

Southside

HOUSING ASSOCIATION

Former Tenant Arrears Write Off Policy

Issued: March 2017

Reviewed: March 2020

1.0 INTRODUCTION

- 1.1 Every year the Association has to consider what debts have been left behind by tenants or sharing owners when they have vacated their properties and decide which of these are still recoverable and which should be considered as “bad debts” and therefore “written off” i.e. no longer actively pursued.
- 1.2 The Rent Team analyse the former tenant rent arrears accounts on a monthly basis, in an effort to establish whether or not the former tenant arrears can be recovered from the former tenant, if we have a forwarding address.
- 1.3 Former tenant arrears can accrue as a result of tenants abandoning their flats; being evicted or on the death of a tenant; or if the tenant terminates the tenancy but does not leave a forwarding address. The aim of this policy is to address this issue.
- 1.4 No Former tenant arrears are written off until all avenues for recovery have been exhausted.
- 1.5 In September 2014, Moss Heights tenants had their own individual heating accounts created separately from the rent account. The same principle for former tenant write off will apply for these heating accounts on an annual basis.
- 1.6 It should be noted that if any former tenant re-appears or represents to Southside Housing Association, then they will be pursued for the arrear, even though it is written off at this time. The arrears that were previously written off in these circumstances will always be re-instated by the Rent Team and the former tenant pursued.

2.0 POLICY

- 2.1 There are 7 distinct categories used for considering former tenant write off and they are as follows:-
 1. All bad debts of less than £100.00 will be written of, unless the former tenants have transferred to another of the Associations properties.(previously policy figure was £300.00)
 2. Any debt remaining following the death of a former tenant will be written off, unless there is an estate or the family are willing to settle the debt.
 3. Tenant abandonments are written off, unless we subsequently are able to trace them.
 4. Tenant evictions are written off, unless we subsequently are able to trace them.
 5. Debts owed by former tenants, where there is no forwarding address, will be written off, unless we subsequently are able to trace them.
 6. Debts owed by former tenants where mail has been returned as no longer living at this address will be written off.
 7. Southside Housing Association’s reputation is at risk. An example of this would be:

- Former Tenant now in a care home due to the onset of dementia, no family support, any income paying towards their care.

3.0 ADDITIONAL COMMENTS

- 3.1 Every effort will be made by staff where a forwarding address is known to pursue the debt and encourage payment, even by instalments. However, there comes a point when it is not cost effective to take further action. This is when the arrear may be considered for write off if it meets one of the 7 categories.
- 3.2 On the death of a tenant often the lawyer or the family of the deceased will settle any outstanding balances. If there is an estate SHA will contact the family or lawyer providing details and a former tenant statement of all monies outstanding.
- 3.3 As previously stated in 1.5 SHA reserves the right to re-instate the debt should the whereabouts of the former tenant become known.
- 3.4 Former tenants should settle any outstanding debt (including any re-chargeable repairs or heating accounts) or make an arrangement to clear the debts by instalments. This arrangement must be kept up to date for at least 12 weeks before being re-admitted on to the Association's waiting list.

4.0 LIAISON WITH FINANCE

- 4.1 The Rent Team Leader will liaise annually with the Finance Manager to discuss the potential write-offs with a view to writing off the debts in February each year before the year end. A former tenant write off report will be produced and the Head of Housing Services will present this to the Management Committee for final approval for the write off.

5.0 POLICY REVIEW

- 5.1 This Policy will be reviewed by March 2020 or earlier should the need arise, for example, changes to the legislation etc.