



# Shelter—Tackling Mortgage Repossessions: the Scottish approach

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# What has happened in 2009?

- Increasing arrears, possessions and losses
- Increasing unemployment but low interest rates and inflation
- BUT not reached forecast levels
  - Low interest rates and inflation
  - Increased lender forbearance

# The Political and Regulatory Environment

- Mortgage Regulation
- Treating Customers Fairly
- FSA Thematic Review
- Dear CEO Letter 27 November 2008
- Pre-Action Protocol
- Changes to ISMI
- Mortgage assistance/rescue schemes
- Section 11 Homelessness etc (Scotland) Act 2003
- Forbearance
- UK Homeowner Support Scheme
- Repossession Group in Scotland

# What have CML been doing?

- Developed consumer information for borrowers in arrears
- Introduced new industry guidance on arrears policies
- Leaflet for MPs and MSPs
- Introduced new training programme for staff in arrears management
- Regulation of sale and leaseback companies
- Shelter --“top tips for dealing with customers in arrears”

# Home Owner and Debtor Protection (Scotland) Bill

- Ability of Court System to cope
- Statutory Instrument and Guidance on Pre-action requirements

# Landlord repossession—Position of Tenants

- Problem not quantified
- Not problem where BTL or lender consented
- Lender innocent party
- Legal and regulatory obligations of lender towards landlord
- Other solutions?