



Colin Huntington  
Strategic Director  
Housing, Environment and Healthy Communities  
Civic Centre  
Regent Street  
Gateshead

Dear Colin

### **Rent Arrears for Former Tenants and Sundry Account Debts Transfer of Uncollectable Amounts**

A review has been carried out by the company with a view to recommend to the Council the transfer of arrears into a debtors account.

In consultation with Council officers the following criteria were identified to be used in the review:-

- **Debts created before 1 January 2014**
- **Debts created after 1 January 2014** but where there is no forwarding address known or the former tenant is not at the forwarding address
- **Debts created after 1 January 2014** but former tenant is deceased
- **Debts created after 1 January 2014** but former tenant in care
- **Debts created after 1 January 2014** but there is no evidence to support recovery
- **Debts created after 1 January 2014** but the case is of a sensitive nature
- **Debts created after 1 January 2014** but unable to collect the debt
- **Debts created after 1 January 2014** but uneconomical to pursue
- **Credit balances** where traces have been unsuccessful
- **Sundry Account debts** where relevant former tenant debts have previously been transferred to a debtors account
- **Discharged Bankruptcy and Debt Relief Orders**

Using these criteria, there are 430 cases totalling £248,475 of former tenant arrears of which 297 cases amounting to £33,412 relates to individual debts under £500. There are 831 sundry account arrears amounting to £158,512 of which 800 cases amounting to £128,209 relate to individual debts under £500. A further 45 cases of bankruptcy or debt relief orders amounting to £61,636 that have now been discharged and therefore require transferring to the debtors account. In addition, there are 355 accounts with credit balances amounting to £40,625 that would be transferred to offset the proposed transfer of debts. The total amount to be transferred to a debtors account is £427,998

Should you require any further information please do not hesitate to contact me

Kind Regards

Neil Bouch  
Interim Managing Director

