



Broxtowe
Borough
COUNCIL

HOUSING RECHARGE POLICY

(Sundry Debts)

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1.0 Scope

This policy applies to all existing sole or joint tenants or former tenants (“the tenant”), and leaseholders of Broxtowe Borough Council (“the council”).

2.0 Purpose

The purpose of this policy is to set out the criteria under which the council may recharge the tenant or the leaseholder in circumstances where the council carries out remedial work which has arisen following a breach of the Tenancy Agreement, Leaseholder Agreement, or which has arisen from the application of a provision contained within another policy of the council.

3.0 Aims and Objectives

The aim of this policy is to provide clear guidance to staff, the tenant or the leaseholder to explain when a service, or work undertaken by the council, will be recharged to the tenant or the leaseholder.

A recharge item may be identified following, for instance, an estate inspection or ‘walkabout’, a ‘Keeping in Touch’ visit, a pre-termination or pre-transfer inspection, a void property inspection, an ad-hoc property inspection or following notification from a tenant or leaseholder of a repair request.

The objective of this policy is to ensure that the council works effectively with tenants and leaseholders:

- to maintain the quality of the council’s housing stock, including communal areas, garages and any location owned and managed by the council;
- to allow tenants and leaseholders the opportunity to remedy any breach by arranging for remedial works to be undertaken to an standard acceptable to the council;
- to cover the council’s costs for carrying out remedial works where the tenant and leaseholder is unable or unwilling to arrange for the remedial works to be carried out themselves.
- to provide an effective repairs service by minimising the number of “missed appointments” and, where appointments are missed, to recover the expended costs.
- to recover the costs where the council considers that tenant or leaseholder has misused the “Out of Hours” repairs service.
- to recover the costs where the council has to store and / or dispose of any items, usually following the termination of a tenancy.

- to support vulnerable tenants and leaseholders to abide by the terms of their respective agreements with the council and to help prevent any further breaches.

4.0 Regulatory Code and Legal Framework

This policy has been produced with regard to the following legislation:

- Housing Act 1985 (as amended)
- Housing Act 1996
- Localism Act 2011
- Equalities Act 2010
- General Data Protection Regulations (GDPR) 2016

5.0 Policy

5.1 Existing Tenants: Breach of the Tenancy Agreement

The council will recharge an existing tenant following a breach of the council's Tenancy Agreement. Examples of such breaches include, but are not limited to, the responsibility of the Tenant to:

- maintain any driveway, paths and other structures forming part of the Property
- maintain the Garden and any trees in the Garden
- undertake repairs, maintenance and decoration that are the tenant's responsibility
- repair any damage caused that the tenant is responsible for repairing

Examples of Works required to the Property, that the Tenant is responsible for include, but are not limited to:

- chimney sweeping
 - replacing electric fuses and plugs
 - replacing lost or damaged keys
 - replacing light bulbs
 - replacing waste plugs and chains to sinks, baths and wash hand basins
 - repairing minor cracks to plaster
 - re-pressurising the boiler
 - easing doors over carpets
 - resetting fuses if they blow due to an appliance/light bulb fault
 - blocked waste pipes to sinks, baths, showers or wash basins
 - testing smoke detectors and carbon monoxide detectors weekly
 - keeping electric or gas appliances that are the tenant's responsibility well maintained and where any such appliance is subject to product recall advice, to adhere to such advice.
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- not undertake any unauthorised improvements
 - look after the Contents (furniture, furnishings, fixtures etc.)

- remove items from and cleaning the Building and / or Communal Areas
- fulfil the tenant's parking obligations

5.2 Former Tenants: Breach of the Tenancy Agreement

The council will recharge a former tenant following a breach of the Tenancy Agreement after the former tenant has moved out (Sections 4.50-4.55 of the council's Tenancy Agreement). Examples of such breaches include, but are not limited to, the responsibility of the Tenant to:

- remove all personal possessions (including Pets) and rubbish;
- leave the Property (including the council's fixtures and fittings), the Contents and the Energy Efficiency System in a clean and good condition;
- leave the Contents in the Property;
- leave the Energy Efficiency System at the Property;

The tenant will be recharged for the council's reasonable costs of the removal, storage and / or disposal of the tenant's goods and personal possessions following the termination of the tenancy.

5.3 Emergency Repairs

An emergency is defined as a situation which puts someone's health, life or property in danger. In an emergency situation, the council will undertake all emergency repairs, including the boarding up of broken or damaged windows and doors. The council will recharge the tenant for the call-out charge and the full cost of undertaking any work which the council deems to be the tenant's responsibility (Section 4.35 of the council's Tenancy Agreement).

5.4 "Out of Hours" Repairs

In an "Out of Hours" situation, if the council attend a Tenant's home and the Tenant is not at home, or the council subsequently assesses that the reported "out of hours" repair falls within the 'Routine' repair category, the council may recharge the Tenant for the cost of the abortive call. (Section 5.2 of the council's Repairs Policy, March 2018). Routine repairs are non-urgent works with no health and safety issues.

