



## Tenants First

HOUSING CO-OPERATIVE

### Arrears

#### 1. What is this fact sheet about?

The Co-operative members need to make regular payments for services they receive. From time to time, some members fall behind with these payments (arrears) and this fact sheet outlines how the Co-operative will respond to arrears and importantly **how you as a member can help sort out the issue problem.**

This fact sheet provides a summary of what to do if you wish to exercise this right and how the Co-operative will deal with your request. It does not affect your rights; it is not intended to have a contractual element and is not binding by law.

#### 2. What payments can you get into arrears with?

Any payment due to the Co-operative, such as

- ◆ **Rent** – for a house or garage
- ◆ **Service Charges** – paid by members for a variety of items such as common stair cleaning and communal landscaping
- ◆ **Recharges** – work carried out that Co-operative that has to be repaid by the member as it was their responsibility
- ◆ **Other** – bank charges such as returned cheques

#### 3. What should you do if you find yourself in arrears?

You must contact the Co-operative immediately, if you know that you will not be able to make the payment due. Your Housing Officer will discuss your situation with you and will want to know how you intend to pay the arrears. They will agree a way for you to make payments in the future and how any outstanding payments will be repaid. They can also advise you of any other options that may be available to you.

#### 4. Why is it important that you contact Tenants First (your landlord)?

Staff are there to provide assistance and advice with any difficulties you may be experiencing and to ultimately ensure that you remain in your home. We have been able to help some members increase their income or receive a one-off payment from a charity to help pay arrears. We may not always be able to do this but if we don't know your situation and you do not contact us then we are unable to assist you. **The longer you leave the problem the more difficult it will be for us to help and the more serious any action we take will be.**

#### 5. What sort of help will you get?

Tenants First have support projects that may be able to help you deal with this difficult situation. Some members may be entitled to apply for assistance from Housing Benefit, when paying the rent and services charges. Others may be able to increase their income. We also recommend you contact your local Benefit Agency, Citizens Advice Bureau or Welfare Rights & Advice agencies for additional assistance.

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**4. What will happen if you do not contact us or respond to the assistance provided?**

Very often if you deal with a problem early on it is easier to get it under control before it becomes too much to handle. Ignoring problems, such as arrears, can have serious consequences and for some members it can mean that they are at risk of losing their home. If the Co-operative has to start legal action to recover money you owe this can result in costly bills, adding to your debt to us. **The Co-operative wishes to avoid taking legal action but needs your help and your Housing Officer is available to contact for assistance and guidance regarding any arrears you have accrued.**

**5. Is it too late if I get Notice that you are going to take Legal Action?**

If you have not contacted the Co-operative and/or your arrears are increasing we will serve a Notice of Proceedings on you. This notice is like a final warning which gives you a minimum of 28 days to contact us and start to deal with the situation. As stated above you should contact us so that we can help. If you do not contact us or make payment we can then apply to the Court to evict you.

**6. What happens if you case calls at Court?**

If the Co-operative has applied for a court date there are a number of possibilities on the day it calls:

- ◆ If you have made an agreement to pay your arrears then we can ask for the case to be 'continued' for a period of 4-6 weeks to monitor payments. A new date will then be given for your case to call again.
- ◆ If it is evident that you have been sticking to an agreement then we can ask for the case to be 'sisted'. This means that action on your case will be put on hold to allow you to continue to pay your arrears.

Once you clear your arrears the Co-operative will seek to close your case and ask for Decree Expenses. This is where the Courts specify the Member is responsible for paying a percentage of Court costs.

- ◆ If you have made no payments towards your arrears then we will ask for a Decree (an order from the Court) for you to pay the money you owe (plus expenses awarded by the Court) and permission to repossess the property you live in.

**7. Is it too late if Decree has been awarded?**

NO, if Decree has been awarded then the Member can still prevent eviction from taking place. However, they will be required to clear the arrears and expenses.

**8. Do Tenants First Housing Co-operative evict people who owe rent?**

YES, but only as the last possible action. We work with Members in order to help them solve the problem before it gets to this stage BUT if Members do not work with us we can not help them. In order to avoid being evicted you should:

- ◆ Contact us as soon as possible;

- ◆ Respond quickly to letters or messages when we are trying to contact you;
- ◆ Keep to any payment agreements;
- ◆ Ensure you have provided Housing Benefit with all necessary information so that they can process your claim.

**9. What will Tenants First Housing Co-operative monitor?**

Tenants First is a non profit making organisation and must keep cost to a minimum. In order to keep rents at an affordable level it is necessary to monitor arrears and target areas of concern quickly. The following is a list of standards that we will aim to achieve:

- ◆ We will aim to keep rent arrears below 2.71% of the annual rents that the Co-operative collects;
- ◆ We will aim to ensure that no more than 16% of members fall into arrears;
- ◆ We will aim to ensure that former members arrears stay below 2.05% of annual rents;
- ◆ We will monitor our referrals to our support projects who can assist people when dealing with arrears.

Remember what happens depends on YOU

**If you would like more information and advice or would like to comment on your views of our service please contact us:**

<p><b><u>Tenants First Housing Co-operative</u></b>                  23 Albert Street,                  Aberdeen                  AB25 1XX                  Telephone 01224 628400,                  Fax 01224 628428                  e-mail <a href="mailto:enq@tenantsfirst.com">enq@tenantsfirst.com</a></p> <p><b>Office Opening Hours:</b>                  Monday to Thursday - 8.30 am to 5.30pm                  Friday - 8.30am to 4.30pm.</p>	<p><b><u>Tenants First Housing Co-operative</u></b>                  27 Slains Court,                  Peterhead                  AB42 2YF                  Telephone 01799 474282,                  Fax 01779 871969                  e-mail <a href="mailto:enq@tenantsfirst.com">enq@tenantsfirst.com</a></p> <p><b>Office Opening Hours:</b>                  Monday to Thursday - 9am to 5pm                  Friday - 9am to 4.30pm.                  (between 12.30 and 1.30pm every day                  the office closes)</p>
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Please note that both offices close on Wednesday morning for training

**Our web site address is [www.tenantsfirst.com](http://www.tenantsfirst.com)**