



DEBT RECOVERY PROCEDURE

Total Property Factoring & Management Ltd

Company No: SC875809 | Property Factor Registration: PF001165

Document owner	Company Directors	Version	1.0
Approved by	Company Directors	Status	Client-facing controlled document
Effective from	On publication	Review cycle	Annual or earlier following legal/regulatory change
Applies to	Factored homeowners, residents and authorised representatives	Published location	Website/client portal
Related documents	Written Statement of Services, Schedule of Charges, Complaints Handling Procedure	Primary contact	contact@totalpropertyfm.com

Reference framework

This document is intended to support transparent, consistent and evidence-based property factoring practice. It should be interpreted alongside the following reference framework:

- Property Factors (Scotland) Act 2011
- Property Factors Code of Conduct effective from 16 August 2021
- Tenements (Scotland) Act 2004, where applicable
- Title Conditions (Scotland) Act 2003, where applicable
- Relevant title deeds, deed of conditions, deed of appointment and owner decisions
- TPFM Written Statement of Services, Schedule of Charges and block-specific coverage documents

Where there is any conflict between this policy and the applicable title deeds, deed of conditions, deed of appointment, valid owner decision or mandatory legal requirement, the legally applicable arrangement will take precedence.

1. Purpose

This Debt Recovery Procedure explains how TPFM manages unpaid factoring fees, service charges, common repair costs, insurance premiums, reserve or sinking fund contributions and other properly authorised charges. The purpose is to recover sums fairly and efficiently while protecting the interests of all owners in the block.

2. Core principles

Charges will be raised transparently and supported by appropriate information where reasonably available.





Owners are expected to pay properly issued invoices by the due date stated on the invoice.

TPFM will act proportionately and will seek early engagement before costs escalate. TPFM will consider reasonable payment proposals where an owner is experiencing financial difficulty.

Persistent non-payment may result in legal or recovery action because unpaid common costs can unfairly burden other owners.

3. When this procedure applies

This procedure applies when an invoice, demand, advance payment request, project contribution, float, reserve fund or other valid charge remains unpaid after the payment due date. It applies to owners, former owners and any party legally responsible for factoring or common charges.

4. Standard recovery pathway

Stage	Trigger	Action	Indicative timescale
Invoice issued	Charge becomes due	Invoice or demand issued with amount, due date and payment methods.	As per billing cycle or project demand.
Reminder 1	Payment overdue	Friendly reminder by email, portal, post or telephone where appropriate.	Usually within 7-14 days after due date.
Reminder 2	Continued non-payment	Formal reminder requesting payment or contact to discuss the account.	Usually 14-28 days after due date.
Final notice	No payment or engagement	Final notice warning that recovery action may follow and that costs may be added where recoverable.	Usually 28+ days after due date.
Recovery escalation	No satisfactory resolution	Referral to solicitor, debt recovery agent, court process, Tribunal-related process or other lawful recovery route.	Case-by-case.

5. Payment plans and financial difficulty

TPFM will consider reasonable repayment proposals. A payment plan does not normally remove liability for the debt and may be withdrawn if payments are missed or if new invoices are ignored. Owners should contact TPFM as early as possible if they are struggling to pay.

- Payment proposals should state the amount offered, payment frequency and proposed start date.





- TPFM may request evidence or clarification where the proposal is materially below the outstanding balance.
- TPFM will balance the owner's circumstances against the need to protect the block, contractors and other owners.
- Urgent safety works, insurance premiums and common utilities may require faster recovery because delay can affect all owners.

6. Disputed invoices

If an owner disputes an invoice, they should explain the disputed item in writing as soon as possible and identify the outcome sought. TPFM will review the matter under the appropriate service, finance or complaints process. An undisputed part of an invoice should normally be paid while the disputed element is reviewed. Raising a dispute does not automatically suspend recovery action for unrelated or undisputed sums.

7. Late payment charges, interest and recovery costs

TPFM will only apply late payment charges, interest, administrative fees, legal expenses, court dues, solicitor costs or debt recovery charges where permitted by the title deeds, deed of appointment, Written Statement of Services, Schedule of Charges, valid owner agreement, court/tribunal order or applicable law. Any such charges will be explained and recorded transparently.

8. Former owners and sales

Where a property is sold, the seller remains responsible for charges properly incurred during their period of ownership unless the applicable legal arrangements provide otherwise. TPFM may provide final account information to solicitors and may deduct outstanding charges from funds held where lawful and authorised. Owners should notify TPFM of a sale as early as possible.

9. Arrears information and confidentiality

TPFM will handle arrears information carefully. It may disclose limited arrears-related information where necessary for transparent block accounting, owner decisions, recovery action, insurance, sale enquiries, legal proceedings or handover to an incoming factor. TPFM will avoid unnecessary disclosure of personal financial circumstances.

10. Recovery action and remedies

Depending on the circumstances, TPFM may use one or more lawful recovery routes, including solicitor letters, debt recovery agents, simple procedure, court action, inhibition or other remedies available under the title deeds and applicable law. TPFM may also seek to recover costs where recoverable. The use of recovery action does not prevent TPFM from continuing to invoice current charges.





11. Vulnerable owners and reasonable adjustments

Where TPFM is told that an owner is vulnerable, has a disability, has difficulty communicating or is experiencing severe financial hardship, TPFM will consider reasonable adjustments to communication and engagement. This does not remove the underlying liability for properly incurred common charges.

12. Audit trail

- TPFM will keep a clear record of invoices, reminders, communications, disputes, payment plans and recovery decisions.
- Recovery decisions will be proportionate and capable of being explained if challenged.
- Directors or senior management may review exceptional or sensitive recovery cases.

Governance, review and publication

- This policy is approved by the Company Directors and is maintained as a controlled document.
- It will be reviewed annually, or earlier following legal, regulatory, operational or insurance-related change.
- The current version may be published on the TPFM website and/or resident portal.
- Any material change will be communicated to affected owners where required by the Written Statement of Services, the Code or applicable owner agreements.

