

RENT ARREARS PROCEDURE

What happens if you do not pay your rent?

A key condition of your tenancy agreement is to pay your rent on time. We depend on the income from rents to enable us to continue to provide services for all our tenants.

If you are having difficulty paying your rent and are in arrears, you should discuss with your Housing Officer as soon as possible how to pay them off by instalments. If you prefer, and are eligible, Innisfree can arrange for an amount towards your arrears to be deducted from certain welfare benefits and paid to us direct. Your Housing Officer can also advise you what benefits you could claim, and where you can obtain expert assistance, for example with debt counselling or budgeting.

If you do not pay your rent, we will write to you telling you the amount of arrears and offering advice on how to clear this debt. If you do not then pay off the arrears, your housing officer will meet you to agree a way to solve the problem.

If the arrears continue to grow or you break your repayment agreement, then Innisfree will start legal action. We will send you a Notice of Seeking Possession (NOSP). A NOSP warns you that, if you do not resolve the problem within the time stated (usually we give 28 days notice) Innisfree will apply to the court for a hearing.

Immediately after we send you a NOSP you should contact your Housing Officer to agree repayments. We will take no further action so long as you stick to your agreement and your arrears reduce.

In court, Innisfree will usually ask for a 'Suspended Possession Order'. This means that your tenancy will only end if you fail to pay your weekly rent, plus an agreed amount to reduce the arrears. The court may also order you to pay Innisfree's costs of bringing your case to court. If you break the conditions in the Suspended Possession Order, IHA will ask the court bailiffs to evict you. We will warn you before we apply to the bailiffs.

IMPORTANT:

- It is vital that you pay your rent and make an arrangement to reduce any arrears.
- If your arrears continue to grow, we will take legal action to recover them.

Rent arrears could result in the loss of your home.



Innisfree
Housing Association

A charitable Housing Association



In business for neighbourhoods



This leaflet tells you about your rent and other charges; about changes in the amount you pay; about getting help with rent payments and about our arrears procedures.

RENT

Your rent pays for the housing and the costs of housing related services and communal areas provided by Innisfree. These include the costs of:

- building or acquiring homes, including loan repayments,
- repairs, maintenance, servicing and external decoration,
- refurbishment, modernisation and improvement,
- supervision and management,
- property and communal area expenses such as energy, insurance, cleaning.

Rents will vary between different types of property and will take some account of size, age, type e.g. flat or bungalow, and extra features and amenities, such as central heating, double glazing, car space etc. The government expects all Housing Associations and Councils to work towards making their rents similar to each other for similar types of home. We must use local property values and local incomes to decide on our 'target rents'.

SERVICES CHARGES

Service Charges pay for the provision of any extra services or facilities. Most of these are for communal areas, such as gardening or lighting. The amount you pay covers the *actual* cost of providing these services and is set out in your tenancy agreement when you move in. We usually review service charges once a year. The costs change from time to time -

for example, because electricity charges go up. If you have any queries about your service charges, contact your Housing Officer for information and advice.

If you live in sheltered or supported housing we will also make a ‘support charge’. Please see our leaflet ‘Living in sheltered or supported housing’ for more information.

In ***sheltered and supported housing schemes*** Innisfree may also provide and make a service charge for heating within your home. You must pay Innisfree direct for this as it cannot be paid by Housing Benefit.

WATER AND SEWERAGE CHARGES

Almost all Innisfree tenants must arrange and pay direct to the local water company for the supply of water and treatment of sewerage. The only exception is:

Supported housing schemes - Innisfree takes responsibility for the collection of water and sewerage charges. These are included in the service charge and you must pay it directly to Innisfree. This part of your charge cannot be paid by Housing Benefit.

COUNCIL TAX

Council Tax is based on a valuation of your home. The money collected by the council pays for essential local services e.g. schools, road maintenance and rubbish collection. Almost all Innisfree tenants must arrange and pay for council tax direct to the local authority. Council tax benefit may be payable to help with this if you are eligible. The only exception is:

Supported housing schemes - Innisfree collects your council tax through your service charge. Housing Benefit (not council tax benefit) can pay for this if you are eligible.

