



CaSSOA

THE CARAVAN STORAGE
SITE OWNERS' ASSOCIATION



ARREARS RECOVERY PROCEDURE

Procedural Guide To The Sale of Goods via The Torts Interference with Goods Act 1977

The purpose of this document is to detail the legal procedure to be used to recover any arrears in respect of stored caravans.

By removing the legal language it is hoped to describe the procedure in everyday words so that everyone is aware of the powers available.

However there are several words that must be used to give meaning to the advice, these words are explained thus:

Definitions

Bailee	For the purpose of this document the site proprietor will be identified as the bailee.
Bailor	For the purpose of this document the owner of the goods will be identified as the bailor.
Goods	Includes all chattels personal other than money, therefore a caravan falls within the scope of goods.
Court	Any High Court or County Court.
Address	Means the last known address of the owner of the goods.

The advice in this document is restricted to Sections 12 & 13, and Schedule 1, Parts 1 & 2.

Full details of the Act can be located www.legislation.gov.uk/ukpga/1977/32

Section 12: Uncollected Goods

This section applies to goods in the possession or under the control of a bailee where:

(a) the bailor is in breach of an obligation to take delivery of the goods or, if the terms of the bailment so provide, to give directions to their delivery,

OR

(b) the bailee could impose such an obligation by giving notice to the bailor, but is unable to trace or communicate with the bailor,

OR

(c) the bailee can reasonably expect to be relieved of any duty to safeguard the goods on giving notice to the bailor, but is unable to trace or communicate with the bailor.

Schedule 1 Part 1 - Power to impose obligations to collect goods

For the purposes of section 12 (a) above, a bailee may, in the circumstances specified in this part of the schedule, by notice given to the bailor impose on him an obligation to take delivery of the goods.

The notice shall be in writing, and may be given either:

- By delivering to the bailor, OR
- By leaving at his proper address, OR
- By post, either registered mail or Signed For delivery.

The notice shall:

- specify the name and address of the bailee, and give sufficient particulars of the goods and the address where they are held, and
- state that the goods are ready for delivery to the bailor, or where combined with notice terminating the contract of bailment, the goods will be ready for delivery when the contract is terminated, and
- specify the amount, if any, which is payable to the bailor in respect of the goods and which became due before the giving of the notice.

Schedule 1 Part 2: Uncollected Goods - Notice of Intention to Sell Goods

6.1 A notice under Section 12 (3) shall:

specify the name and address of the bailee, and give sufficient particulars of the goods and the address or place where they are held, and;

specify the date on or after which the bailee proposes to sell the goods, and;

specify the amount, if any, which is payable by the bailor to the bailee in respect of the goods, and which became due before the giving of the notice.

6.2 The period between giving of the notice and the date specified in the notice as that on or after which the bailee proposes to exercise the power of sale shall be such as will afford the bailor a reasonable opportunity of taking delivery of the goods.

6.3 If any amount is payable in respect of the goods by the bailor to the bailee and became due before giving of the notice, the said period shall not be less than three months.

6.4 This notice shall be in writing and shall be sent by post in a registered letter, or by the Signed For delivery service.

A sale of goods under the provisions of Section 12 gives good title in the goods to the purchaser as against the bailor.

However where the bailor is not the owner of the goods a sale under Section 12 does not give good title, and the procedure is not recommended.

A bailee in exercising his powers of sale has a duty to obtain the best price available in the circumstances, and deduct from the proceeds of the sale the amount payable by the bailor and any costs incurred. Any outstanding balance to be retained for collection by the bailor.

Proprietors are advised to seek the advice of a solicitor or other legal professional prior to using this procedure.

Arrears Recovery Procedure - The Torts (Interference of Goods) Act 1977

Preliminary Action

1) Attach a Possession Notice (Lien) to the caravan & secure it with an additional clamp. The attachment of a lien entitles you to retain the caravan until the arrears are discharged, but does not entitle you to sell the caravan.

2) Notify the owner (by Signed For delivery) that you have attached a Possession Notice (Lien). If after an acceptable period of time there is no response to the Lien, commence the Torts Procedure as follows:

Recovery Action

1) Enquire with CRiS (tel: 01722 411 430) to verify whether the caravan is subject to finance.

2) If the caravan is subject to finance, then abort the Torts Procedure and seek recovery via the courts.

3) If there is no finance on the caravan, continue with the Torts Procedure.

4) Send a written Notice To Collect to the caravan owner by Signed For delivery.

5) Four weeks from the date of posting the notice to collect, send a written Notice To Sell, again by Signed For delivery.

6) Retain the caravan safely for a period of 3 months from the date the notice to sell was posted.

7) You have a duty to obtain the best value you can for the caravan, and it is advised that you obtain a written valuation from a caravan dealer, and consult the Glass Caravan Valuation Guide.

8) As the date of sale approaches, write to the caravan owner to inform him/her of the date of sale.

9) When the sale is complete, deduct your arrears and expenses incurred from the proceeds and retain the balance for the caravan owner.

10) Retain a copy of all documentation and audit trail of the recovery process.

11) For the avoidance of any doubt, personalise all documentation with your business name.

The Office of Fair Trading has issued guidance that caravan owners should be given every opportunity to settle their arrears before the ultimate sanction of sale.

Sample Notices for use in the Arrears Recovery Procedure

Notice To Collect Goods - Section 12 (1)	
Details of Bailor	
Name	
Address	
Phone	
Description of Goods	
Make	
Model	
CRiS Number	
Accessories (specify)	
The above caravan is stored at:	
and can be collected on or after:	
Amount of Arrears in Lieu of Storage:	
The total arrears at the date or termination of storage contract are £	
This notice complies with the provisions of Part I of Schedule I of The Torts Interference with Goods Act 1977.	

Notice To Sell Goods - Section 12 (3)	
Details of Bailor	
Name	
Address	
Phone	
Description of Goods	
Make	
Model	
CRiS Number	
Accessories (specify)	
The total arrears due up to the date of this notice is £	
To the bailor of the above described goods, take notice that the goods will be sold following the expiry of three calendar months from the date of this notice unless the due amount is settled in full.	
This notice complies with the provisions of Part 2 of Schedule I of The Torts Interference with Goods Act 1977.	

Attachment of Possession Notice (Lien)	
WARNING: The site fees in respect of this caravan are overdue. Therefore a Possession Notice (Lien) has been attached to the caravan with immediate effect. The Possession Notice (Lien) will remain in force until such time as it is discharged by payment of the arrears or otherwise.	
Signed (Site Proprietor)	
Date	

Recovery of Arrears - Audit Trail

Date Recovery Action Commenced:
Date Notice To Collect Posted:
Date Notice To Sell Posted:
Caravan Valued By:
Caravan Value:
Recovery Costs:
Date & Venue of Sale:
Client Notified of Date of Sale:
Amount Deducted from Sale Proceeds:
Retained Balance for Former Client:
Date Balance Collected:
Date Closed:

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