



## Council Housing Services

# Rent Arrears Handbook

## Ways to pay



This booklet can be made available  
in large print, on tape, in Braille  
and in other languages





## **GOLDEN RULES**



*Follow these rules and you should be able to sort out your rent arrears and any other debts.*

- ❑ **Do not ignore the problem**
  
- ❑ **Make sure you pay your rent first, which is a priority debt, then your other – you could lose your home if you don't**
  
- ❑ **Always attend court hearings**
  
- ❑ **Ask for help. Council Housing Services are happy to give it.**
  
- ❑ **Make sure you are getting all the benefits you are entitled to get.**
  
- ❑ **Make sure you have given Housing Benefit all the information they need.**
  
- ❑ **Work out a personal budget**
  
- ❑ **Always keep copies of any letters or court forms you send or receive**
  
- ❑ **Contact everyone you owe money to, to make a reasonable repayment agreements with them**
  
- ❑ **Do not borrow from loan sharks (those who charge very high interest rates)**





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## **1. Your tenancy agreement and rent arrears**

Your Tenancy Agreement is a contract between you and the Council and tells you what your rights and responsibilities are and what the Council's rights and responsibilities are.

\*This is what you have agreed to, with regard to your rent, when you signed your Tenancy Agreement.\*

### ***Tenants Responsibilities***

**2.2 You must pay your rent on time. Your rent is due every week in advance. There are occasional 'no collection' weeks where no rent is due, and these are identified on your rent record sheet (although people with rent owing, called 'arrears' – should make payments in these weeks to reduce the arrears owing). The rent is inclusive of all the charges that are noted on your rent record sheet'.**

**2.3 If you do not pay your rent the City Council can go to court to get legal permission to evict you from your home. If you have any difficulty paying your rent you should contact your Housing Officer immediately.**

**2.4 If you are joint tenants you are each responsible for all the rent and for any rent arrears. The City Council can recover all rent arrears owed for your home from any individual joint tenant. So if one tenant leaves, the remaining tenant or tenants are responsible for any rent that may still be owed.**

#### **WAYS TO PAY YOUR RENT**

- Cash**
- Cheque**
- Standing Order**
- Direct Debit**
- Credit/Debit Card**

#### **WHERE TO PAY YOUR RENT**

- At the Post Office**
- Anywhere with a Payzone sign**
- Through your bank**
- By telephone**
- On the internet**

## ***2. What will happen if I get into rent arrears?***

Our rent arrears policy is to make sure rent is collected on time and to make sure that tenants are given every assistance to clear rent arrears at an early stage. We have a process that means tenants are contacted as soon as their rent account falls into arrears.

We contact you at an early stage because rent arrears quickly accrue and delays in contacting you may lead to a higher debt to pay back, so the quicker we get in touch, the sooner the arrears can be sorted out.

We will work with you to try to resolve any problems and will make agreements that are affordable for you. However, rent does have to be paid and ultimately, if we have taken all the action we can but if arrears are not reducing, then we can, via the courts, repossess your home. The process is fully explained below.



## ***3. What should I do if I get into rent arrears?***

**You should contact us immediately. The sooner you tell us there is a problem, the sooner we can work with you to resolve it.**

Our Arrears Team will also contact you. This may be by letter, a home visit or a telephone call. They will inform you of how much you owe and ask you to either clear the arrears or make an agreement for regular payments, that you can reasonably afford, in order to reduce the arrear.

If you clear the arrears or stick to the agreement that you have made, then that should be the end of the matter.

However, if the arrears increase or do not reduce, then we will invite you to an interview to discuss try to resolve the problem. You will also be asked to complete a Income and Expenditure form so we can see what you can reasonably afford to pay.

If you do not attend this interview or come to an acceptable agreement to reduce the rent arrears, then we may have to serve you with a Notice of Seeking Possession (Secure Tenancies) or a Notice of Termination (Introductory Tenancies).

## 4. Notice of proceedings

This is a legal document that can be served on you by a member of the Arrears Team.

The Notice is the first step we take, in order to take you to court for rent arrears owed. The Notice gives a four week period to enable you to clear the arrears or reach an agreement to make regular payments to reduce the arrears. If, after this period, there is no improvement to your rent account, then an application can be made to the County Court to gain possession of your property.

**Note:** At all times throughout this process you should keep in contact with the Arrears Team and continue to pay your rent plus an agreed amount off the arrears. If you are awaiting a housing Benefit assessment, you must provide them with all the information they request.

