

Rent Payment and Arrears recovery Policy

Lead Director: Executive Director of Communities and Neighbourhoods

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1. Introduction & Aim

- 1.1 Cobalt Housing is committed to ensuring it maintains financial viability at all times, including maximising the income it generates from rent collection. If we fail to collect rental income effectively, it is likely that we will be unable to deliver our targets in our Business Plan and our services to our customers will be impacted.
- 1.2 Cobalt also recognise that whilst balancing the need to maximise our rental income, it is also important that we provide a range of measures which are proactive, preventative and which support our customers, rather than purely focusing on collection and enforcement. This will ensure that we can help and encourage our customers to maintain rent payments particularly in the current economic climate.
- 1.3 This Policy sets out the provisions Cobalt have in place to:
- Ensure that our customers are aware of their responsibilities to pay their rent
 - Offer a wide range of accessible payment methods for customers to make their rent payments
 - Incorporate a pre-tenancy interview which will include an affordability assessment based on the applicant's income & expenditure and identify any support that may be required
 - Provide information and support to customers to ensure they are 'financially included', that arrears are prevented and that they receive any welfare benefits that they are entitled to
 - Provide information and support to customers who may be affected by changes introduced through Government legislation
 - Ensure that customers understand the information provided relating to their arrears and remove any barriers that may prevent them from doing so
 - Ensure customers have access to Debt and Welfare Advice and support to help them manage their rent account
 - Act in a firm but fair manner when arrears occur including making assessments of capacity to understand actions being taken
 - Use all necessary tools to recover former customers debts

1.4 The aim of the Policy is to:

- Promote prompt and effective action that will safeguard Cobalt as a business, whilst protecting the interests of our customers
- Outline our approach to the management of both current and former tenant arrears
- Maximise rental income collection and performance
- Ensure that appropriate methods and practices are adhered to, whilst ensuring fairness and consistency
- Promote a rent payment culture, encourage early payment and prevent our customers falling into arrears
- Ensure we act consistently and in accordance with the pre-action protocol for rent arrears for social landlords
- Support our customers to sustain their tenancies therefore creating more sustainable neighbourhoods. Understand factors such as the Social Size Criteria (Bedroom Tax), Benefit Cap, Universal Credit (UC) and work with external agencies to support our customers. This would include support to make applications for Discretionary Housing Payments (DHP) and making Alternative Payment Arrangement (APA) applications to safeguard rent payments where appropriate and applying for deductions from benefits when required.
- Provide the appropriate support to our customers impacted by Welfare Reform measures

2. Policy Statement

- 2.1 Cobalt's primary aim in developing and operating a Rent Payment and Arrears Recovery Policy is to ensure it maximises all income that is due from rent and other charges and to recover arrears accrued by former customers. This is necessary for Cobalt to maintain its financial viability and to ensure:
- We can continue to provide high quality services to our customers
 - We can continue to expand our stock through funding a range of development initiatives
 - Customers have the support they require to maximise their income
 - It provides a framework for officers to manage the recovery of current and former customers arrears effectively and efficiently
 - It meets the requirements of the Regulator of Social Housing (RSH) Regulatory Standards
 - Our customers are aware of their tenancy obligations to pay their rent and service charges and maintain an account free of arrears
- 2.2 Cobalt will operate a firm but fair approach to rent collection and arrears management by providing convenient and easily accessible methods of payment for customers to make their rent payments or any outstanding arrears relating to previous tenancies.
- 2.3 We will take swift and decisive action against customers who refuse to engage and reach agreements on ways to reduce outstanding debts (where they are deemed to have sufficient capacity to understand and act accordingly).
- 2.4 Cobalt will pro-actively support customers adversely impacted by legislative changes to welfare benefits.
- 2.5 Cobalt will apply to safeguard the housing element of UC to support customers at risk of losing their home.
- 2.6 At all stages in the recovery process, Cobalt will make available:

