

Tenants First Housing Co-operative
Former Tenants Arrears Policy

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Table of Contents

1.0 Policy Aims.....	2
2.0 Objectives	2
3.0 Former Tenants Arrears.....	2
4.0 Training.....	4
5.0 Equal Opportunities.....	4
6.0 Monitoring and Reporting.....	4
7.0 Review.....	5
8.0 Legal Framework.....	5
9.0 References.....	5
10.0 Policies and Other Related Documents	5

[Return to Main Policy Index](#)

1.0 Policy Aims

Tenants First Housing Co-operative, hereafter referred to as the Co-operative, recognises the need to ensure that it has an effective Former Tenants Arrears control policy and associated procedures for the following reasons:

- To ensure that the Co-operative's rental income is maximised.
- To minimise the level of former tenant arrears
- To minimise the need to write off former tenant arrears balances and establish effective monitoring and control systems.
- To ensure that former members are made aware of their obligations both during the termination period and after termination of tenancy and membership.
- To ensure that those who remain in arrears after termination have access to professional housing management advice including the option of referral to an appropriate support agency if they wish this.

2.0 Objectives

The Former Tenants Arrears policy links with the following objectives contained in the Co-operatives Business Plan:

- 1) To provide, manage and maintain top quality affordable housing
- 4) To manage and develop the business in an innovative way, providing high standards and maintaining financial viability

3.0 Former Tenants Arrears

Prior to Termination - Prevention

Where a member has given notice to terminate their tenancy the Housing Officer will ensure the following:

- That the member is clear about the amount of rent due to the termination date and that this should be paid prior to leaving
- That a forwarding address is provided by the member
- That the rent outstanding is checked again prior to termination date to ensure payment and to pursue this if it has not been received
- Where members advise that they are unable to pay the full outstanding balance prior to termination that an Arrears Repayment Agreement is completed and signed

Following Termination - Pursual

Where monies remain outstanding after the tenancy has terminated the following key principles will apply:

- All outstanding debt will be pursued unless it is uneconomical or not practical to do so
- The Housing Officer and the Finance Officer will work together to secure repayment either in full or gradually via a Repayment Agreement
- Contact with the former member will be by letter, telephone and in person as is most appropriate taking into account the level of the debt and the location of forwarding addresses
- Support and advice will be given to the former member to help them manage their debt including referral to an appropriate outside agency if they wish this.
- Where contact is proving difficult information from the former members house file will be used e.g. next of kin addresses etc. However use of any information will adhere strictly to Data Protection requirements
- Social Networking sites such as Facebook and Twitter will be accessed in an attempt to gain information that may help to establish the former members circumstances and/or whereabouts
- Where a forwarding address is unavailable and cannot be located by staff, the Debt Collection Agency will be used to attempt to trace the former member (provided that the level of debt makes it economical to justify this action)

Termination following the death of a member

It is important that the Co-operative is notified as soon as possible following the death of a member to minimise the possibility of arrears remaining after termination. The Co-operative recognises that the co-operation of individuals such as family members, warden staff and neighbours is vital in this respect.

A two week, rent free, period from the date of death will be offered to the person(s) dealing with the deceased member's estate to allow the property to be cleared. Requests for additional time will be considered on a case-by-case basis. If agreed, rent will be charged on a pro-rata basis for the agreed extra time. Where agreement is not reached, the matter will be referred to a senior staff member to decide on the next course of action. Where no next of kin or advocate is available the property will be considered as void (empty) with any personal belongings remaining being disposed of as detailed in the Void and Abandonment Policy and procedures.

Use of a Debt Collection Agency

The Co-operative will use the services of a Debt Collection Agency in the pursuit of former tenant arrears balances where the former member has failed to respond to contact and correspondence; has failed to repay the outstanding amount or has failed to agree to adhere to an affordable repayment agreement. The Co-operative will also use this service to trace former members who have an outstanding debt and have failed to provide a forwarding address.

Abandonments and Evictions

Where abandonment or eviction proceedings have been concluded and there is an outstanding debt with no forwarding address, this will be immediately referred to the Debt Collector in an attempt to trace the former member and pursue the debt.

Write Offs

It will be necessary to consider writing off former member debt, if it is not cost effective to pursue or if it is not possible to pursue them e.g. the former member is deceased or the former member cannot be traced.

4.0 Training

The Co-operative through its Business Plan is committed to training and developing staff and committee members to their full potential in order to deliver a high quality of service in all areas of its business to members and the public.

5.0 Equal Opportunities

The Co-operative will ensure that in implementing its Former Tenants Arrears Policy it will not unfairly discriminate against any individual, household or group on the grounds of gender, gender identity or marital status, on race grounds, or on the grounds of disability, age, sexual orientation, language or social origin, other personal attributes, including beliefs or opinions such as religious beliefs or political opinions.

6.0 Monitoring and Reporting

Through benchmarking and the performance reported and monitored throughout the year, performance targets will be set annually in April each year. These targets will be approved by the Housing Management Sub Committee.

Quarterly performance reports will be prepared for the Housing Management Sub Committee and the Senior Management Team showing the levels of former tenants arrears as a percentage of the annual rents receivable.

The Housing Management Sub Committee and the Property Management and Development Sub Committee will be responsible for approving the write off of appropriate outstanding balances via formal write off request reports.

7.0 Review

This policy will be approved by the Housing Management Sub Committee. It will be reviewed every three years unless amendment is prompted by a change in legislation, or monitoring and reporting reveals that a change in policy is required sooner.

8.0 Legal Framework

Housing (Scotland) Act 2001
Schedule 7, Housing (Scotland) Act 2001
Data Protection Act 1998
Matrimonial Homes (Family Protection Scotland) Act 1981
Industrial and Provident Societies Act 1985
Equalities Act 2010
Human Rights Act 1998

9.0 References

Scottish Governments Performance Standards and self assessment material
SFHA Raising Standards in Housing

10.0 Policies and Other Related Documents

Scottish Secure Tenancy Agreement
Business Plan
Allocations policy
Equality and Diversity policy
Rent Arrears policy
Service Charge policy
Budget Setting
Cash Flow Projections
Former Tenant Arrears procedure