### **\*Remember\***

**It is not to late to contact the Rent Arrears Team to resolve the problem**

## 5. Court proceedings

If, at the end of the four week notice period, the arrears have not been cleared or an agreement has not been made or has been broken, to make regular repayments to reduce the arrears, then we may apply for a court hearing.

The request we make to the court, will be made either just before the court date or, in some circumstances, on the day depending on the circumstances. There are a number of different orders we can request the court to make, for example:

- Full Possession of the property (i.e. eviction)
- Possession Postponed on terms agreed in court
- Hearing adjourned until a next available court date
- Hearing adjourned on terms agreed in court

**If we have to apply for a court hearing, the cost of this will be added to your account. You may also lose your home.**

## 6. In court

The case is usually heard by a Judge who will make the decision about what order to make.

The Council will tell the judge why the case has been brought to court and the judge will also ask you for your reasons why your account is in rent arrears and what proposals you have for clearing the arrears.



You can ask for advice about/representation at court from the Citizens Advice Bureaux. Contact details are given at the end of this booklet.

Once the judge has heard both parties, he/she will then make an order.

**Note:** It is in your best interests to attend the court hearing so you can tell the judge why the problem has occurred.

**\*Remember\***

**It is not to late to contact the Rent Arrears Team to resolve the problem**

## ***7. After court***

If the court gives the council possession of your property then you will be given a date when to leave your home. If you have not left by this date, we will ask the court bailiffs to set a date for your eviction.

**\*Remember\***

**Even at this stage it may not be to late to contact the Rent Arrears Team to resolve the problem**

If the court postpones a possession order, then you must pay whatever the judge has told you to pay. The terms of the order will be confirmed to you in writing.

## ***8. Eviction***

If you receive a date for eviction, you have the right to appeal against it.

To do this, you must apply at the County Court to suspend the eviction. You will be charged for making this application.

The judge will hear your request to suspend the eviction order and will tell you at the hearing whether the eviction will go ahead or not.

If the eviction goes ahead, you must clear your property of any of your own possessions, as the locks will be changed and you will no longer have right of entry to the property once the eviction has taken place.

## 9. Court costs

Taking people to court is a costly affair. We would much rather you contacted us in the early stages to sort out any problems you have paying the rent. If we have to start legal proceedings against you, there are costs involved. There is a cost when first take you to court and there are further costs if we have to ask for bailiffs to take possession of your home.

### \*Remember\*

**If you contact us early, and keep to the reasonable repayment agreement we will make with you, then you should be able to avoid going to court and the costs that are involved in the legal process.**

## 10. Former tenant arrears

When a tenant leaves a Council property they become a 'former tenant'. If there are arrears at the end of the tenancy, the Council will continue to pursue these, which may mean we pass your details to a debt collector, should you fail to start repayments onto your account.

It is also unlikely that we will be able to re-house you in the future if you do not repay the debt.

## 11. Priority debts

If you have a number of debts and can't make all the payments that you are supposed to, then you should prioritise your debts. In order to work out what your priority debts are, you should look at the potential consequences of not paying the debts. The list below gives some examples of priority debts and the implications of not paying them.

- **Rent** - Landlord can evict you and repossess your home
- **Council Tax** - Council can use bailiffs, attach benefit or wages and apply for committal to prison
- **Electricity and Gas** - Supplier may obtain permission to disconnect supply
- **Magistrates' Court Fines** - Bailiffs can be sent to collect unpaid fines, refusal to pay can result in imprisonment. Maintenance arrears/CSA Bailiffs or deduction from earnings, or committal to prison
- **TV Licence** - Fine of up to £1000

## 12. Statements of rent account

All tenants get an automatic statement of their rent account every 3 months (quarterly) and you can request a statement of your account at any time by contacting the Cable Street office.

Should we have to take legal action against you, you will be given a statement of your account at each appropriate stage.

Your statement will tell you how much your weekly rent is. If you are in receipt of housing benefit it will show how much housing benefit you receive weekly and how much rent you should pay. It will also tell you the total amount that is owed at the time the statement was printed.

### **\*Remember\***

**If you have any queries, contact the Rent Arrears Team. Their contact details are at the back of this booklet.**



## 13. Housing benefit applications

Depending on your income, you may be able to claim help with your rent.

To apply for Housing Benefit, you must fill in a form (which you can get from the housing office at Cable Street or from the Housing Benefit Office – addresses are at the end of this booklet).

