

FORMER TENANT ARREARS POLICY

Accountable Director/Manager:	Director of Customer and Communities / Assistant Director of Housing
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Current Version:	
Effective From:	13 February 2025
Staff consultation (Y/N or N/A):	N/A
Resident consultation (Y/N or N/A):	Yes
Equality Impact Assessment (EIA) completed (Y/N or N/A):	Yes
Related Documents:	
Date of Review:	13 February 2025
Next Review Date:	13 February 2028

Policy Checklist

Is Customer engagement required?	No
Does this policy require input or validation from external or legal experts?	Yes
Is an Equality Impact Assessment (EIA) required?	Yes
Is a Data Protection Impact Assessment (DPIA) Required?	No
Is the Policy compliant with relevant legislation and regulatory requirements?	Yes
Has the Policy Development Guide been followed?	Yes

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1. Policy Statement

- 1.1 As a social landlord, Karibu Community Homes must minimise its rent arrears to maximise income. This supports the organisation in sustaining financial viability, meeting its business objectives, and delivering a high level of service.
- 1.2 Karibu considers that its approach towards recovering former tenant debt contributes to this and delivers a message to current tenants that we will work to recover outstanding former debts.
- 1.3 In line with Karibu Current Arrears Policy, our customers are expected to take responsibility for fulfilling the terms of their agreement, which includes managing payments to meet their rental obligations
- 1.4 This policy applies to all former residents who lived in homes Karibu owns or manages, including general needs, intermediate or market rent, garages, parking bays, shared ownership, and supported housing. For leaseholders, refer to the Leasehold Management Policy and Service Charge Policy.
- 1.5 A former tenant is one who no longer rents property from Karibu (including deceased tenants)
- 1.6 A former tenant debt is defined for the purpose of this policy, as a debt of unpaid rent/ charges which remains on an account, after a tenancy has been terminated.
- 1.7 A former tenant credit is a surplus amount remaining on an account once the tenancy has ended
- 1.8 Former tenant debt includes but is not limited to:
 - Arrears of rent or service charges
 - Unpaid garage / parking bay charges
 - Unpaid utility charges
 - Legal costs following court action.
 - Recharges to make good unauthorised alterations, make good or repair damage to the property, charges for missed appointments and rechargeable void costs.
- 1.9 This policy aims to outline how we will:
 - Take a consistent, fair, measurable and effective approach to recover former tenant debt and refund former tenant credits.
 - Maximise income for Karibu Community Homes
 - Have adequate payment methods available for repaying the debt
 - Identify circumstances which may affect former tenants ability to pay and / or their ability to understand the implications of non- payment
 - Collaborate with external agencies or organisations representing our former tenants where necessary
 - Write off debts that are uneconomical to recover in line with delegated authorities
 - Produce accurate reports for account monitoring and ensure staff have a good understanding of how to follow the procedure to recover former arrears
 - Comply with all relevant legislation

2. Roles and Responsibilities

Customer Committee	Supports the organisation in the fair and consistent application of this policy. Responsible for authorising write off of former tenant arrears, and rechargeable repairs of over £2k
Executive Team	Responsible for approving this policy and any amendments which may be needed from time to time. Responsible for recommending the strategic direction of the policy that feeds into the operational delivery for residents.
Chief Executive / Director of Finance	Responsible for authorising write off of former tenant arrears, credits of rent and rechargeable repairs under £2K
AD Housing Services	Responsible for overseeing the contract with collection agent. Responsible for identifying and ensuring appropriate training on the application of this policy and ensuring best practice.
Financial Operations Manager	Responsible for processing the former tenant debit and credit write off. Allocates payments from external collection agents. Responsible for overall operational delivery and day-to-day management of the team's services for all former tenant accounts
Income Officer	Responsible for the day-to-day management of former tenant accounts To provide any advice and signpost to support agencies where required. To ensure that any overpaid benefits on former accounts are refunded to DWP or Local Authority

3. Our Approach

Prevention

- 3.1 Karibu staff will work in line with the Allocations Policy ensuring that any prospective tenant meets the affordability criteria following a financial assessment.
- 3.2 Karibu has the right to reject nominations for any former customers with rent arrears, in line with the Allocation Policy. This also applies to internal transfers and mutual exchanges.
- 3.3 Karibu will ask for a week / month's payment in advance at the start of tenancy in line with the Tenancy Agreement and will work with partner organisations to establish this payment for our more vulnerable tenants. (Weekly payers to pay a week in advance and monthly payers to pay a month in advance to ensure account does not fall into arrears at any point during their tenancy)
- 3.4 The Income Team will work in line with the Current Tenants Arrears Policy and Procedure to promote tenancy sustainment and reduce the potential for former tenant arrears.

