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| **HOUSING DIVISION PROCEDURAL NOTES** |
| **Area** : Housing Management  **Department**  : Housing Management  **Subject**  : Former Tenant Arrears Recovery Policy |

**Procedure Ref:** HM- **Owner**: Housing Management Service Manager/Senior Housing Officers

**Date approved: Effective date: November 2011**

Please state what policy & documents (if any) this procedure is linked to:

**Income and Rent Arrears Recovery Policy**

**Income and Rent Arrears Recovery Procedure**

**Former Tenant Arrears Procedure**

**Write Off Policy and Procedure**

**Eviction Protocol**

**Managing Garage Accounts**

**Protocol for making Rent Arrears Arrangements**

**Terminations Procedure**

**Allocations Policy**

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| **Version** | **Date** | **Details of amendment** | **Creator/**  **amender** | **Approved by** | **Next review due** |
| 1 | April 2007 | N/A | Andrew Wallace | Amanda Harper | 2010/2011 |
| 2 | November 2011 | Added Section 4 – Bereavement Allowance  Added Section 7 - Allocation | Andrew Wallace | Amanda Harper | By December 2013 |

Copies of this document are available upon request and can be obtained in large print or translated into other languages, if required.

FORMER TENANT ARREARS POLICY

Statement of Purpose

North West Leicestershire District Council (the Council) aims to collect all debts owed from former tenants in order to maximise its income and achieve its objectives of delivering an efficient and cost effective Housing Management service.

The Council will pursue former tenants arrears for such time as is economically viable. The Council may consider taking enforcement action such as seeking a money judgement, and in turn applying for Enforcement action such as an Order to Attend Court for questioning or Attachment of Earnings. Information on what action can be considered can be found within the Procedure.

The Policy will be publicised in plain language and made available to tenants on request. This document can be obtained in large print or translated into other languages, if required.

1. Scope of the Policy

1.1 Former tenants are tenants who have terminated a tenancy, or the Council has terminated the tenancy. Such tenancies can often have an outstanding debit or credit related to the property they have vacated. Where there is a credit on the account the Council will ensure that there are no other debts corporately owed by the account holder before giving a prompt refund.

1.2 Where a tenancy is terminated and there are arrears on the account, the Council’s Policy for the collection of former tenant arrears is based on a transparent, fair and equitable approach.

1.3 The Council has Administration Assistants who have responsibility for dealing with the former accounts. The Administration Assistant works within the Housing Management section.

1.4 When a tenant terminates their tenancy, they are encouraged to pay any outstanding arrears of rent and will be advised of the implications involved if rent arrears are not paid in full.

1.5 The Council will ensure that no individual is discriminated against on grounds of marital status, sex, disability, age, sexual orientation, racial ground or other personal attributes including religious beliefs or political opinions.

2. Objectives of the Policy

2.1 The overall objective of the former tenant arrears policy is to maximise income from former tenant’s debt by responding to former debts promptly and in a flexible style that is firm but fair.

2.2 A former tenant who has arrears will be encouraged to agree a repayment plan that is affordable, sustainable and devised with customer care and cost effectiveness in mind.

* 1. The Council recognises that a fair and flexible approach should be used when making an agreement to pay off former tenant arrears.

2.4 Detailed procedures for arrears recovery ensure that each case will be regularly monitored and the appropriate action taken.

2.5 The Council will endeavour to provide support and assistance to former tenants with referral to independent debt and money advice services where appropriate.

* 1. The Council will aim to collect all former tenant arrears without recourse to legal action through the use of repayment agreements.

2.7 All agreements will be monitored by the Administration Assistant and where necessary the legal department, until the account has been cleared.

**3. Further Intervention**

3.1 Where attempts to recover arrears by letter have failed, or the whereabouts of the former tenant is not know, the Administration Assistant will use all information and opportunities available to locate them, including tracing agents, where it is cost effective to do so.

3.2 Legal action to recover the arrears will be taken in cases where an assessment of the former tenant’s financial circumstances indicate that such action would be appropriate.

3.3 Where the arrears are in respect of a deceased tenant action will be limited to contacting the next of kin or executor to claim against the estate.

3.4 Where a debt is uneconomical to pursue or there is no prospect of recovery (see Former Tenant Rent Recovery Procedure), consideration to it being written off is given. Before any case is now considered for write off, the case must be consulted with a Senior Officer to ensure all necessary action has been taken before approval.

**4. Bereavement Allowance**

4.1 The Council will be asking for 4 weeks notice now for all terminations, including terminations on death. The Council however, will waive the 4 week notice period (rent due) for terminations upon death to ensure that the Council does not cause undue stress and anxiety to grieving families at these difficult times

4.2 Should families choose to or over run the notice period, and further rent becomes due after the 4 week notice period, the Council will write to the executor/administrator of the estate and ask for them to repay that amount out of the deceased’s estate.

4.3 If the deceased tenant has no estate, the arrears at the time of termination will be written off.

**5. Review & Performance Monitoring**

5.1 The Council will formally review its Former Tenant Arrears Policy on a bi annual basis, taking into consideration strategic and ‘best value’ aims and objectives and agreed local indicators.

5.2 Officers responsible for collecting Former Tenant Arrears will be monitored via their one to one’s with line managers and weekly performance information will be made available to them. In addition, the Housing Department will continue to collect statistical information regarding the amount of money collected, the amount of money written off set against challenging targets aimed to keep the Housing department improving

5.3 Housing will continue to benchmark our performance against authorities across the country enabling us to ensure our system maximises income available.

**6. Complaints**

6.1 The Council operates a Complaints Procedure that is available to any person who is not satisfied with the way in which their case has been dealt with. Details of the complaints Procedure can be obtained from the Council Offices, Whitwick Road, Coalville or by telephoning 01530 454545.

6.2 Separate from the Complaints Procedure any tenant who disputes the amount of former tenant arrears or any repayment programme can ask for an explanation from the Administration Assistant or ask for an appointment with the Senior Housing Officer. The Senior Housing Officer will review the case and in the event of any dispute will refer the case to the Team Manager for Housing Management

**7. Allocation of properties to Former Tenants with debts**

7.1 If a Former Tenant registers their interest in a property within the sub region, they must include information about previous addresses

7.2 This information can then be used to check whether there are outstanding monies owed by the Former Tenant before an offer is made.

7.3 If the home seeker owes a housing related debt or more than £300.00 to any of the partner Council’s or another social landlord and there is no satisfactory arrangement to repay the debt, or where regular payments have not been maintained, the home seeker will be placed in the low banding. Payments must be paid over a minimum period of 12 weeks both at the time of the application and at the time of the offer being made. Where the home seeker is able to demonstrate that they have maintained a payment plan for more than the 12 consecutive payments, they can contact the Housing Service to request that their priority is re-assessed

7.4 The exception to the rule is where a homeseeker is in priority need of housing, due to homelessness. Any other priority application will be reduced according to the Allocations policy