

Procedure

Debt Management –tenancies

1. Introduction

- 1.1 This procedure outlines the council's debt collection process for tenants and is a guide for members and officers.
- 1.2. In the first instance, the council will invoice tenants. The invoice will:
 - state what payment is required for
 - detail the total amount due
 - account for VAT, where appropriate
 - state the date by which payment is due, i.e., 30 days from date on invoice
 - detail how and where to make payments
 - provide contact details for enquiries
- 1.3. If payment isn't made within 14 working days of the specified payment period, i.e., 30 days from when the invoice was sent out, a reminder will be sent.
- 1.4 If payment isn't made after a further seven working days, a final reminder letter will be sent. The final notification letter will inform the tenant that if payment isn't made in full, the council will start legal proceeding to recover the debt.
- 1.5 If payment still isn't made after a further five days, legal proceedings will commence. The tenant will be notified.

2. Instalments

- 2.1 The council aims to recover all debts within the payment period. In exceptional circumstances, the council will consider a proposal from a tenant to clear a debt by instalments.
- 2.2 Any proposal must be realistic, and the debt must be cleared within one calendar year.
- 2.3 Any agreement to recover a debt by instalment must be approved by the finance manager or the town clerk.

3. Authorisation levels

- 3.1 All action up until eviction, including court proceedings, will be delegated to the town clerk.
- 3.2 Authorisation for eviction must be sought from the council.
- 3.3 The town clerk has authority to write off debts up to £250.

4. Reporting

- 4.1 Outstanding debts over £1,000 and over three months in age will be reported to the council's Strategy and Finance Committee.
- 4.2 The council's Strategy and Finance Committee will be notified on actions and progress on debts where legal action is being taken.

5. Conduct

- 5.1 The council will maintain confidentiality and debts will be discussed in exempt business, only.

6. Communication

- 6.1 All correspondence will be in plain English.
- 6.2 Correspondence will be by letter or email; any reference to letter includes email correspondence.
- 6.3 All verbal agreements will be confirmed in writing.

Supporting Procedure

This policy is supported by a policy, **appendix A**.

Implementation date: 3 March 2021

Review Date: March 2024

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March 2021