


Writing off Debts and Credits

If you have difficulty with sight or hearing, or if you require a translated copy of this document, we would be pleased to provide this information in a form that suits your needs.

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Our Vision, Mission Statement and Values

Glen Oaks' vision statement '**Where Communities Thrive**' and our mission statement '**Our aim is to provide good quality affordable housing and an excellent service. We will encourage resident participation and work with other agencies to regenerate our community**' provide the foundation for Glen Oaks Housing Association's commitment to its residents and the communities they live in.

This commitment is also demonstrated in the Association's values which were agreed following discussions with the Board and staff. Glen Oaks' values are fundamental to how we carry out our day-to-day activities.

Our values are:

respectful

we trust and respect our customers and each other

dedicated

we will give 100% commitment to our work

transparent

we will be open and honest about what we do

aspirational

we will strive to achieve the best we can for our communities

Equality & Diversity Statement

The Association is intent on ensuring people or communities do not face discrimination or social exclusion due to any of the following protected characteristics: age; disability; sex; marriage & civil partnership; race; religion or belief; sexual orientation; gender reassignment; pregnancy & maternity.

This document complies with the Association's equality & diversity policy.

The Association will regularly review this document for equal opportunities implications and take the necessary action to address any inequalities that result from the implementation of the policy.

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1.0 Introduction

- 1.1 This policy outlines the way in which Glen Oaks Housing Association will address the issue of managing and writing off non-recoverable debts and non-refundable credits arising from the management and maintenance of its properties.

2.0 Compliance with the Scottish Social Housing Charter

Section 31 of the Housing (Scotland) Act 2010 states:

Ministers must set out standards and outcomes which social landlords should aim to achieve when performing housing activities. The document in which those standards and outcomes are set out is to be known as the 'Scottish Social Housing Charter'.

This policy is compliant with the following outcomes and standards:

Outcome 11: Tenancy Sustainment

Social Landlords ensure that:

- *Tenants get the information they need on how to obtain support to remain in their home; and ensure suitable support is available, including services provided directly by the landlord and by other organisations.*

Standard 13: Value for Money

Social Landlords manage all aspects of their businesses so that:

- *Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.*

Outcomes 14 and 15: Rents and Service Charges

Social Landlords set rents and service charges in consultation with their tenants and other customers so that:

- *A balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and service users can afford them.*
- *Tenants get clear information on how rent and other money is spent, including details of any individual items of expenditure above thresholds agreed between landlords and tenants.*

3.0 Definitions

- 3.1 A non-recoverable debt is one where an invoice or rent debit has been correctly raised but no payment or only part-payment has been made and there is no prospect of further recovery of the debt.
- 3.2 A non-refundable credit is where a credit exists on an account and the former tenant or owner cannot be traced to allow a refund to be made.
- 3.3 In circumstances where a debt has been considered non-recoverable, the Association's surplus will be reduced in the year in which the debt is written off as a bad debt. The reverse of the above applies where non-refundable credits are written off. Sums owing to the Association (i.e. debtors) are shown in the Balance Sheet at their realisable/recoverable value. It is important for financial planning purposes that an accurate picture of debtors is presented in order to avoid overstating potential income due to the Association at some point in the future.

4.0 Categories of Debt and Credits

- 4.1 Non-recoverable debts and credits affected by this policy may be defined as:
- Rent Arrears
 - Tenants' Rechargeable Repairs
 - Owner Occupier Charges and Rechargeable Repairs
 - Recharges of Court Costs
 - Charges to Owners or Lessees of Commercial Premises
 - Rent and Service Charge overpayments
 - Homeloss and Disturbance payments
 - Ex-gratia payments
 - Miscellaneous refunds
- 4.2 The Association would not normally consider any debt owed by a current tenant of the Association or a current owner-occupier or lessee within Association housing arrears to be non-recoverable and will take all reasonable steps to recover such debt in accordance with its Rent Arrears and Former Tenant Rent Arrears policies and procedures.

5.0 Criteria for Write Off

5.1 The Association will consider 'write offs' in the following circumstances:

Cat A	The individual is deceased, and their estate is insufficient to meet the debt (Delegated authority)
Cat B	The debt is under £100 and is not deemed economical to recover (Delegated authority)
Cat C	The individual has been admitted to long-term hospital or institutional care and has insufficient income or capital to meet the debt
Cat D	Forwarding address is unknown and 3 attempts to establish current whereabouts have been unsuccessful
Cat E	Case passed to debt recovery agency and no trace has been found of the debtor
Cat F	Forwarding address is known, reasonable attempts to contact have been unsuccessful and the level of debt in the context of the likely cost of recovery make it non-cost-effective to pursue
Cat G	The individual has been declared bankrupt or has been sequestrated and limited or no dividend is payable (Delegated authority)

6.0 Write Off Management and Adjustment Process

- 6.1 On an annual basis, as part of the budgeting process, the Association will make appropriate provision for bad debts that may require to be written off in the course of the following financial year. The amount of provision may vary from year to year in recognition that debt levels themselves may vary.
- 6.2 The Housing & Technical Managers will have delegated authority to write-off debts that fall under categories A, B and G. Any write-offs completed in these categories will be retrospectively reported to the Housing, Technical and H&S Sub Committee for ratification.
- 6.3 Bi-annually, the Association will consider debt cases that fulfil the criteria for write off and account adjustment and approve action as appropriate. Debts identified for write off will be presented for approval to the Housing, Technical and H&S Sub-Committee.
- 6.4 In the instance where an account is closed, and a credit balance remains, we will make reasonable efforts to issue a refund. However, if it has not been possible to do so, for example, forwarding address unknown, the credit will

be included in the bi-annual write off report presented to the Housing, Technical and H&S Sub-Committee

6.5 Cases for write off will be presented anonymously to the Housing, Technical and H&S Sub-Committee and no individual's details will be included.

6.6 In circumstances where a debtor is subsequently traced after writing off of the debts owing to the Association has taken place, the sums recovered are treated as income at the point they are recovered.

7.0 Responsibility

7.1 The Housing Services Director, Technical Director and Finance Director are responsible for ensuring this policy is implemented.

8.0 Review of the Policy

8.1 The Association will review this policy every 5 years.

8.2 More regular reviews will be considered where, for example, there is a need to respond to legislative or good practice guidance.

9.0 Links with Other Policies

- Rent Arrears Policy
- Rechargeable Repairs Policy

10.0 Complaints/Appeals

10.1 We accept that despite our best efforts, problems arise from time to time. Should you have a complaint about how this policy or procedure has been handled or any other issue in respect of its implementation, then you should use our complaints procedure. A copy of our complaints procedure is available on request, or can downloaded from our website.

10.2 If you require the policy on tape, in Braille, in large print, or in translation, please tell us when you contact us.