Standard charges are listed within the "Schedule of Costs for Recharges" document. The "Schedule of Costs for Recharges" is subject to an annual review to be carried out by the Housing Repairs Manager. Where a rechargeable repair is undertaken "out of hours", an invoice will be raised within 10 working days and a 15% administrative charge will be added to the total amount payable.

5.5 Missed Repair Appointments

Where the Tenant misses a second confirmed appointment, the council may recharge the Tenant for the cost of the abortive call. (Section 5.1 of the council's Repairs Policy, March 2018)

Standard charges are listed within the "Schedule of Costs for Recharges" document.

5.6 Mutual Exchanges

Where the Tenant applies for a mutual exchange and the exchange is approved by the council, any rechargeable repairs identified as part of the mutual exchange process will become the responsibility of the person to which the tenancy is to be

assigned. The person who is assigned the tenancy of the property must sign to accept responsibility for the condition of the property in the form of a disclaimer. A list of all the rechargeable items will be provided in writing to both parties.

5.7 Leaseholders

Leaseholds of the council will be recharged in circumstances where the council has to carry out works to rectify damage, or dispose of items, or maintain an area which is assessed as the leaseholder's responsibility. Such circumstances may include, but not be limited to the following:

- Removal of rubbish from a communal area when it is causing an obstruction or is a hazard, e.g. fire or health hazard;
- Damage caused to the building or communal area by the leaseholder; a member of their family or their visitors;
- Damage caused to the building or communal area due to unauthorised alterations;
- Damage caused to communal areas e.g. gardens;
- Damage caused in Council properties by escape of water from leasehold properties.

For the purposes of this policy, a communal area is defined as, but not limited to, shared entrances, halls, stairways, passages, balconies, yards, lifts, fire escapes, roads leading from or to the property, grassed, cultivated, drying and play area, forecourts and other shared areas within the development boundary.

5.8 Notice to carry out the Recharge

Where the council identifies a rechargeable item, except for situations detailed in Section 5.3 'Emergencies', the council will service a Notice on the tenant or leaseholder which requires the tenant or leaseholder to carry out the works at their own expense and to a standard which is acceptable to the council. (Section 4.45 of the council's Tenancy Agreement). The Notice will include the following:

- details of the Works that the tenant or leaseholder is required to carry out,
- a reasonable timescale within which the Works are to be carried out
- an approximate cost that the tenant or leaseholder may be charged if the Works are not carried out by the tenant or leaseholder; or if the Works are not carried out to the council's reasonable standard.

The estimated charge will include the cost of:

- labour and materials,

- an additional administrative charge, (typically 15% of the total cost, excluding VAT) where the council has a written agreement with the tenant or leaseholder that the full cost does not need to be paid in advance, and
- VAT at the prevailing rate.

Where the required work is of a specialist nature, for example, works to electrical or gas installations, or to the heating supply, the tenant or leaseholder must arrange for the works to be carried out by an appropriately qualified contractor. The contractor must have public liability insurance. The tenant or leaseholder is to notify the council in order to gain prior approval for the use of the contractor to carry out the works.

The works must be carried out to a standard and within a time frame agreed in writing by the council. The council will post-inspect all works carried out and if this standard is not met then the council may undertake remedial works and recharge the tenant or leaseholder for the cost of undertaking the work.

If the tenant or leaseholder wants the council to undertake the works on their behalf the cost will usually have to be paid in advance, although, the council may exercise discretion in exceptional circumstances and agree a Debt Repayment Instalment Schedule with the tenant or leaseholder (see Section 5.10).

If the tenant or leaseholder does not confirm in writing to the council that they are to carry out the works, or to arrange for the works to be carried out within the prescribed period, or if the works are not carried out to the council's reasonable standard within the prescribed period, then the council will raise an appropriate order to carry out the works and recharge the tenant or leaseholder for the full cost of the works, plus any administrative charges, as appropriate.

5.9 Situations to waive the Recharge cost

If the council has to replace or repair items owing to the wilful damage or neglect of the council's property by the tenant or leaseholder, their family or a visitor then the tenant will be charged the full cost of the repair.

The payment must be made in full before the repair is completed, unless there are exceptional circumstances.

The council will consider waiving the recharge cost in the following circumstances;

- where a tenant has passed away and has 'no estate'.
- where a tenant goes into residential care and has no means to pay.
- where a tenant has been a victim of a crime, and who has reported the crime to the Police and obtained a crime reference number or valid supporting evidence from the Police. Damage must be as a direct result of the crime.
- where a tenant has been the victim of domestic abuse and damage to the property has been caused as a result,
- any damage which is accidental and meets the following criteria:

- the damage is not part of a history of repeated accidental damage, and
- the tenant or leaseholder has been identified as vulnerable and the damage caused is as a result of their vulnerability,
- any damage caused to the home of a tenant by someone behaving in an anti-social way (excluding members of the tenant's household or visitors to the property); The incident, including 'hate incidents', should have been reported to the council as an act of anti-social behaviour.
- where a person's vulnerability prevents them from adhering to their responsibilities as a tenant or as a leaseholder.