- Private face to face interviews in Cobalt offices or visit customers in their own home
- Advice and assistance to make Housing Benefit (HB) / UC claims
- Access to our Welfare Benefits Advice Team
- An individual financial assessment to ensure that realistic and affordable repayment arrangements are made to pay off outstanding arrears
- Assistance in submitting applications on behalf of the customer for fuel and food vouchers where appropriate
- Advice and assistance to submit applications for funds such as the DHP Fund, and Utility Trust Funds where appropriate

- 2.7 Cobalt will take legal action to repossess the property in cases where customers are not meeting their rent obligations and are not engaging or trying to resolve the situation. At all stages of the legal process, customers will be informed of the action being taken, the implications of the action and help and advice available from both Cobalt officers and external partners.
- 2.8 Eviction warrant applications for arrears will be approved by the Assistant Director of Communities and Neighbourhoods.

3. Policy Principles

- 3.1 The Policy covers how Cobalt will aim to collect rent including service charges and arrears relating to current and former customers.
- 3.2 The Policy will cover the following areas:
- Rent collection
 - Arrears prevention
 - Rent arrears management
 - Enforcement

- Former customer arrears
- Debt Relief Orders and Bankruptcy
- Management of credits
- Equality, diversity and inclusion
- Housing Ombudsman Complaints Code

Rent Collection

- 3.3 Rents and service charges are the main source of income for Cobalt and it is therefore essential that we adopt robust policies and procedures around the collection of rent, that ensure rental income is maximised whilst supporting customers to sustain their tenancies and become financially resilient.
- 3.4 Customers are responsible for paying their rent, including any service charges in advance as set out in their tenancy agreement. They are also responsible for informing us if they are having any problems paying their rent or if they have fallen into arrears.
- 3.5 We will carry out pre-tenancy interviews for all new customers including carrying out affordability assessments to establish if they are able to sustain a tenancy and identify any support required to assist them to manage their tenancies.
- 3.6 We will advise new customers who will be eligible to make their rent payments that the first month's rent is due when they sign for their tenancy. This helps to ensure that their rent account does not go into arrears at the start of their tenancy, and to help reinforce their responsibility for rent payment in advance and instil a positive payment culture. For customers in receipt of housing related benefits we will support them to make their claims.
- 3.7 To ensure customers are able to maintain their tenancy, we will continue to offer and promote a variety of payment methods to pay their rent and service charges, including by direct debit, standing orders, online payments, telephone payments and options to pay by cash at local pay points.

3.8 We will utilise a range of preventative measures to help customers sustain tenancies and minimise the use of possession action.

3.9 We will:

- Promote a positive payment culture highlighting the connection between rent payments and the importance of this both to our customers and our ability to provide high quality services
- We will continue to develop positive relationships with key partners and stakeholders including Liverpool City Council's Revenue & Benefits Department, Universal Credit teams, Department of Work and Pensions (DWP), Citizen Advice Bureau (CAB) and local advice agencies
- Closely monitor rent accounts to identify any problems at an early stage by ensuring a robust and systematic process is in place
- Ensure staff are well trained to manage rent arrears and that training is refreshed to keep up to date with best practice
- Provide customers with clear and straightforward information on their responsibilities, payment methods and available support at the start of their tenancy
- Consider making an application for an APA at the earliest opportunity where a customer is in receipt of UC and falls within DWP Tier one or Tier two grouping
- Where accounts are 8 weeks or more in arrears, we will consider making an application for an APA
- Advise and support customers in receipt of HB who are under-occupying their property and as a result have a shortfall in their HB to complete a DHP application
- Consider rehousing options for customers who are impacted by under-occupation which is impacting their HB eligibility and affordability via internal and external registers

3.10 With the managed migration of UC continuing there are strict time limits in place for submitting claims for both UC and HB with limited opportunity to request backdating of claims. We will advise and support customers to submit claims for UC / HB with the necessary supporting evidence to ensure prompt payments and to ensure they receive their transitional protection.

3.11 We will work with partners to ensure that those who require access and support to make online claims are able to do so.

