



RECHARGES POLICY & PROCEDURES 2017

1.0 INTRODUCTION

Recharges arise when the Association undertakes a repair but charges the cost to the tenant rather than covering it from the reactive maintenance budget. Recharges may arise during a tenancy (e.g. a tenant has locked him/herself out and asks the Association to force entry) or when a tenancy ends and a pre-termination inspection identifies repairs to the property which are the responsibility of the tenant.

This policy and procedure covers tenancies only and for the avoidance of doubt excludes sharing owners and shared equity owners. Procedures may vary in accordance with the Terms of Lease for properties which are owned by the Association and leased to other organisations.

2.0 POLICY STATEMENT

The key aim of the Associations approach to recharges is;

“To establish and maintain a consistent and transparent approach to the issue of charging tenants (for work which they are responsible) whilst ensuring that the process involved is operationally efficient and effective”.

3.0 CURRENT TENANCY RECHARGES

- ✓ Customer Services Assistants should gather sufficient information by means of appropriate questions at the time of receiving a report to enable them to identify whether the repair may be rechargeable
- ✓ If the repair may be rechargeable, the staff member receiving the report will provide the tenant with relevant advice and information which may reduce or eliminate the extent of recharging
- ✓ If recharging cannot be eliminated altogether, staff will advise the tenant of the Association’s Recharge procedures and implement these.

Where the repair is of an emergency, health and safety, security or structural nature the Association will complete the repair at the minimum level of work to resolve the emergency nature or the minimum necessary to remove any threat to health, safety or security. No deposit is required in advance of work when the repair is an emergency, health and safety, security or structural. However when a deposit is not paid, only the minimum level of work to resolved the emergency nature of the work will be undertaken, or the minimum necessary to remove any threat to health, safety or security.

Where the repair is **not** an emergency or a, health and safety, security or structural matter, the tenant will be requested to pay in full before the instruction of work.

All glazing repairs must be paid in full.

If the repair is not for glazing and the tenant is vulnerable (being someone who lacks the capacity to organize the repair themselves by reason of age, infirmity, mental or physical disability or illness) the repair will be instructed without a deposit.

If the tenant is not vulnerable, a deposit must be paid and the minimum deposit that will be accepted is £10.00

The Assistant Technical Services Manager will monitor the incidence and occurrence of rechargeable repairs, and identify to the Assistant Housing Services Manager any who are incurring an unusually high number, in order that an appropriate intervention may be considered.

Customer Services Assistants will review all repairs reported to the Call-out emergency service and ask for further information from the contractor where any may be rechargeable.

4.0 VOID RECHARGES AT PRE TERMINATION STAGE

When a tenant advises Housing Services that they will be terminating their tenancy, the Assistant Housing Services Officer will arrange an inspection which will be undertaken jointly by the Housing Services Officer and Technical Services Officer (Inspections). This inspection will identify potentially rechargeable works prior to the ending of the tenancy. Work will not be instructed at this stage but tenants will be given the opportunity to undertake certain aspects of the work themselves, with the requirement that materials used and quality of work done being satisfactory. The Association may refuse permission for tenants to complete the work where it could not be completed satisfactorily within the period of notice.

A void inspection form will be completed by the Technical Services Officer (Inspections) which will include a trade repair sheet and, from this, a list of recharge items will be itemised. The tenant will be invited to sign the list of recharge items.

Details of rechargeable items will be sent to the outgoing tenant by the Assistant Housing Services Officer and copied to the Housing Services Officer. Where possible an estimate of the cost of any recharge will be provided to the tenant. However, it may not be possible to estimate the cost of houses which have suffered extensive damage.

Photographs of the rechargeable items will be taken at this stage to provide further evidence to support the recharge.

5.0 NON STANDARD ITEMS

Where non-standard items i.e. items which differ from the Association's range of fixtures and fittings, floor coverings etc. are found these may be left in the property for the incoming tenant as long as they do not pose any health and safety to the tenant.

If any incoming tenant advises Housing Services that they do not wish any of the items left by the outgoing tenant then the Association will replace these with standard items and not recharge the outgoing tenant.

6.0 VOID RECHARGES AT POST – INSPECTION STAGE

Once the keys for a property have been returned by the outgoing tenant the Assistant Technical Services Officer will arrange for a post termination inspection to be carried out by the Technical Services Officer (Inspections). Where additional “rechargeable” items are discovered at this stage further photographic evidence will be retained on file for future reference.

The Assistant Technical Services Officer will advise Finance staff of the amount which the tenant is to be recharged and provide the associated invoice/s from the contractor.

The Void Inspection Sheet from the pre-termination visit together with a photocopy of the “recharge page” completed and signed by both parties (at the pre-term inspection) along with any photographs taken at the pre termination stage will be collated and retained by the Assistant Technical Services Officer to assist with any enquiries from the tenant / former tenant relating to the basis of the recharge.

7.0 RESPONSIBILITY AND ADMINISTRATION

Customer Services are responsible for:

- ✓ Identifying, and quantifying supporting evidence - Technical Services Officer (Inspections).
- ✓ Collating supporting evidence – Assistant Technical Services Officer.
- ✓ Dealing with enquiries relating to the basis of the recharge - Assistant Technical Services Officer & Technical Services Officer (Inspections).
- ✓ Making arrangements for instalments - after invoice issued - Housing Services Officer or Assistant HSO
- ✓ Monitoring payments - Housing Services Officer.
- ✓ Passing debts to the Debt Collection Agency and monitoring collection - Assistant Housing Services Manager.
- ✓ Compiling report for Committee on unrecoverable debts -Assistant Housing Services Manager.