Vulnerability:

The council recognises that some tenants and leaseholders have additional support needs and that recharging the person for carrying out work which is their responsibility may not be an appropriate action. For example, the tenant may have learning difficulties, may have mental, physical or sensory disabilities, or may have a disability which impacts upon their performance of daily living tasks.

The council will consider each person's situation according to that person's individual circumstances.

5.10 Debt Repayment Instalment Schedule

Where a tenant or leaseholder has indicated that they cannot pay the invoice in full, a repayment instalment plan may be agreed so that the debt is repaid in full in line with Section 4.45 of the council's Tenancy Agreement. In order to initiate a Debt Repayment Instalment Schedule, the tenant or leaseholder must pay a minimum deposit of £5.00 to the council. The payment is to be made in cash to the council or by using a debit card.

The council may take further recovery action at any time following the introduction of a Debt Repayment Instalment Schedule. The council recognises that an individual may have multiple debts. In such instances, payment against any rent or council tax arrears would be classed as a priority debt and the Debt Repayment Instalment Schedule may be amended, following an assessment of the individual's current income and expenditure in order to prevent any enduring financial hardship.

5.11 Right to Review

Where a tenant or leaseholder requests a review of any aspect of a recharge invoice, the review will be carried out by the line manager or supervisor of the person who authorised the rechargeable item. The review will be carried out within 15 working days of receiving the request for a review. If the tenant or leaseholder is not satisfied with the outcome of the review, they are to make a Formal Complaint, under the council's Complaints Procedure.

5.12 Debt Recovery

The council will take all reasonable steps to recover a sundry debt which is raised under this Policy and in accordance with Section 5.1 of the council's Financial Regulations. The council will add all expenses incurred as part of the debt recovery process to the total amount of the debt.

Recovery steps include, but are not limited to:

- Contacting the debtor directly, by telephone or home visit, to prompt payment;
- Contacting an outside collection agency to collect debts over £25 and under £500. (For debts over £500, the originating Officer will provide a Statement of Truth before the debt is passed to the outside collection agents); or
- If an outside collection agency is unable to recover the debt, and the debt is over £500, the Legal Team will consider gaining a County Court judgment to enforce recovery of the debt.

The council will consider the personal circumstances of the debtor, including the vulnerability of the debtor, or any hardship which may result from recovering the debt, before commencing any debt recovery measures. However, there are situations when the council may decide not to take further recovery action and the debt is to be passed to be "written-off". These situations include, but are not limited to the following:

- The debt has been remitted by a Magistrate
- The debt is owed by a person or company subject to bankruptcy or insolvency proceedings, with little chance of the Council subsequently receiving a dividend
- The debtor has died and there are no or insufficient funds remaining in the estate to settle the debt
- It is not cost-effective to pursue the debt (either due to the small value of the debt itself; or due to the fact that enforcement might cost more than the debt to be recovered, balanced against the likelihood of recovering that debt);
- The debt is under £500 (except Service Charges, or Ground Rent debts); or
- The debtor cannot be traced.

Where recovery action is taken by the council, the cost of making an application to the County Court, or any other reasonable expenses incurred in recovering the debt will be added to the outstanding invoice amount.

When a debt which has been raised under this Policy is subsequently "written off" by the council as unrecoverable, the debt may be "written-on" at any time, at the discretion of the council.

5.13 Use of Discretion

The council may exercise its discretion at any time to undertake any work (which the council deems to be the responsibility of the tenant or leaseholder under the relevant tenant or leaseholder agreements), and recharge the tenant or leaseholder the full cost of the works carried out and any associated charges.

6.0 Related Policies, Procedures and Guidelines

This policy should be read in conjunction with:

- Broxtowe Borough Council's Tenancy Agreement
- Broxtowe Borough Council's Leaseholder Agreement
- Repairs Policy
- People with Additional Support Needs Policy
- Storage and Clearance of Belongings Procedure
- Housing Recharge Procedure

7.0 Review of the Policy

This policy will be reviewed every two years. It is not expected that there will be changes to regulation or legislation which will have an impact on the need to review this policy sooner.

8.0 Document History and Approval

Date	Version	Committee Name
06/04/2018	1.2	Amendments from Richard Smith
25/04/2018	1.3	Amendments from Sundry Debt Performance meeting
11/05/2018	1.4	Amendments from Mel Abbott
19/06/2018	1.5	Amendments from Resident Involvement Group (R.I.G)
28/06/2018	1.6	Amendments from Howard Turney
20/08/2018	1.7	Reviewed by Louise Price
31/08/2018	1.8	Review by Statutory Officers