- 3.12 We will continue to offer welfare benefit and debt advice to our customers. Customers will be able to access services through a variety of options including home visits where appropriate. We will also signpost to other independent agencies including CAB, advice agencies and the local authority's benefit maximisation team.
- 3.13 We will give consideration to the needs of an individual when communicating with them and use a variety of contact methods to communicate with our customers, these will include letters, emails, text messages, telephone calls and home visits, ensuring we do so to meet their needs, for example i.e. letters in different languages, in large font braille etc. We will also utilise translation services where required.
- 3.14 Where it is clear that a customer is unable to pay their rent arrears in full, we will consider agreeing a repayment plan. We will support customers to complete budget plans encouraging them to disclose details of their income and expenditure, so that an affordable repayment plan can be agreed. An agreement to repay debt is not a right but based on a realistic repayment plan over a set period of time.

Arrears Prevention

- 3.15 We recognise that effective management of rent arrears is essential for maximising rental income, preventing arrears accruing and helping ensure that tenancies are sustained. In cases where rent arrears do accrue, Cobalt acknowledges the importance of taking action at the earliest opportunity so that they do not escalate whilst providing the required support to our customers. We are committed to ensuring that our arrears recovery process is carried out legally and considers the circumstances of each customer.
- 3.16 We will focus on preventative measures for managing arrears and adopt the view that customers have a responsibility to pay their rent in advance and they must consider rent to be a priority debt.

3.17 Cobalt's procedures have been developed to take account of pre-action protocol guidance which is available from the Ministry of Justice. All social landlords are expected to comply, in summary the protocol focuses on the need for social landlords to make every attempt to contact the customer in order to find a satisfactory solution to their to rent arrears. The preventative actions outlined below take account of the pre-action protocol and include that we will:

- Provide debt, welfare advice and support to help customers manage their rent accounts. As part of this advice, we will make every effort to make repayment arrangements which are reasonable and affordable
- Offer a wide range of payment methods for customers to make their rent payments
- Promote a positive payment culture by regularly publicising the importance of customers paying their rent
- Present information in easily accessible formats and ensure customers understand when they are in arrears
- Assist with the completion of HB or UC for all our customers who are struggling to complete the forms
- Provide quarterly rent statements to our customers and statements upon request
- Aim to understand the personal circumstances of our customers and any household members wherever possible through personal contact
- Make contact with customers in arrears at the earliest opportunity to offer support, discuss options for clearing the arrears, remind the customer of their responsibilities and obligations to pay their rent, and outline the potential implications of non-payment
- If a customer in arrears is identified as benefiting from welfare benefit advice, we will refer to Cobalt's Welfare Benefits Team. We can also signpost to an external agency for independent debt advice
- Highlight the importance of informing Cobalt and relevant agencies (DWP, HB) of changes that could affect their benefit entitlement
- Encourage customers to contact staff at an early stage if they are experiencing difficulties in meeting their rent payments
- Make an application for an APA at the earliest opportunity where a customer is in receipt of UC and falls within DWP Tier one or two grouping
- Arrange for arrears to be paid direct from the DWP if the criteria is met

3.18 We will continue to explore the use of technology to support efficient and effective management of rent arrears.

Rent Arrears Management

- 3.19 Rent arrears action will be based on a staged escalation process, up to and including eviction. The process will be based on a preventative approach that seeks to maximise customer's entitlement to benefits and secure regular payments.
- 3.20 Emphasis will be based on intensive management and personal contact whilst arrears are at a relatively low level in order to prevent escalation of arrears.
- 3.21 Cobalt will monitor all rent accounts on a weekly basis for non-payment. Whenever this occurs Cobalt will endeavor to make personal contact with the customer to make arrangements to cover ongoing rent liabilities and any arrears that have occurred through non-payment.
- 3.22 We will contact customers as soon as their rent account falls into arrears. We expect customers to also work with us to resolve the debt. We will work with customers to remedy any arrears that accrue at an early stage in the recovery process.
- 3.23 The main features of the early intervention stages of our rent arrears procedures are:
- Treat joint customers as jointly and severally liable for rent arrears
 - Monitor accounts regularly so that problems can be identified at an early stage and arrears levels minimised
 - Inform customers of their debt and advise them of the consequence of continued non-payment
 - Endeavour to make personal contact with customers who are in arrears, either by visiting, inviting them for interview or telephoning so that the arrears position can be discussed
 - Use texts as well as letters to alert customers of their rent balance when they fall into arrears
 - Ensure that any customer in arrears is aware of their debt at an early stage and given opportunity to come to an arrangement to clear the arrears. The consequences of not maintaining their rent account will be carefully explained
 - Ensure that appropriate welfare benefits and debt advice is offered and signposted to other agencies