CHANGES IN THE AMOUNT OF RENT YOU PAY

Innisfree decides the rent to be set for your tenancy each year when we review our budget. We will consider the past year’s costs, any likely changes to these, and the rents we are aiming for under the government’s rules.

We will serve you Notice of Increase no more than once each year, and not sooner than a year after your tenancy started, unless you agree to an extra increase for any reason e.g. we have provided significant improvements to your home.

The Notice will set out the amount of your rent and service charge. The new rent will always start on a Monday and we will give you at least a calendar month’s notice.

The amount by which we increase your rent each year will vary but will always be within the government’s guideline limits. For more information, ask your Housing Officer.

The amount you actually pay Innisfree may also change if your Housing Benefit claim is altered. If, for example, your income increases, you have more savings, or a child reaches 18 and leaves school, you may receive less Housing Benefit.

APPEALS AGAINST RENTS

If you are not happy with your rent increase, you can appeal against the increase to the independent Rent Assessment Committee (R.A.C.). You must do so during the month after getting our Notice of Increase. The R.A.C. will set a ‘market rent’ (i.e. the rent that someone would expect to pay if they were renting privately). ***The ‘market rent’ could be higher than the rent set by Innisfree*** so please take advice before appealing.

If you are an assured shorthold tenant the same applies, and you can also appeal during the first six months of your tenancy against the rent we charge you at the start.

You should discuss this with your Housing Officer or take independent advice from a Housing Advice Centre or a Citizens’ Advice Bureau.

The R.A.C. is based at Whittington House, 19-30 Alfred Place, London WC1E 7LR.

METHODS OF RENT PAYMENT

You are expected to pay your rent weekly in advance on a Monday, although you can pay fortnightly/monthly in advance if you make arrangements with your Housing Officer. Your Housing Officer will discuss the different methods of payment with you when you sign your tenancy agreement. You can pay by using any of the following methods:

- 1) Bank Giro Credit
- 2) Standing Order
- 3) Direct Debit
- 4) Cheque Payments

HELP WITH YOUR RENT - HOUSING BENEFIT

All Innisfree rents and most service charge items can be paid by Housing Benefit, if you qualify. Housing Benefit is a payment made by the local council to help pay the rent for people who have low incomes and no more than £16000 in savings (as at April 2004). Depending on your circumstances it may cover all, or only part of the rent. Housing Benefit application forms are available from IHA and at your local Housing Benefit office.

Housing Benefit - Claim it!

You are responsible for:

- Claiming Housing Benefit from your local council;
- Informing Housing Benefit if your rent, income, savings or other relevant circumstances change;
- Informing Housing Benefit if your Income Support, Pension credit or Job seekers Allowance stops;
- Renewing your claim as soon as Housing Benefit ask you to;
- Checking the reasons for any delays or underpayments by Housing Benefit and taking action to resolve them;
- Paying us any part of the rent that your Housing Benefit does not cover;
- Paying us any ‘HB ineligible charges’ included in your rent, such as heating or water charges;
- Also claiming Supporting People Grant if you live in sheltered or supported housing.

Do not delay your claim. Housing Benefit is not normally backdated

REMEMBER: YOU ARE ALWAYS RESPONSIBLE FOR PAYING YOUR RENT.

Innisfree encourages you to have your benefit paid direct to us. But remember, you still have to pay us directly for any part of your rent that Housing Benefit does not pay, and all the rent if HB stop paying. Tenants sometimes think that the Council is responsible for paying the rent once they have made a Housing Benefit application. The Council is not responsible for paying your rent. You are legally responsible for ensuring the rent is paid, even if Housing Benefit agrees to pass your benefit directly to Innisfree. If there is a delay or if your housing benefit stops being paid, you will need to contact the Housing Benefit office yourself to find out what is causing this, and take steps to get payment underway. Innisfree will advise you if a Housing Benefit payment made direct to us stops or reduces.