In order to get your claim processed quickly, you must give the benefit service the following:

- ✓ Proof of your income
- ✓ Proof of your identity
- ✓ Your bank account details
- ✓ Details about your savings
- ✓ Proof of the income of any other adults living in your home. This includes grown-up children who are working.
- ✓ Any other information they request

If you do not provide these details in the requested time period then it may not be possible to backdate your benefit, unless you can show special reasons, for example, show good cause why the Housing Benefit Office should agree to do so.

You must tell the Housing Benefit Office if your circumstances change in any way. The amount of benefit you get may change if your income increases, drops, or if you have someone else living with you.

If you are paid too much because you didn't tell the benefits service about changes to your circumstances, you will have to pay back the benefit you have been overpaid. This can be taken from Housing Benefit which would be paid to your rent account.

**\*Remember\***

**If the information requested is not sent in within 28 days, your application will be cancelled.**

## ***14. Housing benefit calculator***



To get an estimate of how much benefit you may be entitled to, you can use the online Housing Benefit Calculator, which is accessed via the internet. Follow these instructions:

Go to:

[www.lancaster.gov.uk](http://www.lancaster.gov.uk)

In the Quick Links box click on Benefits

Under Benefits heading click 'How to calculate your benefit entitlement'

Then click on 'Online Benefits Calculator'

If you do not have a computer, you can contact the Rent Arrears team who will do a calculation for you.

## ***15. Arrears paid direct from your benefit***

If you are on Income Support, Jobseekers Allowance, or a Pension, we may be able to request that a set amount is taken from your benefit, and paid directly to us. This is an easy and straightforward way to make sure your rent arrears are reduced and that no further action is taken against you.



## ***16. No collection weeks***

Each year, there are four (and occasionally five) no collection weeks (sometimes known as 'free weeks') when no rent is collected. The dates of the no collection weeks are sent to you yearly when you are informed of the annual rent for the coming year.

If you have rent arrears, you must still pay during these weeks. This is a great opportunity to make significant reductions in your rent arrears as anything you pay during these weeks comes directly off the amount you owe.

## **17. Dealing with other debts**



Organisations like the Citizens Advice Bureaux can help you to make affordable repayment agreements with other creditors.

This handbook lists, at the back, the contact details of several organisations that can help you deal with other debts that you may have. There is also a personal budget sheet in this booklet which you should complete. The budget sheet lists your incomings and outgoings so you can see how much money you, realistically, need to live on each week and how much you have left over to pay your priority debts.

### **\*Remember\***

**It is important that you deal with any outstanding debts. The longer you leave it, the worse they will get.**

## **18. Citizens advice bureau**

The Citizens Advice Bureau offer free independent, impartial and confidential advice for rent arrears and many other matters. Their contact details are at the back of this booklet under the heading 'Useful Numbers'.

## **19. CCJs**

If a County Court Judgement (CCJ) is made against you, then this information is passed to a credit reference agency, who keep details of all CCJs. This information is kept on file for six years and may mean that you could be refused credit.

If you are refused credit, you have a right to ask if the finance company has used a credit reference agency, and if so, they must give you the name and address of the agency they have used.

## ***20. Alternatives to high interest credit***

Many people, particularly those on low incomes, are using credit companies who charge a very high rate of interest which means you can pay up to three or four times more for your purchases than they cost without credit.

However, there are other ways of getting credit that do not have high interest

- DSS Loans
- Credit Union Loans

The Citizens Advice Bureau can give you information about obtaining credit.

## ***21. Change of circumstances***

If your circumstances change at any time, you should inform both the Arrears Team and Housing Benefit

## PERSONAL BUDGET SHEET

NAME .....

ADDRESS .....

.....

.....

Please give the amount you receive weekly

If there are any amounts that you receive monthly, just divide the amount by 4 to give an estimate of how much the weekly amount is.

### INCOME

	<b>WEEKLY INCOME</b>
Wages/Salary	£
Wages/Salary (partner)	£
Income Support / Pension Credit	£
Retirement/Works Pension	£
Incapacity Benefit	£
Job Seekers Allowance	£
Tax Credit	£
Child Benefit	£
Incapacity Benefit	£
Maintenance	£
Non-dependants contributions	£
DWP Work Benefit	
Other	£

