will seek to recover such arrears when they occur.

The term 'non-rent arrears' includes rechargeable repairs, factoring accounts and any other sum owed to us that is not covered by rent or service charges.

This policy is supported by detailed procedures (see below).

THE SCOTTISH SOCIAL HOUSING CHARTER

The Scottish Government's Social Housing Charter came into force in April 2012 and was updated in 2017 & 2022. The Charter sets out the standards and outcomes that tenants can expect from social landlords, in terms of the quality and value for money of the services they receive, the standard of their homes, and opportunities for communication and participation in the decisions that affect them.

The relevant standards and outcomes for the Non-Rent Recovery Policy are:

Outcome 2: Communication

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.

In the context of our organisational **Values**, this policy will help us to deal **Fairly** and in **Partnership** with our tenants and factored owners while **Listening** to their concerns

2. LINK TO OTHER POLICIES AND PROCEDURES

This policy should be read in conjunction with:

- Debt Recovery & Write-off of Bad Debts (Policy FIN09)
- Rent Arrears Prevention & Control (Policy HOU03)
- Non-Rent Debt Recovery (Procedure FIN22)
- Write-off of Bad Debt (Procedure FIN23)

3. POLICY PRINCIPLES

Our primary aim is to prevent tenants, owners or other debtors falling into arrears with their non-rent debts. We shall seek to achieve this by:

- offering a range of payment methods;
- agreeing the most suitable payment method with tenants, owners and other debtors;
- regular monitoring of non-rent payments and early identification of new or increasing arrears.

Where non-rent arrears occur we will take the appropriate action(s) from the following range to achieve recovery:

- advising tenants, owners or other debtors of their arrears as soon as possible;
- making and maintaining personal contact to discuss payment arrangements;
- issuing communications regarding non-rent arrears promptly;
- agreeing realistic payment arrangements, so that payment does not result in other debts being incurred;
- where debtors ignore both a 14 day sundry overdue letter and a 7 day follow-up letter, arranging for a lawyer's letter to be issued warning of possible legal action;
- referral to a debt recovery agency for action where appropriate;
- in serious cases, taking court action for recovery of the amount owed.

In the case of tenants with non-rent arrears we will also advise them that:

- non-payment of rechargeable repairs may result in no future rechargeable work (with the exception of health & safety repairs) being carried out until the debt is paid;
- the existence of arrears could affect future housing requests.

4. PERFORMANCE MONITORING

Finance staff will review non-rent arrears at least monthly and will agree the action to be taken in each case.

A 6-monthly report as at 30 September and 30 March will be prepared for the Finance Manager highlighting serious cases of arrears in excess of £1,000.

Where it is deemed that arrears will not be recoverable or are in doubt, a report will be submitted to the Management Committee each February recommending either write-off or adjustments to the provision for doubtful debts.

5. PROSPECT EQUALITY IMPACT ASSESSMENT RECORD

Title of policy/ practice/ strategy	Non Rent Debt Recovery Policy
Department	Finance Manager
Who is involved in the EQIA?	Colin James
Date completed	January 2025

Stage 1: Screening Record

What is the main purpose of the policy?

This policy guides us on how we set out recover non-rent debts and the aspects taken into account when carrying out this process.

The Scottish Social Housing Charter Outcome

- 2: Communication

has a direct influence on this policy

Who will the policy benefit and how?

Some of our tenants, as well as some of our factored owners, are affected by our approach to non-rent arrears prevention and control.

For each equality group, does or could the policy have a negative impact?

Protected characteristic	Negative	Positive/no impact	Don't know
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy & maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or belief (including no belief)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Are there any potential barriers to implementing the policy?

This policy is only achieved through effective arrears management.

	Yes	No
Is a full EQIA required?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Stage 2: Assessing the impacts

Considering Prospect's Equalities Data and Community Profile summaries, how might the policy impact on people who share protected characteristics? Include both positive and negative impacts.

