

DEBT RECOVERY PROCEDURE

WHAT IS COVERED IN THIS FACTSHEET?

We know that paying bills and balancing finances can sometimes be difficult, and that's why we'd like to help by offering information and advice in this factsheet. If you are having difficulty paying your bill, we hope the information here answers most questions you might have. It also explains how we can help you and the procedures we will follow.

I'M HAVING PROBLEMS PAYING MY BILL. WHAT CAN I DO?

If you think you may have problems paying your bill, we ask that you please contact us straight away, even if this is before your statement arrives. We want to help you as soon as we can, so rather than worrying alone, please do pick up the phone.

We will try to reach an agreement with you on how you can pay your bill, within a reasonable period and in amounts you can afford without undue worry. This could mean giving you longer to pay or giving you more convenient instalments, for example weekly, to suit your personal circumstances. We can also check you are not paying too much and advise how you might be able to reduce future charges. Simply contact us for more details and we will work it out.

Remember, too, that there are different ways to pay, and you can choose the most suitable payment method to meet your individual needs, such as by weekly payments, a payment card or by direct debit.

If any homeowner is experiencing difficulty in paying they should inform Greenbelt as soon as possible. Please also see below for details of agencies that may be able to offer you advice and assistance in dealing with money and debts.

DEBT ADVICE AGENCIES

Listed below are details of other agencies that provide on-line, telephone or e-mail debt advice services. These are provided independently and not in association with Greenbelt. This is not an exhaustive list and you may wish to make your own enquiries as to other providers of debt advice.

<i>Citizens Advice Bureau Scotland</i>	Contact Your Local Branch	
<i>Local Authority Money Advice Department</i>	Contact Your Local Authority	
<i>National Debtline Scotland</i>	0808 808 4000	www.nationaldebtline.co.uk/scotland
<i>Debt Advisory Centre Scotland</i>	0141 305 3020	www.dacscotland.co.uk
<i>Money Advice Scotland</i>	0141 572 0237	info@moneyadvicescotland.org.uk
Civil Legal Advice	0845 345 4 345	www.gov.uk/legal-aid
Debt Action NI	0800 917 4607	www.debtaction-ni.net

WHAT IF I DISPUTE MY BILL?

Overall our aim is to deal with disputed bills as quickly and as fully as possible and to keep homeowners informed if we require additional time. In the event a homeowner disputes a bill they should do so in writing, as soon as possible, within 28 days from issue of the bill in the first instance to the Greenspace Billing Manager who will respond within 5 working days of receipt, either giving a full reply or advising the homeowner that additional time will be required and stating a date by which she will respond.

If the homeowner is dissatisfied with the full reply of the Greenspace Billing Manager they must write to the Managing Director within 14 days of receipt of our full reply stating why they do not consider the full reply to be satisfactory. The Managing Director will confirm his decision in writing within 10 working days of receipt, either giving a full reply or advising the homeowner that additional time will be required and stating a date by which he will respond. The decision of the Managing Director is final.

If you live in Scotland, if you remain dissatisfied with the Managing Director's decision, and if you consider that we have failed to carry out our "property factor" duties in terms of the Property Factors (Scotland) Act 2011 ("the Act") or if you consider we have failed to comply with the Code of Conduct (set out in the Act) you can ask for a determination by the First Tier Tribunal Service (FTTS Panel). The FTTS Panel can be accessed on line at <http://www.housingandpropertychamber.scot>. To make a complaint to the FTTS Panel you must first notify us in writing of the reasons why you consider we have failed to comply with our duties or failed to comply with the Code and we must also have refused to resolve your concerns or have unreasonably delayed in attempting to resolve them. If the FTTS Panel accepts your case in relation to a disputed debt and refers it to a homeowner housing committee, Greenbelt will not apply any Late Payment Charges in respect of the disputed items during the period that the committee is considering the case.

WHAT HAPPENS IF I DO NOT PAY MY BILL OR DO NOT KEEP TO MY PAYMENT ARRANGEMENT?

Greenbelt Group Limited ("Greenbelt") has a duty to all homeowners to ensure all revenue owed to Greenbelt is collected efficiently and effectively for the benefit of all homeowners in the community. Non-payment by some homeowners can

sometimes affect the provision of services to other homeowners or result in other homeowners being liable to meet the non-paying homeowner's debts (if they are jointly liable for the debts of others in the group as per the terms set out within the Deed of Conditions pertaining to each individual development). For this reason it is important homeowners are aware of the implications of late payment. Where provided for in the property titles, Greenbelt will keep homeowners who are jointly liable for the debts of co-owners informed of any debt recovery issues of other homeowners which could have implications for paying homeowners (subject to the limitations of Data Protection Legislation).

