



## **RECHARGEABLE REPAIRS POLICY 2021**

### **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 themselves 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 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 Association's 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 payment is required in advance of work when the repair is an emergency, health and safety, security or structural.

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. Where the tenant is unable to pay in full, we will consider the circumstances on

whether a deposit may be paid to allow the repair to be instructed. The minimum deposit that will be accepted is £10.00.

If the tenant is vulnerable (being someone who lacks the capacity to organise the repair themselves by reason of age, infirmity, mental or physical disability, illness or some other good reason) the repair will be instructed without a deposit.

All glazing repairs will be rechargeable unless the tenant can provide a valid crime reference number. Glazing repairs are covered under the Right to Repair Regulations and will be instructed without the requirement for any deposit or payment up front, and with any compensation due to the tenant for the time taken to complete the repair being deducted from any recharge prior to issue.

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 Property 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 Property 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.

Where potentially rechargeable repairs are identified and advised to the tenant, the Assistant Housing Services Officer will contact the tenant during the period of notice and remind them of the need to complete repairs before departing and the consequences of not doing so.

#### **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 risk 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 a post termination inspection will be carried out by the Property Services Officer (Inspections). Where additional “rechargeable” items are discovered at this stage further photographic evidence will be retained on file for future reference.

On completion of a Void Inspection that identifies potentially rechargeable items that are the responsibility of the former tenant, the Property Services Officer (Inspections) will consult with the Housing Services Officer with responsibility for that former tenancy on the prospects of collectability.

Accounts which are uncollectable would include those where the tenant has:

- Abandoned
- Died or moved to hospital/residential care
- Been evicted with rent arrears/recharges outstanding
- Ended tenancy with significant rent arrears or recharges (> 3 months)
- When it is proposed NOT to recharge the former tenant on grounds of collectability, the Property Services Officer (Inspections) will record on the void inspection form their estimate of the likely total value of rechargeable repairs and shall present the completed form, with estimated value of rechargeable repairs for approval by a designated budget holder in accordance with the limits set out at Section 21 of the Financial Regulations and Detailed Financial Procedures
- The Property Services Manager will periodically select a sample of properties for scrutiny to ensure that the Property Services Officer’s estimate of the likely value of rechargeable repairs is reasonably comparable with the actual value of such repairs, and take appropriate action if the estimate is significantly different from the estimated value.

If the decision is to recharge the former tenant, the Assistant Housing Services Officer should immediately contact the former tenant to advise that:

- Rechargeable items were noted at the end of tenancy
- An account will follow in due course
- That payments should commence immediately with all sums received being credited to the account.

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

The Tenant Diary on SDM should be used by all staff to indicate recharges or any changes to the status of the account. This will prompt Housing Services Officers to discuss them with the tenant. The Tenant Diary should be updated following satisfactory conclusion of all recharges whether paid, amended or waived. 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 Property Services Manager will review the recharge and approve for invoicing.

Invoices for under £50 works costs will not be recharged. Instances where accounts are delayed for more than 6 months will not be recharged.

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

Where a decision was made to waive a deposit from a current tenant on grounds of vulnerability prior to carrying out a reactive repair, the Property Services Manager will consult with the Housing Services Manager as to whether the tenant's circumstances have significantly changed and whether payment of the full account is likely to be collectible.

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 60 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 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 Director of Customer Services, with assistance from the Director of Finance and Corporate Services, if required.

## 12.0 POLICY REVIEW

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

Andrew Gibb  
Property Services Manager

### Policy Review Consultation Process

Agreed by Management Team on	6 <sup>th</sup> April 2021
Recommended by the Customer Services Committee	15 <sup>th</sup> April 2021
<b>APPROVED BY THE BOARD OF MANAGEMENT</b>	<b>29<sup>th</sup> APRIL 2021</b>
<b>Date of Next Review</b>	August 2024

Approved