- 3.24 While we accept that vulnerable customers may need additional support, we still expect rent to be paid on time and arrears to be repaid as quickly as possible.
- 3.25 We are aware that issues and delays with benefits can lead to arrears accruing. It is important that customers tell us straight away when problems arise.
- 3.26 We expect customers with rent to pay which is not covered by benefits to do so in a timely manner, to avoid arrears accruing on their account.
- 3.27 Customers claiming benefits must do so immediately, again to avoid arrears.
- 3.28
- 3.27 The desired outcome of contact with customers is always for an agreement of arrears to be repaid. In some cases however, legal action for possession of the property is the only option which is available and details of this is outlined in the sections below.

Enforcement

Grounds for Possession - All Tenancy Types

- 3.28 The grounds for each tenancy type are outlined within the Cobalt Tenancy Agreement. Cobalt will rely upon the following grounds against customers who have rent arrears, to seek possession outlined in schedule 2 Housing Act 1988:

Ground 10

- 3.29 Where rent that is lawfully due from the customer has not been paid by the time the possession proceedings are started and was owed at the time the Notice Seeking Possession was served.

Ground 11

- 3.30 The customer has repeatedly failed to make payments that are lawfully due on time. There need not be arrears at the time the possession proceedings are commenced.
- 3.31 For secure tenancies where customers have rent arrears, Cobalt will seek possession by relying upon Ground 1 schedule 2 Housing Act 1985 – Rent lawfully due from the customer has not been paid.
- 3.32 The above grounds are discretionary; Cobalt will need to provide sufficient evidence to prove the grounds for possession and satisfy the court that is ‘reasonable in all the circumstances’ to grant a possession order. It will be at the judge’s ‘discretion’ whether or not to grant a possession order.

Additional Grounds for Possession - Use of Ground 8

- 3.33 In some cases we also reserve the right to rely on Ground 8 for possession. Ground 8 will only be considered for tenancies commencing after the 1st January 2013. This can be used for starter, assured, affordable or flexible tenancies (Ground 8 is not available for secure tenancies).
- 3.34 Ground 8 states that, at the time of being given notice and at the date of the court hearing your rent is at least 8 weeks in arrears. If we decide to proceed with the possession of a property using Ground 8, this decision must be approved by the Assistant Director of Communities and Neighbourhoods. In addition, we will provide the customer with the right of appeal against this decision in order to enable any mitigating circumstances to be presented.
- 3.35 The Court has only limited discretion as to whether or not to adjourn a hearing in which a Possession Order is sought under Ground 8 and this will also apply to suspending an eviction.
- 3.36 We propose to use Ground 8 in very limited circumstances including:

- Where the customer has failed to engage with Cobalt and or partner advice agencies following on from repeated attempts to contact the customer and /or partner advice agencies
- There is a long history of the customer failing to complete the necessary paperwork for their benefit claim to be processed without good reason
- A Notice Seeking Possession has been served using one or more of the discretionary grounds and the arrears have continued to significantly increase and /or the customer has failed to engage

3.37 Where Cobalt takes legal action for rent arrears through the County Court, we will also seek a Money Judgement Order as standard practice. A Money Judgement Order can be used with the enforcement of the collection of any arrears that remain upon the termination of a tenancy (former customer arrears).

Approval of Evictions

3.38 Cobalt will only apply for a warrant as the final sanction against non-payment, any requests to apply for a warrant must be considered and approved by the Assistant Director of Communities and Neighbourhoods. Where a vulnerability has been identified or there is insufficient information relating to the customer/s a referral must be made to our tenancy wellbeing team to offer and provide support prior to the request being submitted for approval.

Overpayment of Housing Benefit (HB)

3.39 HB overpayment is an amount paid, to the customer or landlord, to which they were not entitled. The most common reasons for overpayments are failures on the part of the customer to declare changes in circumstances, declaring the wrong information, or errors by the Local Authority in assessing the claim.

