

Write Off Policy



Dalmuir Park Housing Association can provide this document on request, in different languages and formats, including Braille and audio formats.

<i>Purpose:</i>	To establish the Association’s procedure for Write Offs of bad debt that is considered irrecoverable.
<i>Guidance used for developing the policy:</i>	DPHA Financial Regulations and Procedures
<i>Policy complies with following Regulatory Standards:</i>	Standard 2 - The RSL is open and accountable for what it does. It understands and takes account of the need and priorities of its tenants, service users and stakeholders and its primary focus is the sustainable achievement of these priorities. Standard 3 - The RSL manages its resources to ensure its financial well-being and economic effectiveness.
<i>Policy is linked to the following DPHA Policies</i>	DPHA Financial Regulations & Procedures Income, Arrears and Debt Recovery Policy
<i>Date Policy last reviewed:</i>	January 2022
<i>Date revised policy approved by the Board of Management (or People & Policy Sub Committee if delegated):</i>	December 2024
<i>Date policy is next due to be revised:</i>	December 2027
<i>Equality Impact Assessment carried out for policy?</i>	Yes
<i>Publish on the Website:</i>	No

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1. Introduction

- 1.1 This policy sets out the expectations and procedure for DPHA to minimise debt while maximising income to the Association.
- 1.2 We will implement systems and procedures to identify all income due to be received, and will ensure, so far as is possible, that all monies due are paid to us.
- 1.3 The income streams at DPHA affected are:
 - Rent and service charges from tenants.
 - Factoring charges from owners
 - Rechargeable repairs to tenants.
 - Fee income from Dalmuir Out of School Care Group (Parents' fees)
- 1.4 The procedures for dealing with bad debts and write offs will include:
 - Carrying out all reasonable steps to recover the debt.
 - Identifying any debt with may prove uncollectable.
 - Putting in place a provision in the annual budget to cover potential bad debt.
 - When the debt proves uncollectable, write off the debt with the appropriate scrutiny and authority.
- 1.5 Once it becomes clear that there is little likelihood of recovering a sum due, steps should be taken to seek approval to write off the debt.

2. Irrecoverable Debts

- 2.1 Budget holders are required to regularly, at least monthly, review the various categories of accounts and identify those accounts where avenues for recovery have been exhausted and are subsequently deemed to be un-collectable.
- 2.2 Debts will be regarded as being irrecoverable (uncollectable) where:
 - Due to legal reasons the debt cannot be pursued (debt is prescribed due to age of debt, debtor is sequestrated/deceased with no estate);
 - Debts of less than £100 which are uneconomic to pursue (i.e. it is not considered cost effective and the debtor is no longer a current customer);
 - The debtor has no forwarding address and attempts to trace them have proved fruitless over the last 12 Months and this has been verified by the, Finance and Customer Services Manager
- 2.3 There is no realistic prospect of recovery for another reason and this has been verified by the Finance and Customer Services Manager Budget holders are required to maintain full records of such transactions. These will be reviewed and

agreed by the Finance and Corporate Services Manager, to test and confirm that the debts meet the write-off policy requirements prior to seeking write off.

- 2.4 Thereafter, a summary of write-off cases greater than £100, meeting the criteria, will be submitted to the Board of Management for approval to write off the debt. This will happen at the end of each financial quarter.

3. Procedural Framework

- 3.1 The procedures for bad debts will cover rent, service charges, rechargeable repairs, factoring fees and parents' fees.
- 3.2 Rechargeable repairs will be paid for in advance, where possible.
- 3.3 All debts will be pursued and, if over £500, all legal remedies will be utilised where available/appropriate to effect recovery, but all available legal remedies may be pursued.
- 3.3 Write-off lists for rents, service charges, rechargeable repairs, factoring fees and parents' fees will be submitted to the Board of Management for approval to write off (over the value of £100)
- 3.4 Whilst the debt will be written off for active recovery and accounting purposes, should the debtor become known to the Association at a future date, we will re-instate the debt and re-commence recovery action in all cases.
- 3.5 The Chief Executive can approve the write-off of irrecoverable debts (up to the value of £100) within their delegated authority.

4. Implementation and Review

- 4.1 The Finance and Corporate Services Manager will ensure that this policy is implemented and that appropriate procedures are in place to identify potential and actual bad debts, and to arrange for write-off where required.
- 4.2 The Finance and Corporate Manager will ensure that this policy is reviewed at least every three years, and that any amendments required are submitted to the Board of Management for approval.

5.0 Equality and Human Rights

- 5.1 We are committed to promoting an environment of respect, understanding, encouraging diversity and eliminating discrimination by providing equality of opportunity for all. This is reflected in our Equality and Human Rights Policy

6.0 Data Protection

6.1 We will treat personal data in line with our obligations under the current data protection regulations and our Privacy Policy. Information regarding how data will be used and the basis for processing data is provided in our Customer Fair Processing Notice.

7.0 Complaints

7.1 Although we are committed to providing high levels of service, we accept that there may be occasions where you may not be satisfied with the service you have received from us. We value all complaints and use this information to help us improve our services. Our Complaints Policy describes our complaints procedure and how to make a complaint.

8.0 Review

8.1 This policy will be reviewed by the Board every 3 years or earlier if required.