**TOTAL WEEKLY INCOME**

£

## OUTGOINGS

	OUTGOINGS
Rent (or the amount left after Housing Benefit)	£
Council Tax (not including arrears)	£
Water Rates	£
Service Charge	£
Buildings/Contents Insurance	£
Gas	£
Electric	£
Housekeeping	£
TV Rental/Licence	£
Magistrates Court fines	£
Maintenance Payments	£
Travelling/Vehicle Expenses	£
School Meals/Meals at work	£
Clothing	£
Telephone/Mobile Phone	£
Prescriptions/health costs	£
Childminding	£
Household Contents Insurance	£
Other 1	£
Other 2	£
Other 3	£

**TOTAL OUTGOINGS**

£	
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## MONEY LEFT TO PAY PRIORITY DEBTS

<b>TOTAL WEEKLY INCOME</b>	£
<b>MINUS</b>	
<b>TOTAL OUTGOINGS</b>	£
<b>EQUALS</b>	
<b>THE AMOUNT YOU HAVE LEFT OVER FOR PRIORITY DEBTS</b>	£

## PRIORITY DEBTS

	PRIORITY DEBTS (WEEKLY)
<b>RENT ARREARS PROPOSAL</b>	£
<b>Council Tax Arrears</b>	£
<b>Fines</b>	£
<b>Other (please specify)</b>	£

**This is an accurate record of my/our financial position**

**Signed**

.....  
 .....

**Date**.....

**PLEASE REMEMBER THAT IF YOUR INCOME CHANGES YOU MUST INFORM  
 COUNCIL HOUSING SERVICES AND HOUSING BENEFITS**

**Lancaster City Council  
 Council Housing Services  
 38 Cable Street  
 LA1 1HH  
 01524 - 582929**

## Notes

## USEFUL ADDRESSES AND PHONE NUMBERS

### **Council Housing Services - Arrears Team**

38 Cable Street  
Lancaster  
LA1 1HH  
01524 582929

### **Citizens Advice Bureau Lancaster**

87 King Street  
Lancaster  
LA1 1RH  
Tel: 0870 1264035 (24hr  
answerphone)

Email – [enquiries@lancastercab.org](mailto:enquiries@lancastercab.org)

### **Citizens Advice Bureau – Morecambe**

Oban House  
87 – 89 Queen Street  
Morecambe  
LA4 5EN  
Tel: 01524 – 400401

Email – [post@morecambecab.cabnet.org.uk](mailto:post@morecambecab.cabnet.org.uk)

### **Council Tax**

Lancaster City Council  
Town Hall  
Dalton Square  
Lancaster  
LA1 1PJ  
01524 582900

### **Lancaster County Court**

2<sup>nd</sup> Floor  
Mitre House  
Church Street  
Lancaster City Council  
LA1 1UZ

### **Housing Benefit**

Lancaster City Council,  
Revenue Services  
Town Hall  
Dalton Square  
Lancaster, LA1 1PJ  
**Email:** [benefits@lancaster.gov.uk](mailto:benefits@lancaster.gov.uk)  
**Tel:** 01524 582965

### **Lancaster Homeless Action**

Edward Street  
Lancaster  
LA1 1QH  
01524 - 65568

### **Home Support Service**

Lancaster City Council  
56 – 58 Euston Road  
Morecambe  
LA4 5DG  
01524 – 586826

### **Lancaster and District Women's Aid**

LDWA  
PO Box 669  
Lancaster LA1 2ZP  
Helpline: 01524 – 383636

### **National Debtline**

Tricorn House,  
51-53 Hagley Road,  
Edgbaston,  
Birmingham  
B16 8TP  
**Freephone: 0808 808 4000**

### **Signposts (Help with debt and benefit Advice)**

58 Regent Road  
Morecambe  
LA3 1TE  
Tel: 01524 – 419021

### **Welfare Rights**

White Cross  
Lancaster  
01524–37200

## CONTACT INFORMATION

### Council Housing Services

**Postal address:**

PO Box 4, Town Hall, Dalton Square, Lancaster, LA1 1QR

**Office:**

38 Cable Street, Lancaster, LA1 1HH

**Telephone:**

01524 582929

**Email:**

Councilhousing@lancaster.gov.uk

**Website:**

[www.lancaster.gov.uk/councilhousing](http://www.lancaster.gov.uk/councilhousing)

Our office hours are 9am to 5pm weekdays  
(10am to 5pm Wednesdays)

If there is an emergency ring the council's Emergency Call Centre,  
which is open 24 hours a day, 365 days a year.

The number to call is: 01524 67099

Calls may be recorded to help improve our standard of service and accuracy  
of information

This information can be made available in  
large print, audio, braille and other  
languages.

For further details please contact us on  
(01524) 582929.



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