



**A HOMEOWNERS
GUIDE TO OUR
INCOME RECOVERY POLICY**



INCOME RECOVERY POLICY

Our income recovery policy provides clear guidance to our customers on the actions to expect in the event of non-payment of your account. Non-payment can have a negative impact on our ability to finance the continual delivery of services to your property. This is likely to affect your fellow homeowners, and as such, may need to be communicated to them, in the event that we are unsuccessful in collecting amounts due. An income recovery policy is stringently applied to ensure that all means possible are employed to recover debt from late and defaulting payers.

Invoices issued by RMG Scotland are due for settlement, in full, from the latest of the invoice date or payment due date. If you choose to pay by instalments it is your responsibility to monitor your account balance to ensure payments are sufficient to keep on top of charges being raised. Payment can be made by one of the following methods;

- Direct Debit
- Standing Order
- BACS / Electronic Transfer
- Card
- Cheque

If your selected payment method is Direct Debt RMG Scotland will review and adjust your instalments on an annual basis. However, please note this does not take away your responsibility in ensuring your payment amounts are sufficient outside of these reviews. Any large balances that are in place at the time of RMG Scotland's annual review are likely to lead to require high instalments to clear the balance in an appropriate timeframe.

Should you have a valid dispute in relation to a charge which appears on your account, please notify us of your dispute within SEVEN days of the payment due date. If we are unable to resolve your dispute immediately, you will be advised to withhold payment of the relative sum, but will still be required to make payment of the remaining balance to avoid income recovery action.

RMG Scotland encourages you to contact us should you experience difficulty in paying your account, to request an amendment to your Direct Debit or to agree repayment terms. This will help ensure you avoid recovery action and associated fees. Please call us on 0345 002 4499 – Our Customer Service Centre is open 24 hours per day, 365 days per year.



ADDITIONAL POTENTIAL ACTION

NOTIFICATION OF OUTSTANDING DEBT TO OWNERS

We will keep homeowners informed of any debt recovery actions with other homeowners which could have implications for them, subject to the limitations of data protection legislation.

Due to unpaid debt impacting on the ability to pay for goods and services at a property there may be times, once all other means have been exhausted, when the outstanding amount may be distributed as a cost under joint liability across all homeowners in the development.

IRRECOVERABLE LEGAL COSTS

All legal costs incurred by RMG Scotland will be recharged to the individual homeowner. If the situation arises whereby any of these costs cannot be recovered from the individual homeowners then they will be charged across the development in accordance with the homeowners Deed of Conditions.

IRRECOVERABLE DEBT

RMG Scotland will regularly review any debt that is deemed to be irrecoverable within a development. Examples of this may be debt from previous owners who failed to settle their account to the point of sale, current owners who have accrued debt that we have been unsuccessful in recovering through the courts and unrecovered debt that is significantly impacting the financial position of the development.

Charging out irrecoverable debt would be a last resort and only undertaken where all other options have been exhausted to ensure the financial position of the development to allow continued services. This would be done in accordance with the homeowners Deed of Conditions. Should it be deemed necessary to carry out such action, formal notice would be given. These charges will then appear on your next scheduled invoice.

As an example; a development of 30 properties with one debtor owing £1,000 and £300 in legal expenses. If Legal expenses cannot be recovered and need to be spread across all homeowners this would result in each homeowner paying £10 each. If we did not pursue the debt, eventually the cost would be deemed irrecoverable and the debt of £1,000 would then be spread across all homeowners, resulting in a £33.33 each.



INCOME RECOVERY STAGES

STAGE 1 – REMINDER NOTICE

If your account remains unpaid following 28 days of the payment due date, a reminder notice will be issued. A charge of £34.00 will be incurred for this action and applied to your account.

STAGE 2 – SHERIFF OFFICER, SOLICITOR OR DEBT RECOVERY AGENT

Should your account remain unpaid within 7 days following the issue of our reminder notice, your details will be passed to a Sheriff Officer, Solicitor or Debt Recovery Agent.

A notice of imminent legal proceedings will be served upon you at this time. The sheriff officer or debt recovery agent will charge a fee for this service. This fee is recoverable from you and will be charged to your account.

STAGE 3 – COURT PROCEEDINGS

At this stage RMG Scotland will charge an additional referral fee of up to £120 and court action for recovery of outstanding debt and associated legal expenses may be raised, in addition to the RMG Scotland fee, in the event of continued non-payment of your account. Where decree is granted by the Sheriff Court and payment of the account is not forthcoming, we will be forced to proceed with diligence action. Diligence is the term used to describe several methods creditors in Scotland can use to recover debts following a decision by the court. We will seek to recover the costs incurred from diligence in association with the debt from you.

NOTICE OF POTENTIAL LIABILITY FOR COSTS

In addition to our debt recovery procedure and in accordance with the Title Conditions (Scotland) Act 2003 and the Tenements (Scotland) Act 2004, a Notice of Potential Liability for Costs can be lodged on the title of your property with the Registers of Scotland. The notice is valid for a period of 3 years, unless satisfied by a Notice of Discharge following receipt of payment. The notice is registered against your property and states that you have unpaid charges in connection with this property. The existence of the notice will be an important title consideration at the time of selling your property if unpaid charges remain at that time.

The solicitor or debt recovery agent will charge a fee for lodging the Notice of Potential Liability for Costs which will be applied to your account. If you pay your outstanding balance, a Notice of Discharge can be provided, discharging the owner of the property with this obligation. You will need to pay the sheriff officer or debt recovery agent for a Notice of Discharge. Should your balance remain outstanding on expiry of a Notice of Potential Liability for Costs, this will be renewed on the same basis as above.



KEEPING ON TOP OF YOUR ACCOUNT

RMG Living provides a quick and easy way to make secure payments, view statements and check your account, also to keep in contact with us and report any issues. You can register at www.rmgliving.co.uk



LIVING

FINANCIAL DIFFICULTIES

Should you be experiencing financial difficulties we would urge you to seek advice from one the following free and impartial public bodies

Money Advice Service – www.moneyadviceservice.org.uk

Citizens Advice Bureau – www.citizensadvice.org.uk

National Debt Line – www.nationaldebtline.co.uk

Please also advise us of your situation, we may be able to assist in offering a payment plan, which if agreed and maintained will prevent recovery action on your account.

CONTACT DETAILS

Telephone number: 0345 002 4499

Email address: customerservice@rmgscotland.com

Registered office address: Unit 6, 95 Morrison Street, Glasgow, G5 8BE

Company Registration No. 591810

Registered Factor No. PF000763