

Factoring Debt Recovery Policy

Our Commitment

Argyll Community Housing Association is committed to provide equal opportunities across all services and to avoid discrimination. This policy is intended to assist ACHA to put this commitment into practice. Compliance with this policy should also ensure that employees do not commit unlawful acts of discrimination.

This policy can be made available in other formats, for example in large print, audio-format or Braille: the document may also be available in other languages, in full or summary form, as appropriate.

Factoring Debt Recovery Policy

Introduction

1. The Association aims to minimise the level of Factored owner's debt in a sensitive and effective manner.
2. This document sets out the approach we will take for effective debt management. It details the procedures staff should follow in terms of debt prevention and arrears recovery prior to taking legal action on unpaid factoring amounts.

Legal and Regulatory Framework

3. The Factoring Debt Recovery Policy and procedures will comply with the Scottish Housing Charter.
4. The Association will also operate within the legal framework, including the Tenements (Scotland) Act 2004, the Title Conditions (Scotland) Act 2003 and the Property Factors (Scotland) Act 2011. This means that the Association will supply owners with a written Statement of Services which will refer to our Factoring Debt Recovery Policy to ensure it is transparent to Factored customers. We will comply with the Association's Data Protection Policy in relation to information about owner's charges, accounts or financial circumstances.

Policy Aims and Objectives

5. The aims of this policy are to:
 - Introduce effective preventative measures to Factored owners arrears
 - Minimise and recover Factored owners arrears efficiently
 - Adopt a sensitive and reasonable approach to owner's individual circumstances.
 - Introduce clear performance monitoring systems

Arrears Prevention

6. The Association will undertake a range of measures to take preventative action.

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New Factored Owners

7. The Association will clearly explain when charges are due as detailed in the written Factoring Agreement or written Statement of Services.
8. Owners will be informed of the policy and procedures the Association follows on arrears. This Policy and related procedures will be made available to owners. The face to face contact will stress the importance of maintaining contact with the Association should problems begin to arise.
9. Owners encountering difficulty with meeting payments will be advised of sources of financial advice and support with debt, such as their local Citizens Advice Bureau.
10. Owners will be provided with a range of accessible payment methods. These will take into account the geographical disparity of the Argyll and Bute area and will encourage spreading costs over the year by making monthly direct debit or standing order payments.

Monitoring and Recovering Factoring Arrears

11. Factoring payments received will be monitored on a weekly basis of amounts due from quarterly invoices so that early preventative action can be taken.
12. All owners will be provided with a statement of their factoring account once a year.
13. Interviews with owners in arrears will aim to establish the reason for non-payment of invoices.
14. Payment arrangements will be monitored at each due date.

Legal Action

15. If an owner fails to respond to communications relating to non payment and the debt is of a significant level, the Association may begin legal

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proceedings to recover the outstanding amount. Legal action will be taken as a last resort once other options have proved to be ineffective.

16. The Association will seek to continue to negotiate with the customer, arrange repayment and inform them of appropriate sources of assistance.

Board of Management Responsibility

17. The Policy Committee/Finance & Audit Committee will be responsible for agreeing the Association's Factoring Debt Recovery Policy and any subsequent review.
18. The Board of Management will monitor the implementation of the Policy through reviewing performance reports on a monthly basis.
19. Staff Training will be provided to enable staff to confidently negotiate repayment methods and comply with the terms of the Policy.

Equal Opportunities

20. Argyll Community Housing Association is committed to equality of opportunity. All applicants will receive the same high quality of service irrespective of race, gender, sexual or political orientation, religious belief, disability, age or other personal attribute. Services will be provided in the way which best meets the individual needs of the applicant, for example through the provision of interpretation or signing services, availability of large print information, and information in ethnic minority languages. Every area of this policy will be undertaken with regard to equality of opportunity, and will comply.

Performance Standards

21. We will introduce a range of internal performance standards in order to monitor the effectiveness of our factoring debt recovery policy and identify areas where improvements are required.
22. Internal audit processes will ensure that procedures are being followed. Departmental audits will require a designated member of staff who has

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responsibility for carrying this out on an annual basis.

23. Reports will be submitted to the Board of Management on a monthly basis, based on the performance measurements used by the association.
24. The monitoring information that the Association will use will include:

Arrears: Amount o/s to date £+%

Customer Comments/Complaints

25. Owners concerns about the standards of service they have received during the implementation of our arrears policy will be dealt with through our Customer Comments and Complaints Procedures.

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