3.40 Overpaid HB will be recovered from the customer's rent account and if this places the customer in arrears, the overpayment will be recovered as part of the rent arrears procedure in the usual way.

Breathing Space/Debt Respite Scheme

- 3.41 The Debt Respite Scheme commonly known as 'Breathing Space' is a government scheme aimed at relieving some of the pressure and stress caused by being in debt. Any requests for a 'Breathing Space' moratorium must be referred by a Debt Advice provider and will last for 60 days. If you are granted a mental health crisis moratorium this will last for the period you receive medical treatment and an additional 30 days after treatment has ended.
- 3.42 Cobalt will not contact you or take enforcement action during the moratorium period providing you continue to make your rent payments (excludes payments to reduce arrears). If you fail to do so we may request a review based on your eligibility.
- 3.43 Following the expiry of the moratorium period we will review your account to determine if any further action is required.

Former Tenant Arrears

- 3.44 Former tenant arrears typically occur where a tenancy is terminated by the customer leaving arrears, where a property is abandoned, if the customer is deceased or enters permanent residential care.
- 3.45 Cobalt will attempt to obtain the address of a former customer at the point a customer provides notice to end their tenancy or when they surrender their keys upon expiry of the notice and the tenancy is terminated. If we are unable to obtain a forwarding address, we will use a tracing facility to trace the whereabouts of former customers.
- 3.46 During the notice period we will engage with the customer to prevent arrears accruing, clear any outstanding arrears balance or to agree an affordable payment plan to clear the debt.

- 3.47 Former tenant arrears recovery action will be based on a staged escalation process aimed at reaching an agreement for the debt to be repaid. Contact with former customers will be made using a variety of methods including letters, telephone calls, emails and text messaging. In some instances, Cobalt will utilise the services of a Debt Collection Agency to recover the debt which will be registered with the Office of Fair Trading.
- 3.48 In instances where Cobalt decides to pursue the debt via a legal route and for these cases we will use Money Judgement Orders. Money Judgement Orders can be enforced via an attachment to earnings, Garnishee Order or a Charging Order. In some instances, consideration will also be given to recovering the debt via the small claims court.

Former Customer Arrears (FTA) Write Offs

- 3.49 On some occasions, FTA debts may not be recoverable if:
- The customer cannot be traced
 - The debt is uneconomical to pursue. The value of the debt is less than £100 and no arrangement has been made by the customer
 - The customer has died and Cobalt is unable to claim from the estate

In addition to the above, consideration will also be given to writing off FTA's where:

- The customer has entered residential care on a permanent basis and write off is requested on compassionate grounds
 - The customer has been given a prison sentence and attempts to contact have proven to be unsuccessful
 - If the customer pays 50% of the outstanding former customer arrears within 28 days of being notified of the debt, we will consider writing off the remaining debt
- 3.50 FTA write offs must be approved in line with Cobalt's Financial Regulations.

- 3.51 Where an FTA debt has been written off and the former customer applies for re-housing, the former customer debt may be written back on and the former customer will be requested to make an arrangement to repay it. Failure to make a satisfactory arrangement may lead to them becoming ineligible for re-housing with Cobalt (this is included in more detail in the Allocations Policy).

Debt Relief Orders and Bankruptcy Orders

- 3.52 A bankruptcy order may be applied for by the debtor as a means of freeing themselves from overwhelming debts. If a bankruptcy order is made, the Official Receiver takes control of the debtor/customer's assets and these are shared out amongst creditors.
- 3.53 A bankruptcy order does not prevent Cobalt from applying for possession of the property, therefore customers need to take legal advice before considering the bankruptcy route. Cobalt will consider writing off arrears following bankruptcy.
- 3.54 We will continue to seek possession where appropriate. Arrears will therefore be treated in the normal way and arrangements made for repayment of arrears. Where arrangements are not kept we will follow this procedure for recovery action.
- 3.55 A Debt Relief Order (DRO) is granted by the Insolvency Service as an alternative to bankruptcy.
- 3.56 The main feature of a DRO is a moratorium which usually lasts for 12 months, during this period of time Cobalt would not be able to pursue the payment of arrears included within the DRO. Customers with a DRO are still liable to pay rent and any rent arrears accrued which is not covered by the moratorium. We will deal with repayment of these arrears in the standard manner.