Registered Proprietors (homeowners) are required to meet all due dates of payment whether these are annual payments or instalment payments.

Homeowners whose bills are not fully paid (or have not agreed a payment plan with Greenbelt) by the due dates will be subject to the debt recovery procedures set out below.

Definitions:

Debtor means the registered proprietor (homeowner) of a property where the Annual Management Charge remains outstanding for more than 28 days from the date of issue of the request for payment of the Annual Management Charge.

Joint Liability means a homeowner who is jointly liable with co-owner(s) on a development to meet non-paying homeowners' debts as per the terms stipulated within the Deed of Conditions/Title Deed pertaining to that property.

Late Payment Charges mean:

- (a) a fixed charge of £17.50 plus VAT on the date of the Late Payment Notice;
- (b) a fixed charge of £20.00 plus VAT on the date of the 7-Day Notice;
- (c) where provided for in the property titles, interest (at the rate defined in, and otherwise in accordance with, the relevant property title) on all sums which remain unpaid 12 months after the Invoice issue date; and
- (d) in respect of debts due in Scotland, a fixed sum of £100 plus VAT on the date of registration of a Notice of Inhibition.

All late payment charges are reviewed on an annual basis as at 1st April in each year.

Additional costs mean any costs incurred by Greenbelt when engaging a Third Party to recover the Annual Management Charge.

Following issue, each **invoice** is due for immediate payment.

28 days from the date of issue, if an invoice remains outstanding a Debtor will be issued with a **Late Payment Notice**. This Notice incurs the administration fee of currently £17.50 plus VAT.

On or after 7 days from issue of the Late Payment Notice the Debtor's outstanding account will be passed to Greenbelt's internal Debt Recovery Team, who will issue the debtor with a **Debt Recovery Letter** inviting payment from the debtor or alternatively asking that the Debtor contacts them to discuss the reasons for the continuing non-payment. The Debt Recovery Letter also outlines the various further options available to Greenbelt to recover the sums outstanding from the Debtor and advises that the Debtor about liability for further administration fees and Additional Costs relative to such recovery. Debtors still have the opportunity at this point to make settlement and avoid court action and are urged to do so.

On or after 14 days from issue of the Debt Recovery Letter, if no response or payment is forthcoming, the Debtor may be issued with a **Seven Day Notice**. This puts the Debtor on notice that Greenbelt will carry out one or all of the options available to Greenbelt to recover the sums outstanding, which options are set out in the Debt Recovery Letter. A further administration fee, currently **£20 plus VAT**, is charged to the Debtor for the additional administration involved in the recovery of their debt. The options available to Greenbelt are:

- Mortgage Lender – Contact will be made with your mortgage lender to advise of breaches in relation to the terms of your Title Deeds and your Mortgage Conditions.
- Debt Recovery – A letter Before Action (pre-sue letter) from our external solicitors. This is the last contact before a Small Claims Action is raised.
- Court Action – Proceedings will commence through the court and if a decree is granted, your outstanding debt may then be subject to judicial expenses awarded by the court as well as any other administrative expenses incurred in the pursuance of your debt, which will require to be paid in full. The decree, once granted, will be registered in the Registry of Judgments by the Court. This information is used by Credit Reference Agencies and may have a detrimental effect on your credit history and may affect your ability to obtain credit.

- Notice of Potential Liability for Costs (NOPL) – an application will be made to the Registrars of Scotland to register a NOPL on your Title Deeds, securing the outstanding debt and any subsequent unpaid charges. You will be liable for the costs of the application and the subsequent removal of the NOPL on settlement of all outstanding sums.

Where provided for in the property titles, Greenbelt reserves the right to apply interest (at the rate defined in, and otherwise in accordance with, the relevant property title) on all sums which remain unpaid **12 months** after the Invoice issue date, such interest to apply from the Invoice issue date until the sum due is paid in full.

If you live in Scotland, where it is considered appropriate following the grant of decree against a Debtor, the registration of a Notice of Inhibition may be instructed to be recorded against a property title. An administration fee of **£100 plus vat** for the additional administrative work and costs involved will be charged to the Debtor concerned.

If Greenbelt require to take legal action against a Debtor this will be done only after reasonable steps to resolve any outstanding matters have been taken. Notice of intention to take legal action will be given to the Debtor.

In addition to all of the above written communications Greenbelt will attempt to communicate with the Debtor by other methods, for example e-mail or telephone.

We reserve the right to refuse to agree a payment arrangement, if you have not kept to an agreement with us in the past.

Our Administration Fees for provision of our management and maintenance services include liaising with legal agents, preparing documentation and, where necessary, attending court when seeking recovery of a debt. No additional fee is charged for our role in this and any legal fees incurred in this process will be added to the defaulter's debt and included in the court action.

Ends