Finance Services are responsible for:

- ✓ Sending out invoices.
- ✓ Collection of payments.

Staff working on recharges will be responsible for using the SDM diary system to record material events and provide references to other documents in order to keep all departments informed on the progress of the recharge such as telephone conversations and visits.

An action indicator should be activated by Housing Services Officers to indicate any changes to the status of the account. ‘Pop up’ flags should be used on rent accounts to flag up the existence of rechargeable repairs. This will prompt Housing Services

Officers to discuss them with the tenant. These prompts should be cancelled following satisfactory conclusion. If an account is with the Debt Collection Agency, care should be taken to avoid overwriting the Debt Collection Agency action indicator when raising a new action on the account.

8.0 INVOICING AND PAYMENT ARRANGEMENTS

The Assistant Technical Services Manager will review the recharge and sign approval for invoicing.

The Association aims to invoice tenants (or former tenants) as soon as possible and will usually issue accounts within 4 weeks of contractors invoices being received. If it is not possible to send the invoice within this 4 week period, the Assistant Technical Services Manager will consider whether the charges should be cancelled.

Charges levied by contractors should be subject to scrutiny by staff and any charges in excess of agreed rates, repeat charging or unsupported charges should not be recharged.

Finance Services will invoice the tenant. A covering letter will be issued with the invoice which will;

- ✓ Advise the tenant to query the invoice within 14 days.
- ✓ Encourage early settlement of the account by offering a 25% discount for payment within 14 days of the date of issue of the invoice.

Invoices should be clear and concise to enable the tenant (or former tenant) to recognise what they have been charged for, how much they have been charged and provide supporting documentary photographs to support the recharge. Information relating to charges that are not relevant to the account should be removed or clearly marked as "Not Applicable"

Finance Services will issue the invoice supported by the corresponding invoice from the contractor and documentary photographs. If the account remains unpaid after 28 days or if the tenant requests payment by instalments this should be referred to the appropriate Housing Services Officer.

Anyone who disputes charges should be directed to use the Association's Complaints Handling Procedure. This will enable their dispute to be reviewed thoroughly.

Where a tenant requests payment by instalments the appropriate Housing Services Officer will write to the tenant confirming the payment arrangements, (enclosing an 'Arrangement to Pay Form'. The Housing Services Officer will thereafter monitor payments.

If no contact or payment is made within 28 days by a current tenant, Housing Services Officer will contact the tenant. If no satisfactory agreement is reached from this contact, Housing Services will pass the debt to the Debt Collection Agency at the end of the following month. Housing Services will notify the Debt Collection Agency of new debts at the end of each month and will liaise with the Debt Collection Agency to monitor collection.

In relation to former tenants, Housing Services will continue to attempt to make contact. However where;

- ✓ no contact or payment is made,
- ✓ no forwarding address is available and
- ✓ all attempts have been made to locate the debtor without success

The debt will be passed to the Debt Collection Agency at the end of the following month.

Where a current tenant has an existing unpaid recharge with the Debt Collection Agency, a new recharge will be passed immediately to the Debt Collection Agency and the tenant will be advised.

9.0 WRITE OFF PROCEDURES

If the debt collection agency has tried as far as possible to recover the debt without success then the debt collection agency will notify Housing Services.

9.1 Former Tenants

On a six monthly basis the Assistant Housing Services Manager will prepare a report detailing all those rechargeable repairs relating to former tenants which are deemed unrecoverable with a recommendation that they be written off. This report will be presented to the Management Committee for approval.

Where a tenant has died any recharge will be treated as an unpaid debt to be recommended for write off.

A recommendation may also be made by Housing Services Officer to write off recharges in response to tenant feedback or complaints

Small claims court action may be considered where it is felt that this is a financially viable route for the Association. This will only be used where documentary evidence exists on file of the tenant's employer and we are sure that this action is likely to be successful.

9.2 Current Tenants

Current tenants' debts should be maintained on the accounts until the tenant becomes a former tenant or until paid in full.

10.0 INFORMATION TO TENANTS

Tenants will be provided with clear information on the Associations policy on recharges.

11.0 REPORTING & MONITORING

The Management Team will consider twice yearly in conjunction with the above write off process:

- ✓ The number of recharges raised

- ✓ The value of recharges raised (with values banded into those above £500 and those above £1,000);
- ✓ The receipts from recharges;
- ✓ The general operation of the recharge procedures.

The above information will also be provided to Committee when considering any write off reports.

Reports on recharge outcomes will be prepared by the Head of Customer Services, with assistance from the Head of Finance and Corporate Services, if required.

12.0 POLICY REVIEW

This document will be formally reviewed at least every 3 years.

Graeme Wilson
Head of Customer Services

3rd February 2017

Policy Review Consultation Process

Agreed by Management Team on	26th January 2017
Reviewed by the Customer Services Committee on	2nd February 2017
APPROVED BY THE MANAGEMENT COMMITTEE ON	24th February 2017
Date of Next Review	February 2020