- 3.57 At the end of a DRO period, rent arrears subject to the DRO would be written off unless the order is revoked by the Official Receiver. This may occur if the customer's circumstances have changed during the 12 month DRO period.
- 3.58 Details of Bankruptcy Orders and DRO's will be reported to the Board when required under Cobalt's Financial Regulations.

Managing Credits

- 3.59 To ensure customers are aware of their rent account balance Cobalt will provide the following:
- Quarterly rent statements
 - Rent statements on request
 - Access to view their rent account via a customer portal
- 3.60 Upon a refund being requested, Cobalt will check for any other outstanding debts that the customer has accrued. If a debt has been identified, we will use all or part of the credit to clear the balance. If there are multiple debts which are still outstanding, the credit will be transferred to clear or reduce them which will be determined by the priority of the debt.
- 3.61 When customers who are in credit with their rent payments claim a refund with a value of up to £1,000, we will administer the payment within 14 days of the claim being made, provided that all required information has been included.
- 3.62 For refunds with a value in excess of £1,000, we will request confirmation from the Benefits and Revenues Department in Liverpool City Council that there is no overpayment to be recovered. Upon receiving confirmation of an overpayment we will request an invoice to repay the value back to Housing Benefit. Where no overpayment has been identified we will administer the payment within 14 days of confirmation being received.

- 3.63 For any refunds where the credit is in excess of 13 weeks of the gross rent charge we will discuss with the customer to understand why the credit has accrued, prior to seeking approval from the Assistant Director of Neighbourhoods and Communities before administering the payment.
- 3.64 Customers can request refund payments to be made via BACS or a cheque.

Achieving Equality, Diversity and Inclusion

- 3.65 Cobalt aim to treat everyone fairly and without discrimination, we recognise our duties in line with the Equality Act 2010. An Equality Impact Assessment has been completed to ensure this Policy does not intentionally discriminate either directly or indirectly against persons or groups of people.
- 3.66 We will take a person-centered approach where appropriate and apply a reasonable adjustment where deemed fair and necessary.
- 3.67 There is no standard definition of what is meant by the term ‘vulnerable’. For the purpose of this Policy, in addition to considering the protected characteristics within the Equality Act 2010, Cobalt will consider whether the customer has capacity and or a physical or mental disability which directly or indirectly affects their ability to pay their rent or arrears.
- 3.68 We reserve the right to adjust this Policy and support customers by using options available for example:
- Alternative communications
 - A safeguarding referral
 - Agree a third-party contact
 - Submitting a referral to Cobalt’s Tenancy Wellbeing team for assistance

- Sign post to support services involving third parties who may have specialist knowledge or expertise
- Adjust target timescales within this Policy to facilitate

Housing Ombudsman Complaint Handling Code

3.69 Complaints in relation to the rent collection and arrears service will be dealt with in accordance with Cobalt's Complaint Policy which complies with the Housing Ombudsman Complaint Handling Code.

4. Risk Management

4.1 The key risk associated with non-delivery of this Policy is:

Risk Register Ref:	Risk:
FV01 – Rental Income	Rental income charged is less than expected as set out in the Board approved Business Plan.
Risk Consequences:	Management and Mitigation:
• Reduction in rent collection • Increasing arrears levels • An increase in voids and costs • Less stable neighbourhoods • Loan covenant and ongoing management costs are not met • We will not be able to expand our stock via a range of development initiatives • There could be a risk to Cobalt's reputation	• Effective income management process in place with robust performance monitoring • Securing alternative payment forms and methods • Suite of reports to support the focus on accounts at most risk of non-payment • Suite of Income related management reports • Monthly Management Audits to support effective management of rent accounts • Specialist Welfare and Benefit advice team identifying and supporting those at risk • Prudent budget and business plan assumptions about future rent levels • Rental income projections consistent with agreed development plans • Support to vulnerable tenants via dedicated Tenancy Wellbeing team • Pre- Tenancy assessments to provide support and prevent arrears accruing • An experienced and competent team of Income officers

4.2 Key Risk Indicators and Control Limits

Key risk indicators for this Policy would include performance indicators relating to rent collection and arrears levels. They will also include key risk indicators identified and included within the Risk Management Framework including control measures to reduce the risk which are reviewed and reported upon to Cobalt Board and Senior Management Team.