Recovery of debt

- 3.5 We will review the former accounts within four weeks of termination to establish any:
 - Benefit overpayments which must be repaid
 - Benefit due to reduce the balance
 - Other charges outstanding (void recharges)
 - Deposits held in any other account
- 3.6 We will request payment in full on an account where the customer has given notice, if due to their circumstances they are unable to do this a repayment plan will be agreed
- 3.7 We will obtain a forwarding address and contact number prior to end of every tenancy and where we have ended the tenancy through enforcement action, we will make attempts to obtain that information.
- 3.8 We will contact former tenants with a debt within four weeks of the termination of the tenancy if they have not made any repayments or agreed a repayment plan.
- 3.9 We will follow the Former Tenant Arrears Procedure and adhere to civil procedure rules
- 3.10 A management move of a tenant in arrears (due to extreme circumstances such as serious ASB or domestic violence) will have an agreement in writing confirming the repayment of the debt.
- 3.11 When appropriate we will make applications to the Small Claims Court to recover an outstanding debt.
- 3.11 Where attempts to recover a former debt in house have been exhausted the debt should be referred to a debt collection agency appointed by Karibu. Karibu will only appoint a FCA regulated debt agency.
- 3.12 Where a tenant has passed away leaving an outstanding debt we will contact next of kin, if known, and follow the Former Tenant Arrears Procedure

3.13 Karibu does not use distraint as a tool for collecting arrears or condone its use

Debt for write off

- 3.14 We will consider a debt for write off once all reasonable actions have been taken in line with the procedure. A former tenant debt where payments are being made should not be written off unless payments cease, and the recovery procedure has been exhausted
- 3.15 Where recovery of a debt is considered unlikely or not cost effective it will be written off
- 3.16 When an external agency advises that the debt is irrecoverable and/or the former tenant cannot be traced, the debt should be written off
- 3.17 Write off will be documented using the Former Tenant write-off form
- 3.18 Authorisation levels for write-offs will be in line with Karibu's Standing Orders
- 3.19 Where a debt has been written off and the former tenant has been traced within a six-year period of the write off, the debt can be reinstated.

Overpayments

- 3.20 We will make reasonable efforts to ensure that any credit remaining on an account is returned to the former tenant after ensuring there are no recoverable benefit overpayments
- 3.21 A former tenant will be entitled to the repayment of a credit on their former account within six years of the tenancy end
- 3.22 Karibu may "write on" any credit older than six years following attempts to repay the former tenant
- 3.23 Authorisation levels for "writing on" will be as per 3.18

4. Legislation

Karibu Community Homes will ensure compliance with the legislation and guidance set out on Page 1 of this policy. We will also stay up to date with any changes in legislation, guidance, and best practice.

5. Consumer Standards

By publishing and adhering to this policy, Karibu upholds the requirements set out in the Consumer Standards published by the Regulator of Social Housing.

6. Equality and Diversity

Karibu recognises the needs of a diverse population and always acts within the scope of its own Equality, Diversity & Inclusion Strategy and Policy, the Human Rights Act 1998, and Equalities Act 2010 to treat all tenants and prospective tenants fairly and equally in making decisions under this policy. Karibu works closely with its partners to understand its residents' needs, with clear and regularly updated service user profiles. Karibu will record, analyse, and monitor information on ethnicity, vulnerability, and disability.

7. Confidentiality

- 7.1 Under the Data Protection Act 2018 and UK General Data Protection Regulation (GDPR), all personal and sensitive information, however it is received, is treated as confidential. This includes:
- Anything of a personal nature that is not a matter of public record about a resident, client, applicant, staff, or board member.
 - Sensitive organisational information.
- 7.2 Karibu employees will only involve other agencies and share information allowed either by statute or by an agreed Information Sharing Protocol relevant to this policy.

8. Review

- 8.1 This policy will usually be reviewed every three years, or more often in response to changes in legislation, regulatory guidance, good practice, or changes in other relevant Karibu policy.
- 8.2 We will monitor our performance in relation to the delivery of the services and activities set out in this policy on an ongoing basis via our established reporting mechanisms to our Executive Team, Board, and associated committees.

The following table identifies whether this policy disproportionately impacts upon any individuals in regard to the key protected characteristics, as identified in the Act:

Special Characteristic	Any impact? (Yes or No)
Age	No
Disability	No
Gender reassignment	No
Marriage and Civil partnership	No
Pregnancy and maternity	No
Race	No
Religion or belief	No
Sex	No
Sexual orientation	No

We do not consider this policy to disproportionately impact on any individuals in regard to these characteristics and therefore a detailed Equality Impact Assessment is not required.