



PEAKS & PLAINS
Housing Trust

The Trust

Former Tenant
Debt Policy

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1. INTRODUCTION

- 1.1. This policy applies to the collection of debt from former tenants¹ and sets out the Trusts approach to the recovery of arrears.
- 1.2. The Trust will rigorously pursue former tenant debts in order to maximize income and to encourage outgoing customers to agree repayment terms in order to avoid escalation.

2. POLICY STATEMENT DEFINITION

- 2.1. This policy relates to any debt that is owed to the Trust by a former tenant. The types of debt covered by this policy typically includes rent, service charges, court costs and recharges.
- 2.2. It is the customers' responsibility to ensure that any outstanding debt is cleared in full before the tenancy end date. The Trust will attempt to contact the outgoing tenant to discuss the debt and obtain full payment. The Trust will also write to the outgoing tenant to set out in full the amount of debt owed at that point (end of tenancy recharges may follow – see 2.4).
- 2.3. If a former tenancy debt is not cleared before the end of the tenancy the Trust will take prompt action to recover the debt and will use a range of contact methods to get in touch with tenants in arrears. The Trust will attempt contact former tenants within 10 working days of tenancy end.
- 2.4. Where an outgoing tenant incurs recharges following the end of their tenancy due to property condition we will write to evidence and recover these costs within 20 days of the tenancy ending at their forward or last known address.
- 2.5. The Trust may agree to set up a repayment plan for the recovery of the debt that repays the debt in a reasonable amount of time. If a repayment agreement is not adhered to the Trust reserves the right to refuse any further repayment agreements and demand payment in full.
- 2.6. Where customers are experiencing difficulty paying their debt the Trust will signpost customers to external advice agencies.
- 2.7. Where a former customer terminates with debt:
 - without providing a forwarding address;
 - where there has been no response from the customer when the Trust has tried to contact;
 - where the customer has refused to pay the debt or adhere to repayment terms;

The Trust will recover the debt by using other arrears recovery methods which may include the use of a debt collection agency, court enforcement and legal action.

¹ Former tenants generally refers to customers no longer holding a tenancy with the Trust but may also include current tenants, owing debt on a former tenancy.

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

3. EQUALITY AND DIVERSITY

- 3.1. The Trust will follow its Equality and Diversity Policy and will take into account tenant's individual circumstances in the process of former tenant debt recovery.
- 3.2. The Trust will ensure that tenants are not disadvantaged and ensure that where appropriate customers are signposted to advice and support agencies.

4. RESPONSIBIITY

- 4.1. The Executive Director of Operations will be responsible for the effective implementation of this policy, ensuring that all staff involved in the operation of this policy and its related procedures are trained and resourced to undertake their roles.
- 4.2. The Head of Customer Services will be responsible for the operational aspects of this policy, ensuring managers who have roles to implement this policy are made aware of their responsibilities (Income, Contact Centre and Voids/Repairs).

5. CONSULTATION AND MONITORING

- 5.1. This policy will be reviewed every three years. The Trust will consult with tenants in the development of this policy.
- 5.2. The Trust will regularly review internal procedures to ensure that former tenant debt to the Trust is maximised. Changes in legislation may also impact on this Policy. If a change in procedure or legislation affects this Policy, the Policy will be updated and passed to the Audit Committee for approval.
- 5.3. The Executive team receives regular updates on performance and information relating to former tenant debt collection is included in reports to Board and Committee's as part of regular performance reviews.
- 5.4. Performance is benchmarked against that of other housing providers, and staff take part in rent forums and share good practice and ways of working.
- 5.5. The Trust regularly publishes its income data to tenants and promote its Rent First principles within its tenant communications and social media channels.

6. LEGAL FRAMEWORK

- 6.1. The Tenancy Agreement is a legal document outlining the terms and conditions of the tenancy.

- 6.2. When commencing legal proceedings for former tenant debts the Trust will work within guidelines set out by Her Majesty’s Court and Tribunal Service.
- 6.3. When using debt collection agencies the Trust will ensure the agency is a member of the Credit Services Association.

7. ASSOCIATED DOCUMENTS

- 7.1.
- Rent Collection and Arrears Management Policy
 - Rechargeable Repairs Policy
 - Debt Write Off Policy
 - Equality and Diversity Policy
 - Pre Action Protocol
 - Rent Setting and Service Charge Policy
 - Corporate Debt Policy
 - Tenancy Management Policy
 - Tenancy Agreement
 - Cheshire Home Choice Policy and Procedures

POLICY INFORMATION

Policy Name:	Former Tenancy Debt Policy
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Approved by:	EMT (*Approved Dec 2020 - amendments requested & incorporated Feb 2021)
Drafted By:	Head of Customer Experience
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