Performance indicators reported include:

- The percentage of arrears for current customers-Monthly
- Rent collected as proportion of rent available-Monthly
- The percentage and value of former customers debt -Quarterly
- The number of income related warrants executed per year-Annually
- Income generated via our Welfare Benefits advice service-Quarterly

5. Regulatory & Legislative Compliance

Cobalt is empowered by a number of Acts of Parliament when taking and administering court action. Principally these include:

- Rent Act 1977
- Protection from Eviction Act 1977 (amended 2023)
- Housing Act 1985 as amended by the Housing Act 1996
- Landlord & Tenant Act 1987
- Housing Act 1988 (as amended by the Housing Act 1996 and 2004 and 2021)
- Housing Benefit (Recovery of Overpayments) Regulations 1997 (amended 2023)
- Rent Arrears Protocol (The Court Services - Code of Good practice 2006 & 2015, amended 2021)
- General Data Protection Regulation (GDPR) 2018 (amended 2021)

Cobalt actively complies with the Regulator of Social Housing's:

- Tenancy Standard, including affordability, sustainment, and fair treatment of tenants.
- Neighbourhood and Community Standard where arrears/eviction action may impact tenancy sustainment.
- Safety and Quality Standard, specifically for customers whose arrears relate to affordability issues stemming from disrepair or decant.

6. Links to Other Key Documents

This Policy has links to the following Policies:

- Allocation Policy
- Anti-money Laundering Policy
- Anti-fraud, Bribery and Corruption Policy
- Financial Regulations Policy
- Rent Setting Policy
- Value For Money Strategy
- Equality and Diversity Strategy
- Customer Strategy
- Complaints Policy
- RSH Consumer Standards Annual Assessment

7. Governance of this Policy

Equality Diversity & Inclusion (EDI)	We will take additional steps to assist customers where they are deemed vulnerable and cases will be dealt with on an individual basis. We will use customer profiling data available to support us to understand how services need to be tailored to meet customers' needs and to help us deliver accessible services An Equality Impact Assessment (EQIA) was completed on the 22nd December 2025 to ensure that this policy meets the requirements to adapt services where required.
Financial and Links to VfM	Rent collection is responsible for the majority of income generated by the business, Failure to deliver this policy carries the risk of Cobalt being ineffective in collecting rent and arrears which would have a detrimental impact on performance. This potentially could have an impact on our ability to make our loan covenant payments and the overall financial viability of the organisation. The policy is also aimed at reducing costs relating to legal action and voids
Privacy and Data Protection	Consideration in terms of General Data Protection Regulation (GDPR) needs to be factored in when providing information to customers, third parties and external agencies. We also need to consider that we meet the requirements of what information we can provide particularly relating to financially sensitive data.
Health and Safety	n/a
Development and Consultation	Customers and stakeholders were consulted on 27th November 2025 A brief summary of the findings, and where consultation has influenced the Policy is detailed within the Policy Checklist QR COB 0058

8. Definitions

- Alternative Payment Arrangements (APA) – Safeguarded Housing element related payments to Cobalt
- Citizen Advice Bureau (CAB) – External organisation that provides welfare benefit and debt advice
- Department of Works and Pensions (DWP) – Government department that is responsible for delivering benefits and pensions
- Discretionary Housing Payments (DHP) – Payments administered by Housing Benefits on a discretionary basis for those tenants who are struggling to make up shortfall in housing related benefits primarily but not exclusive to social size criteria
- Housing Benefit (HB) – Housing Benefit Payments for customers who are eligible based on benefits or income received
- Universal Credit (UC) – Benefit including income related for customers who are eligible based on income received
- Debt Relief Orders (DRO's) – Granted by the Insolvency Service as an alternative to Bankruptcy