Protected Characteristic	Description of Impact
Age	By monitoring arrears trends, we can identify if a disproportionate number of individuals from the monitored protected characteristic are in arrears and amend our approach accordingly. We take a personal approach to arrears management so can use the approach which works best for each tenant / factored owner.
Disability	A person's disability may impact on their earning options and thus income. We take a personal approach to arrears management which is sensitive to individual circumstances. We offer welfare benefit advice and support to apply for disability benefits. Prospect tenants are more likely to have a long term disability than the Edinburgh average, this can impact on sickness and ability to work. This can result in lower or inconsistent pay which can cause increased challenges.
Gender reassignment	We take a personal approach to arrears management so can use the approach which works best for each debtor and are sensitive to challenges faced by those undergoing gender reassignment. The physical and mental health challenges of gender reassignment may impact on ability to work and subsequent income, potentially resulting in arrears.
Marriage & civil partnership	By monitoring arrears trends, we can identify if a disproportionate number of individuals from the monitored protected characteristic are in arrears and amend our approach accordingly. We take a personal approach to arrears management so can use the approach which works best for each debtor.
Pregnancy & maternity	We do not currently collect data on pregnancy and maternity, however we take a personal approach to arrears management so can use the approach which works best for each debtor. We promote Scottish Government initiatives which support families with young children. Prospect tenants are more likely to be lone parents than the Edinburgh average. We offer welfare benefits advice and support to parents to access any funds and benefits.
Race	By monitoring arrears trends, we can identify if a disproportionate number of individuals from the monitored protected characteristic are in arrears and amend our approach accordingly. We take a personal approach to arrears management so can use the approach which works best for each debtor.
Religion or belief (including no belief)	As above for Race characteristic.
Sex	As above for Race characteristic.
Sexual orientation	As above for Race characteristic.

How does the policy promote equality of opportunity?

Our personal approach to arrears management means we can adapt our approach according to individual needs.

We recognise that Prospect tenants are more likely to be in receipt of Universal Credit than the Edinburgh average. Thus, many debtors are on low incomes and are either in receipt of benefits or in low paid, unstable work. This policy recognises this and aims to mitigate these circumstances in the following ways:

- Personal approach to discussions with regards to arrears
- Welfare Benefits service
- Specialist debt advice and support
- Proactive approach towards management of arrears
- Variety of payment options to suit.
- Personal repayment plans
- Regular information issued to explain the impact of non-payment.

How does the policy promote good relations?

Our approach to arrears controls is easily explained and information is provided in a format that is understandable and accessible. We developed this with tenant input at the Prospect Tenants’ Forum on 14 March 2024.

Stage 3: Decision making and monitoring

Identifying and establishing any required mitigating action

Does the assessment show a potential for differential impact on any group(s)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is there potential for unlawful direct or indirect discrimination?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

What arrangements could be implemented to reduce or mitigate any potential adverse or negative impacts identified?

None identified.

Describing how Equality Impact analysis has shaped the policy making process

We did not identify any further changes to the policy as a result of carrying out this analysis.

There are no cost implications from the equality impact assessment.

Carrying out this assessment has helped us to analyse the impact of our approach on the various protected characteristics.

Monitoring and Review

Stage 4 - Authorisation of EQIA

Please confirm that:

- ◆ This Equality Impact Assessment has informed the development of this policy:

Yes No

- ◆ Opportunities to promote equality in respect of age, disability, sex, pregnancy and maternity, gender reassignment, sexual orientation, race and religion or belief have been considered, i.e.:
 - Eliminating unlawful discrimination, harassment, victimisation
 - Removing or minimising any barriers and/or disadvantages
 - Taking steps which assist with promoting equality and meeting people’s different needs
 - Encouraging participation (e.g., in public life)

- Fostering good relations, tackling prejudice and promoting understanding

Yes No

Declaration

I am satisfied with the equality impact assessment that has been undertaken for Non Rent Debt Recovery Policy.

Name: Colin James

Position: Finance Manager

Authorisation date: January 2025